36TH LEGISLATURE OF THE VIRGIN ISLANDS

TESTIMONY

BEFORE THE COMMITTEE ON

HOUSING, TRANSPORTATION & TELECOMMUNICATIONS

PRESENTED BY

VIRGIN ISLANDS WASTE MANAGEMENT AUTHORITY

HEARING DATE & TIME

Tuesday, November 10, 2026
9:00 A.M.

SUBMITTED BY

HANNIBAL “MIKE” WARE

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Introduction

Good morning, Chairman Blyden, members of the Committee, legislative staff, and the viewing and listening public. I am Hannibal "Mike" Ware, Executive Director of the Virgin Islands Waste Management Authority. Accompanying me today are the heads of Finance, Wastewater, Engineering, Grants, Projects, and Human Resources: Mr. Griffith, Mr. Smith, Mr. Bruney, Mrs. Moe, Ms. Lewis, and Mrs. Callwood.

Our residents need dependable garbage collection and a wastewater system that works. Our responsibility is to provide those services, explain where we are falling short, and take corrective action. Today I will address our progress, the problems that remain, and the decisions necessary to move forward.

In just over twelve months at the Authority, I have testified before the Legislature three times, and my staff has appeared twice. We have also submitted detailed written responses. My December 2, 2025 testimony outlined the conditions we inherited, including an annual operating deficit exceeding $9 million, and established priorities for the following twelve to twenty-four months. Our FY2027 budget testimony, wastewater testimony, and subsequent written responses provided further updates. I respectfully request that these submissions be incorporated into today's record.

The present request covers seven broad areas encompassing nearly every major responsibility of the Authority, many of which we have addressed recently. I will therefore build on the existing record while providing the specific updates requested. A coordinated reporting schedule tied to meaningful milestones would help the Committee evaluate results and allow the personnel responsible for these submissions to focus on maintaining services and delivering projects.

Over the past year, we have been changing how this Authority operates. We are reducing excessive reliance on outside contractors where practical, rebuilding internal operating capacity, strengthening financial and procurement controls, and establishing clearer accountability. These are not overnight changes, especially with aging infrastructure and limited resources. But our responsibility is not simply to manage inherited problems; it is to build an Authority better equipped to serve the people of the Virgin Islands.

Funding and equipment constraints are real and well known. We also need to do a better job with the things we control. I take responsibility for that.

Reliable and accessible garbage collection

The Territory depends on house-to-house collection, public bin sites, convenience centers, and transfer facilities. Approximately 17,000 accounts receive house-to-house collection: 13,000 on St. Croix and 4,000 on St. Thomas. St. John does not currently have house-to-

house collection. Terrain, narrow roads, and safe vehicle access determine the appropriate service model in each community.

During the most recent thirty-day reporting period, St. Croix reported 1,008 scheduled collections and 66 delays, principally attributable to staffing and equipment challenges. St. Thomas reported 180 scheduled collections, 13 missed collections, and 15 delays caused by to equipment failures. St. John reported three days of missed collection when its rear-loader was temporarily assigned to St. Thomas during a contractor service suspension. These measures reflect the reliability challenges we must correct, and we will continue monitoring missed and delayed collections rather than relying solely on descriptions of effort.

On St. Thomas, a rear-loader transferred from St. Croix is supporting in-house collection. The roll-on/roll-off truck failed on October 20 because of an engine problem; parts have been ordered, with delivery anticipated during the week of this hearing. On St. Croix, two of four roll-on/roll-off trucks are operational. Parts for the other non-working ones are on island, and repairs are being advanced.

To alleviate these issues, drivers are sharing available vehicles, longer routes are dispatched first, and supplemental crews and later shifts are used when necessary. These measures have helped keep routes moving, but they are temporary workarounds, not a substitute for a dependable fleet. We are also onboarding two drivers and six sanitation technicians, tentatively beginning this month.

On St. John, the absence of the stake-body truck limits the removal of bulky, illegally dumped materials. The stake-body truck is at the dealership for repairs, and the St. Thomas truck is sent to St. John on Saturdays to assist.

The October, 2026 interruption demonstrates how quickly a cash-flow problem becomes a public-service problem. On October 6, a contractor suspended collection for nonpayment, affecting eight St. Thomas bin sites. We mobilized Authority personnel, extended operating hours, and coordinated assistance. Regular service resumed October 9 following payment. Our staff responded, but residents should not have to depend on emergency mobilization to receive routine service.

We continue pursuing the $350,000 grant-funded procurement of two smaller rear-loaders for a St. Thomas collection pilot, initially in Garden Street and subsequently in other communities. Two prior solicitations received no bids. Best and Final Offers are now due November 13, 2026. We will report the procurement outcome and any resulting delivery schedule once established.

We recognize that seniors, persons with disabilities, and residents without vehicles need accessible options. On St. Croix, appointment-based service for seniors and persons with disabilities is available Mondays, Wednesdays, and Fridays; on St. Thomas, Tuesdays and

Thursdays; and on St. John, Mondays, Wednesdays, and Fridays. Convenience centers must complement, not replace, arrangements for residents unable to transport their own waste.

Keeping the public informed is also part of dependable service. We are expanding radio appearances, public-service announcements, and community presentations. Our CLEAN campaign is planned for rollout before year-end to communicate more consistently about proper disposal, available services, and residents' responsibilities.

Sewage overflows and immediate repairs

Our wastewater crews confront daily emergencies caused by severely deteriorated infrastructure. Much of the collection system dates to the 1960s and 1970s. Aging lines collapse or become blocked, resulting in overflows that threaten neighborhoods, streets, and coastal waters. Every day, our crews are out there maintaining pump stations and treatment plants, cleaning lines, making repairs, and responding to overflows while permanent replacement projects advance.

Our last four testimonies have provided details on how we are addressing these issues, including complete replacement of pipes and pump stations, and documenting our new Wastewater Optimization Program, designed to improve coordination, planning, and project delivery. For today's hearing, the Committee asked for specific areas to be covered. I will address each of these below.

In Frenchtown, the main sewer line collapsed because of deterioration of its concrete pipe. The site is on reclaimed land with high groundwater levels, which complicates excavation. A prior replacement attempt was halted by groundwater entering the excavation. An interim point repair is paused while our excavator is repaired. The current estimate is approximately one and a half weeks for equipment repair and two and a half additional weeks for sewer repair after work resumes. Until then, crews pump the affected area three times weekly and more often as needed. Permanent replacement is planned under the Prudent Replacement program. These time frames remain estimates contingent on equipment availability and site conditions.

In Nadir, an extended power outage and failure of the pump station's standby generator allowed wastewater to remain in the sewer line, where accumulated grease cooled and solidified. Crews cleared the blockage and restored flow, and an interim generator repair returned the equipment to operation. The immediate incident has been resolved; continued maintenance remains necessary.

In the Cancryn area, a collapsed 42-inch ductile iron sewer line remains on bypass. The line is approximately 25 feet deep, requiring substantial excavation support and groundwater control. The temporary system conveys wastewater to the Cancryn Pump Station, a critical facility for moving wastewater out of the city. A contractor has been selected under the Early Action program, and completion is estimated for mid-2027. Meanwhile, a modified manhole

approximately 1,000 feet east of the station serves as a temporary pumping location, with an aboveground pipeline conveying wastewater to the station.

The Cruz Bay pump station suffered from prolonged power outages affecting the wastewater treatment plant's influent pump station. We have resolved the issue and it is now fully operational with a working generator, two pumps, and new controls.

At Barren Spot on St. Croix, an emergency bypass pump remains in service while replacement pumps are procured. Replacement pumps for George Simmons and Power Boyd on St. John have arrived and are clearing customs, with installation anticipated within two weeks.

We have reorganized our personnel into dedicated line-and-manhole repair crews and separate cleaning-and-camera-inspection crews. This has improved our ability to respond to overflows while building a more preventive approach. EPA-funded equipment and computerized maintenance-management software are intended to improve maintenance scheduling, documentation, and in-house repair capacity. We will continue to assess response times and provide measurable results as reliable comparative data become available. Permanent replacement under the FEMA-funded Prudent Replacement program will proceed alongside this daily work.

Federal grants and project delivery

At our budget hearing, we outlined the Authority's federal capital portfolio. The October 31, 2026 supporting schedule reports approximately $3.526 billion in total awards, approximately $3.517 billion obligated, and approximately $35.5 million expended. These are different stages of grant funding and must not be confused with cash received or amounts eligible for reimbursement. We will provide the Committee a corrected, category-specific schedule.

The Committee requested an update on the $6 million EPA Waste Diversion Grant, subaward WMA-HWDRSUPPL-2023-001, whose approved period of performance ended September 30, 2026. Procurement evaluation and vendor selection were timely completed for a horizontal grinder, excavator, and trommel screen. Payment-request packages totaling approximately $3.234 million have been submitted to the Department of Planning and Natural Resources for review.

The HUD-related suspension effective July 20, 2026 affects VIWMA projects that had not received a Notice to Proceed before the suspension, subject to the terms of the applicable agency direction. Projects identified as affected include Anguilla Landfill Phased Closure and Southeast Fill Area, Bournefield, Susannaberg, Red Hook, and Smith Bay convenience-center projects. Cancryn has also been reported as on hold; its specific funding and authorization status must be confirmed in the project schedule. The suspension has delayed approvals, procurement, payment processing, and construction planning. We are

coordinating weekly with the Virgin Islands Housing Finance Authority and Office of Disaster Recovery. No confirmed date for lifting the suspension has been provided.

We will distinguish work expressly prohibited by the suspension from any work that may continue under existing authorizations or written funding-agency direction. We cannot responsibly promise construction dates dependent on federal decisions we do not control. At the same time, the Authority is responsible for keeping its own documentation, schedules, and required submissions current so projects can proceed promptly when authorized.

Our Grants Division maintains monitoring records for periods of performance, reporting deadlines, expenditures, reimbursement submissions, and outstanding deliverables. Grants, Engineering, and Projects are coordinating to identify delays, assign corrective actions, and track their resolution. Following concerns raised by funding partners about slow project progress and administrative reporting, I have directed stronger milestone tracking and follow-up. We must improve our own execution while working with federal and territorial partners to resolve external obstacles.

Landfills, consent decrees, and waste diversion

Preserving disposal capacity while meeting federal consent decree obligations remains among our most urgent responsibilities. Anguilla on St. Croix and Bovoni on St. Thomas operate under federal consent decrees and related court-approved compliance requirements. The Authority continues environmental monitoring, reporting, corrective actions, and work toward closure and replacement disposal infrastructure. The risk of further delay is not theoretical: it includes regulatory exposure, environmental impacts, and the possibility of inadequate disposal capacity.

Anguilla has essentially reached its current disposal capacity. We are awaiting Coastal Zone Management approval for an extension expected to provide approximately four additional years of capacity. This is an estimate dependent on approvals and actual disposal rates, not a guaranteed operating life. The larger closure and expansion project remains on hold because of the CDBG-DR funding suspension. Once funding is restored and the required authorizations are in place, we intend to solicit engineering, management, and oversight services to advance the work.

We have submitted the Title V air permit renewal application to DPNR and continued technical coordination on closure documentation and the Southeast Fill Area. We are also evaluating long-term replacement disposal capacity on St. Croix. Anguilla’s existing capacity constraints make the timing of these approvals especially consequential.

At Bovoni, environmental monitoring, landfill maintenance, stormwater management, and slope-stabilization work continue to protect the Mangrove Lagoon watershed and surrounding coastal resources. We are pursuing closure and expansion planning while

reducing the volume of material requiring disposal. A current, supportable numerical estimate of Bovoni's remaining capacity and operating life is not established in the information available for this testimony; we will provide one when the underlying technical assessment is verified. It would be misleading to present an unsupported number.

Green waste diversion is an important part of preserving landfill space. We are expanding mulching and preparing to place the air curtain incinerator into service, with January 2027 as the current target, subject to operational and regulatory readiness. Once operational, it is expected to reduce vegetative waste volumes and accumulated stockpiles. In October, a public education campaign about this equipment generated approximately 4,600 online impressions and 298 engagements. We will continue explaining its purpose, operating safeguards, and role alongside other diversion measures.

We continue working with EPA, the U.S. Department of Justice, and other responsible agencies on realistic compliance and closure schedules, while maintaining environmental protections. Priorities include resolving permit comments, identifying replacement disposal capacity, aligning capital resources with federal grants, and advancing final-cover, stormwater, leachate, and other compliance infrastructure.

Waste diversion also requires accessible alternatives. Through the RePlastic partnership at Peter's Rest, 9,435 pounds of plastic have been collected. The program accepts clean plastics numbered 1, 2, and 5. Peter's Rest collection is available weekdays from 9 a.m. to 4 p.m., while the Industrial Park drop-off bins are accessible around the clock. Our team visited Claude O. Markoe Elementary School on October 21 to discuss recycling and environmental responsibility, and have partnered with WICO and the Department of Education on recycling bins in schools.

Enforcement is another component of responsible disposal. For FY2026, the division reports almost 1,000 citations, 200 permit inspections, 1,500 business visits, and 1,600 video violations. These are different measures of activity and should not be added together as unique cases. We will separately report assessed penalties and actual collections once the financial classification has been verified.

Convenience centers and disposal access

Convenience centers are intended to give residents lawful, accessible disposal options, improve control over waste entering the system, and support diversion from landfills. They must be developed alongside collection arrangements for residents who cannot transport their waste. The projects are at different stages, and their timelines depend on permits, site access, and funding.

At Estate Concordia, the design is complete. Years of illegal oil dumping required remediation and DPNR clearance before the project could proceed. Permit approval is anticipated by the end of November 2026, with construction ready to begin upon receipt of

the required permit. In the meantime, we established a smaller temporary convenience-center arrangement above the construction area. It has served the community well and received strong positive feedback.

At Estate Mon Bijou, final design is underway and submission is expected by November 15, 2026. Construction is targeted for February 2027, subject to required permits. At Estate Cotton Valley, preliminary design continues, with final design expected by January 2027.

At Red Hook, we are working to secure site control for environmental review and coordinating with the Department of Education on stormwater issues. Further grant-dependent progress will require resolution of the HUD suspension. Bournefield likewise remains on hold pending the relevant federal authorization. At Cancryn, an agreement has been reached to lease part of the former Addelita Cancryn School property, where demolition is underway; the project's funding-related hold must be resolved before grant-dependent work can advance.

We are also developing smaller interim convenience-center arrangements in Red Hook and Smith Bay to address immediate community needs.

Financial stability, fees, and accountability

As of October 31, 2026, accounts payable totaled approximately $41.3 million. Outstanding General Fund allotments for September and October totaled approximately $4,999,800. These are not merely accounting figures. Delayed cash receipts affect garbage contractors, landfill operators, wastewater suppliers, and other local businesses, and they can directly interrupt essential public services.

The Authority reports annual operating costs of approximately $58.4 million, identified government appropriations of approximately $39.9 million, and current tipping-fee revenue of approximately $3.5 million. We face two related but distinct problems: appropriated funds must be released on time, and our ongoing operating model needs sustainable revenue.

Under the mediated settlement with United Resources, Ltd. Co., the Authority is required to pay $87,500 per month through September 2027. Act No. 8954 appropriated $3.15 million for this obligation, but the Authority reports that those funds have not been received. As of October 31, the reported outstanding balance was approximately $1.75 million, with nine payments overdue. We continue working to address this obligation and the broader accumulation of vendor liabilities.

To create a more dependable funding structure, the Authority completed a comprehensive Solid Waste Fee Assessment. The assessment supports a proposed residential solid waste fee of $19.95 per month, projected to generate approximately $8.5 million annually. The proposed fee is intended to support collection, fleet replacement, maintenance, fuel, recycling and diversion, litter enforcement, and operational preparedness.

The assessment also recommends a tourism-based environmental stewardship fee of $3 per occupied hotel or short-term rental room night, projected to generate approximately $2.8 million annually. Visitors contribute to the waste stream, and a modest visitor-related contribution could reduce the burden on residents.

We are awaiting a Public Services Commission hearing date on the solid waste fee proposals and hope to be placed on the December docket. We will continue working through the applicable approval processes. Revenue reform is essential, but it does not eliminate our responsibility to improve cost control, collections, procurement, and performance.

We are also transitioning from volume-based to weight-based tipping fees, a more transparent approach to measuring disposal and billing for service. The three relevant locations are Anguilla Landfill, Bovoni Landfill, and the Susannaberg Transfer Station. Their scales have not been fully operational since Hurricanes Irma and Maria. At Anguilla, the scale requires calibration and we await the servicing vendor's estimate. At Bovoni, replacement is required; a scope of work has been prepared for solicitation, with installation targeted for the end of January 2027 if procurement and delivery proceed as planned. At Susannaberg, repaired controller equipment is being shipped back for reinstallation.

Based on current disposal-volume assumptions, the transition to weight-based fees is projected to generate approximately $2 million in additional annual revenue. That is an estimate dependent on functioning scales, adopted fee structures, actual tonnage, and effective collections. It is not guaranteed revenue. The larger objective is accurate measurement, fairer billing, and improved cost recovery.

Revenue reform must be accompanied by stronger controls. The Office of the Virgin Islands Inspector General's follow-up review of its 2022 contract administration audit identified progress in electronic procurement files, invoice review and approval, documentation of payment modifications, financial reporting, and contract monitoring. We have moved toward a hybrid delivery model combining stronger in-house operations with competitively procured services. Additional work remains to standardize written monitoring procedures, inspection documentation, and verification of contractor performance, including at bin sites and landfills.

We are also working to eliminate the backlog in annual financial audits. We currently target completion of the FY2025 financial audit by December 2026, subject to the remaining audit work and auditor confirmation. That would represent a substantial change from the situation identified in 2022, when the latest completed annual financial audit was for FY2016. Financial transparency is not optional; it is fundamental to restoring public and vendor confidence.

Staffing, labor relations, and safety

At the budget hearing, the Authority reported 187 filled positions and 28 critical vacancies. As of November 6, 2026, we have filled 11 positions since that hearing and report 49 vacancies overall, of which 26 are classified as critical. These are different vacancy measures: the earlier figure was critical vacancies, while the current 49 is the total across the organization. We must continue to explain those categories clearly so progress in hiring is not confused with changes in total authorized positions or vacancy classifications.

Priority needs include sanitation technicians, truck drivers, a Chief of Solid Waste, engineers, wastewater operations and maintenance technicians, and enforcement personnel. Recruitment continues, with anticipated onboarding dates of November 16 and November 30, 2026. Competitive compensation, pre-employment requirements, and candidate participation in interviews remain challenges. We are strengthening screening and hiring processes, particularly for positions carrying public safety and enforcement responsibilities.

The United Steelworkers bargaining agreement expired September 30, 2026, and negotiations are underway. The International Association of Machinists and Aerospace Workers agreement remains effective through September 30, 2027. The division reports no current wage-adjustment or retroactive-pay obligations for either unit. Pending grievances, including suspension and wage-disparity matters, are being addressed through established contractual procedures; we will not prejudge those matters in public testimony.

Completed safety training includes first aid and CPR, hazardous-waste operations, fire-extinguisher use, personal protective equipment, gas monitoring, confined-space safety, incident command, and emergency preparedness. Incident-reporting training is planned within sixty days, and wastewater traffic-control training within ninety days. The safety of our employees and the public must remain central to every operational improvement.

Conclusion

Chairman and members of the Committee, the challenges facing this Authority did not develop overnight, and they will not be resolved overnight. But progress is being made. We are rebuilding operational capacity, improving accountability, strengthening controls, and advancing projects essential to the Territory’s future. We also have more work to do, and I will continue to hold myself and my leadership team responsible for results within our control.

At the same time, the Authority cannot complete this transformation alone. Timely release of appropriated funds, sustainable revenue decisions, regulatory approvals, and coordinated action across government are essential. Those decisions determine whether we can keep critical equipment operating, prevent avoidable service interruptions, protect

federal funding, and move major landfill, wastewater, and convenience-center projects forward.

The public deserves reliable collection, functioning wastewater infrastructure, responsible landfill management, and an Authority that meets its obligations. Our performance should be judged by measurable service improvements, the resolution of overflows, stronger financial management, and projects that actually move forward—not simply by the number of times we describe the same challenges.

I welcome the Committee's continued oversight and its partnership in advancing solutions. Thank you. My team and I are available to answer your questions.