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23

ANNUAL REPORT

Paving the Pathway
to Resilience

FINCH SUPREME COURT

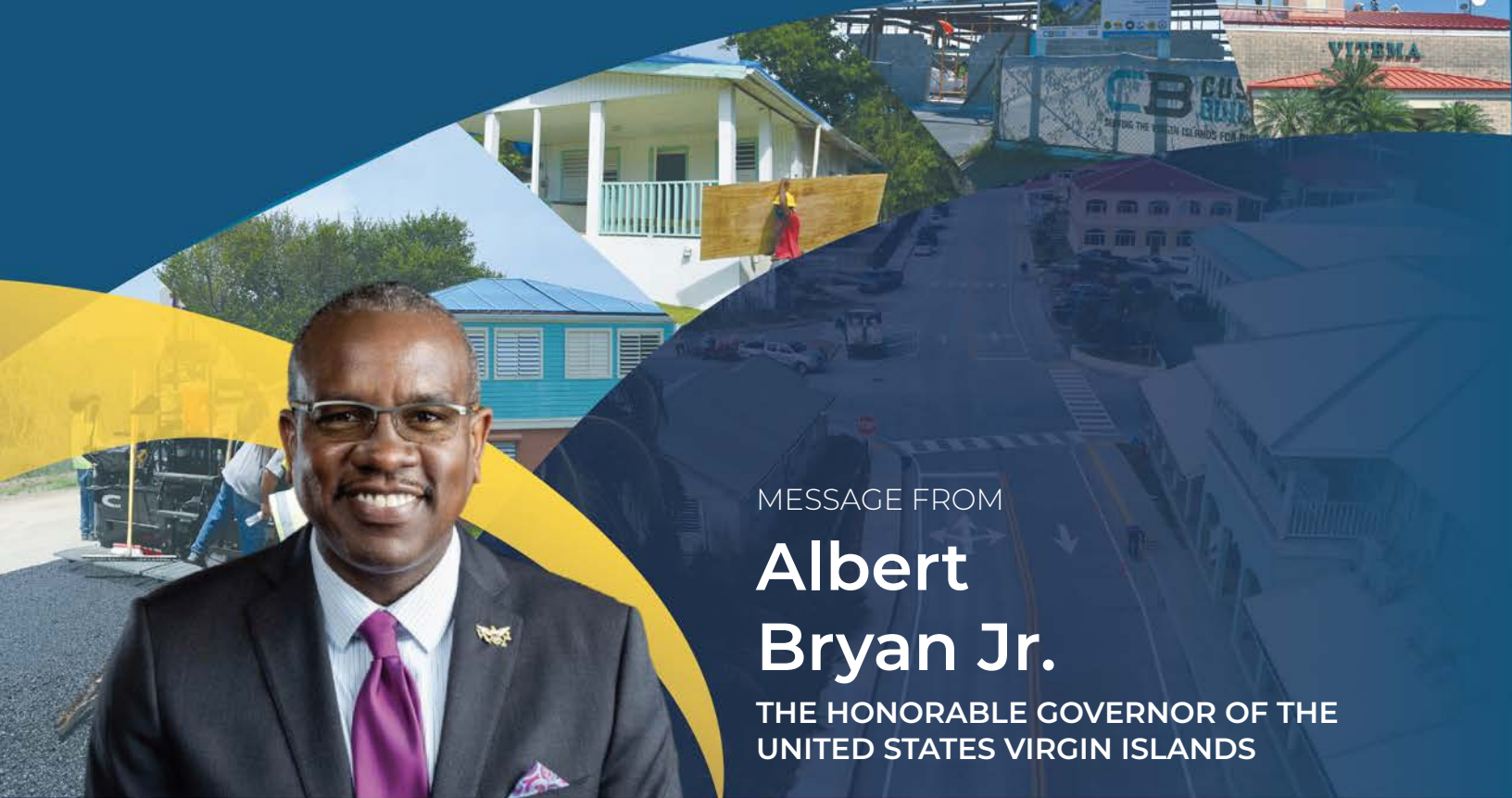
VITENA





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MESSAGE FROM

Albert Bryan Jr.

THE HONORABLE GOVERNOR OF THE
UNITED STATES VIRGIN ISLANDS

I am delighted to share with you the remarkable successes achieved in our ongoing hurricane recovery efforts throughout the U.S. Virgin Islands in 2023. Under the theme “Paving the Pathway to Resilience,” we have made significant strides in rebuilding and enhancing our community, with a focus on critical infrastructure projects.

of this year has been the progress made on the Gov. Juan F. Luis North Modular Facility and the design of our new state-of-the-art permanent healthcare facility. This project represents a significant milestone in our commitment to providing top-tier healthcare to all residents of our Territory.

The modular facility has already begun serving our community’s needs, and the design phase for the permanent facility is well underway, ensuring that we have a modern and resilient healthcare system for the future.

Additionally, we have embarked on other essential projects to improve our healthcare infrastructure. The demolition of the Charles Harwood Memorial Hospital signifies a new beginning for healthcare in the USVI. We eagerly anticipate the construction slated to commence before the end of 2024. Similarly, the transformation of the Charlotte Kimelman Hospital has begun, promising a state-of-the-art healthcare facility that will serve our community’s needs effectively.



Hallmark accomplishment completion of Gov. Juan F. Luis Modular Facility – JFL North

One of the hallmark accomplishments



In our commitment to education, we have witnessed the demolition of the Evelyn M. Williams Elementary School to make way for the construction of the Arthur A. Richards Pre-K-8 School. Our goal is to provide our young learners with the best possible educational facilities to empower their futures. Furthermore, the demolition of Head Start facilities throughout the Territory marks the beginning of construction on new, state-of-the-art Head Start centers, ensuring that our youngest residents receive the quality early education they deserve.

Housing remains a top priority, and we are pleased to announce the completion of Phase 1 of the Walter I. M. Hodge Pavilion housing community. This development is a testament to our commitment to providing safe and affordable housing options for Virgin Islanders.

Culture and community are at the heart of our recovery efforts, and we have seen the completion of the Elaine Lone Sprauve Library in St. John, a hub for knowledge and creativity.

In addition, the reconstruction of the Emile Griffith and Joseph Aubain ballparks showcases our dedication to fostering recreational opportunities and healthy

lifestyles within our communities.

These achievements are part of our broader vision to improve the quality of life for all Virgin Islanders. We remain committed to building a resilient and prosperous future for our beloved islands, and these milestones are just the beginning. Together, we will continue to pave the way towards a stronger, more resilient USVI.

I want to extend my heartfelt gratitude to our dedicated teams, partners, and all those who have contributed to these successes. Your unwavering commitment to our community has made these accomplishments possible.

Let us continue to work together, hand in hand, as we move forward on our journey to resilience and prosperity.





MESSAGE FROM

Adrienne L. Williams-Octalien

DIRECTOR, OFFICE OF DISASTER RECOVERY

Thank you for taking the time to review the Office of Disaster Recovery's (ODR) 2023 Annual Report. This year's iteration features highlights on recovery projects and initiatives across the Territory, merging ODR's strategic priorities, critical challenges, and significant achievements experienced from August 2022 to September 2023.

The ODR has made tremendous strides in confirming obligations, seeing an increase of over 100% compared to last year and expanding funding allocations from \$8 billion to \$10 billion, with the potential to exceed \$15 billion over the next few years. Entering 2024, the ODR intends to initiate the construction phase on the remaining larger, more complex projects, which require greater coordination for project delivery and more efficient processes. Our office has always understood the assignment, fully recognizing that time is

of the essence. Now that funds have been awarded to begin these projects, this is the time to move expeditiously toward construction while keeping a firm stance on a "Pathway to Resilience" that incorporates lessons learned and addresses challenges head-on. This includes ensuring that the remaining 62 unobligated projects move into construction within the next three years.

Looking ahead to the coming year, we can expect construction activities to focus on priority sectors, with significant spending dedicated to rebuilding educational and healthcare facilities. The addition of other critical complex projects, such as the prudent replacement of wastewater and water lines, will afford the Territory an unprecedented opportunity to reshape our outdated infrastructure.



This is an exciting time for the Territory as ODR sets its sights on bringing back shuttered facilities rebuilt resiliently, sustainably, and to industry standards for the people of the Virgin Islands. Rebuilding opportunities like the one afforded by the 2017 hurricanes and, most recently, the \$550 billion 2021 Bipartisan Infrastructure Bill require a significant amount of persistence, effort, and strategies to address workforce and housing capacity needs as well as supply chain issues.

To confront these challenges, the Office of Disaster Recovery has joined forces with several stakeholders to establish programs that bolster these efforts. The USVI Rebuild Plan is one of those initiatives designed to expand the pool of available contractors by

creating appealing project opportunities through the strategic sequencing of construction projects. This is no small feat. Strategies are being developed and put in motion to outline a navigable roadmap to garner the demanded success.

As we move forward, the Office of Disaster Recovery is committed to guiding the Territory through the next phase of transformation. Our goal of rebuilding our stunning islands remains the same, and we are grateful for the support and trust of every community member and stakeholder on this journey. With perseverance as our foundation, we are determined to create a brighter future and accomplish our mission of ***“Building a Legacy of Resilience.”***





MESSAGE FROM

Dayna Clendinen

CHIEF DISASTER RECOVERY OFFICER, VIRGIN ISLANDS HOUSING FINANCE AUTHORITY

We have made incredible strides and successes at the Virgin Islands Housing Finance Authority (VIHFA) throughout this fiscal year. This time has been marked by substantial growth, advancement, and significant changes as we persist in our essential mission to support the ongoing recovery, reconstruction, and fortification of the Territory's resilience.

Because of the due diligence and unwavering commitment to excellence in all stages of the process, our team was able to secure approval – on its first attempt – from the U.S. Department of Housing and Urban Development on our first Substantial Amendment to the V.I. Housing Finance Authority's Mitigation Action Plan (MIT Plan). This lays the foundation for the V.I. Water and Power Authority to complete the acquisition of Vitol's propane supply infrastructure for the Territory - a robust effort to meet the resiliency needs of the residents of the Territory and the first step in accessing \$145 million in Mitigation funding.

We also celebrated the successful launch of our Neighborhood Revitalization program, which garnered an overwhelming response. From the more than 400 residents who participated in our public hearings to the 77 dynamic project proposals we've

received, we've been truly excited to hear our community's vision for the revitalization of our towns and the development of our small businesses.

We have initially selected fourteen (14) projects, totaling \$5.1 million in recovery dollars that will be invested directly into building façade and street enhancement within our towns, along with providing technical assistance for small businesses. Projects include: repairs, from painting to light installation to the St. Croix Seventh-Day Adventist School; restoration of Zora's Sandal Shop on St. Thomas; the development of a disaster-recovery training program and small business incubator at the Economic Development Authority; and the creation of a skills program through Gold Coast Yachts for boat construction and other marine professions, among others.

In addition, under our new Housing Infrastructure Construction Program, we're already laying the foundation for a busy year ahead, including the building of 43 single-family homes that will be in construction in June of 2024. Architectural and engineering services for 30 percent of the designs have been put out to bid. These include the Queen Louise Revitalization (16 townhall-style homes) and Estate Fortuna (12, with an additional 8) projects on St. Thomas

and seven homes in Estate Mount Pleasant (West) on St. Croix. We remain committed to exploring opportunities on the island of St. John as well.

We are also celebrating:

- The graduation in September 2023 of two of our own – Mr. Kenobi Milligan and Mr. Dante Molloy – from the V.I. Department of Labor’s Skills for Today Construction Program. In total, 174 residents of St. Croix received certifications by the National Center for Construction Education and Research in Core Construction, while several of the participants went on to complete specialties in Welding, Pipe Fitting, Plumbing, and Electrical. At its inception, Skills for Today was designed to train 640 participants, but to date has provided instruction to 964 – an incredible accomplishment. VIHFA invested \$10 million in CDBG-DR funding for the program, which has also provided training in leisure hospitality, culinary, medical billing/coding, information technology, and data science.
- We strategically positioned ourselves for success by evaluating our existing resources, tools, and processes and replacing them with new, more efficient ones that enhance our job performance.

A prime example is the new procurement portal our team designed and launched that gives prospective bidders a chance to quickly see what projects are available, apply online, and track in real-time. As we have adjusted our solicitation strategy, we now promptly issue solicitations as opportunities emerge. Additionally, by allowing multiple contractors to bid on each project, we have awarded more contracts and continue to expedite the pace of home reconstruction.

- In a pivotal move, we are working towards centralizing disaster recovery operations through the Office of Disaster Recovery. While VIHFA remains the steward of our Territory’s disaster recovery funding, this transition with ODR as a subrecipient aims to streamline our efforts and ensure efficient management of disaster recovery programs, in line with best practices observed in other states and territories.

We are grateful for the public’s continued support and collaboration as we strive to create a stronger, more resilient community. Together, we are making a meaningful difference in the lives of the people we serve and we are confident that ODR will continue building upon the substantial foundation we have laid.



Section 2

Executive Summary



As Year 6 of USVI 2017 Hurricanes Recovery draws to a close, a major shift is underway from “getting the funds” to “spending the funds” as FEMA has less than 50 projects to fund, and key approvals have been received from HUD and other federal agencies. Meanwhile, the Territory has seen a surge of projects under design and construction, including notable groundbreakings and ribbon cuttings for completed projects over the past year.

In regards to “getting the funds,” **FEMA funding approvals are up more than 100% as compared to Year 5, with more than \$2 billion obligated this year and another \$3 billion in the approval pipeline,** raising the total to date to more than \$10 billion.

Most of the remaining funding to be obligated – estimated to be in the \$5 billion range – is associated with major water, wastewater and roadway projects, all of which are continuing to progress through the FEMA system. FEMA has also continued to collaborate closely with the Territory on

authorizing the replacement of critical infrastructure to modern industry standards instead of simply allowing repairs, with new facilities now approved for 29 school campuses, virtually all major healthcare facilities, including both hospitals and both homes for the aged, several fire stations and substantial portions of the water, wastewater and publicly owned communication systems.

Year 6 of the recovery also saw major progress for the second major funding source, HUD CDBG-DR/MIT. In August of 2023, HUD formally approved the Territory’s CDBG-MIT Action Plan, a precursor to gaining access to the \$895 million of Phase Four funding. Additionally, HUD promulgated the rules in the Federal Register for the \$77 million Phase Five, set aside for electrical system

improvements, for which the Territory can now begin to develop a distinct Action Plan.

As for “spending the funds,” This year’s completion of the Skills for Today Program is heralded as a huge success. Funded by a \$10 million grant from CDBG-DR and administered by the Department of Labor through its contractor ICF, the program admitted its last round of trainees in 2023. The program effectively trained over 950 Virgin Islanders in various high-demand fields and provided more than 170 St. Croix residents with certifications from the National Center for Construction Education and Research in Core Construction.

- Of the approximately 1500 FEMA Public Assistance projects, 62 remain to be obligated, of which 47 are fixed grant projects encompassing the more complex educational, health care, and infrastructure facilities. This is a significant reduction, considering in June 2022,

the ODR was tracking nearly 150 fixed-cost offers. Since then, the Territory has received 38 Fixed Cost Offers (FCO) from FEMA, totaling over \$2 billion.

- Since the start of the recovery, the Territory has expended \$3.2 billion to start and complete projects across various funding sources.
- ODR consolidated the operations of disaster recovery services with the Public Assistance and Hazard Mitigation Programs by acquiring office space on both St. Croix and on St. Thomas.
- ODR hosted its second Recovery Leaders’ Summit in February 2023 with key stakeholders of the recovery, aimed at aligning project priorities and timelines, discussing challenges, brainstorming solutions and fostering partnerships.
- ODR collaborated with recovery partners to streamline payment processing to assist with improving timely payments to vendors.



- In 2022 alone, the Territory paid out over \$460 million in recovery dollars.
- Seventy-three recovery projects were completed between August 2022 to September 2023, including the completion of the Temporary Hardened Structure at Governor Juan F. Luis Hospital on St. Croix, the completion of the Knud Hansen Women's, Infants & Children's Rebuild on the island of St. Thomas and the restoration of Sprauve Library and Museum on the island of St. John.

Looking ahead to the coming year, we can expect construction activities to focus on priority sectors, with significant spending dedicated to rebuilding seven educational facilities, including Arthur Richards K-8, Central High, and Charlotte Amalie High Schools, as well as six Head Start centers across all three islands. Major improvements will also be made in the healthcare sector through the reconstruction of the Charlotte Kimelman Cancer Institute,

Charles Harwood Medical Complex, and repairs to Queen Louise Home for the Aged. Additionally, construction activity at thirteen parks and public facilities, such as the Emile Griffith Ball Park, Charles Seales Fire Station, and the Enid Baa and Charles Turnbull Libraries, is expected. The commencement of infrastructure work on WAPA undergrounding projects in the St. Thomas District, completion of WAPA composite poles installation Territory-wide, as well as road and drainage improvements in Fish Bay, Botany Bay, and the Altona Lagoon Bridge area. While major progress has been made over the past year in resolving challenges impacting recovery, there are few that still remain to be addressed. As has been the case since the early days after the 2017 Hurricanes, the most significant obstacle to recovery remains the 10% match on the FEMA Public Assistance Program funds. While the Territory initially budgeted sufficient matching funds in its CDBG-DR/MIT

73


recovery projects were completed between August 2022 to September 2023



Action Plans based upon FEMA’s standard PA Program, the special provisions of the Bipartisan Budget Act of 2018 (BBA) have so substantially increased the amount of PA funding available that the Territory cannot meet its current 10% share without committing virtually all of the HUD allocation to this purpose at the expense of other critical housing, infrastructure and economic recovery projects. The Territory continues to seek relief in the form of a waiver under the Insular Areas Act even if only for the 10% match on the BBA critical infrastructure projects. The other major funding challenge is expediting FEMA processing of the last few dozen major PA projects, which can be accomplished by simple process adjustments to streamline the federal agency reviews, especially the cost reasonableness validations.

reconstruction, which could significantly reduce the timelines and costs of construction while maximizing the use of local contractors and the local labor force. As a part of Rebuild USVI, the Territory is working to streamline internal processes, including procurement, payment processing, and permitting, and to resolve key logistical, supply chain, and workforce challenges. Rebuild USVI also includes the establishment of a Super PMO to coordinate across all agencies, sectors, and funding sources to eliminate bottlenecks, maximize efficiencies, and ensure full transparency.

As for the final challenge, i.e., how to coordinate the implementation of a \$15 billion reconstruction program over the next decade, the Territory launched its Rebuild USVI initiative intended to attract major construction contractors from the mainland to participate in the



Rebuild USVI also includes the establishment of a Super PMO to coordinate across all agencies, sectors, and funding sources to eliminate bottlenecks, maximize efficiencies, and ensure full transparency.

SECTION 2

Office of Disaster Recovery



At the heart of the Virgin Islands' recovery efforts stands the Office of Disaster Recovery (ODR), unyielding in its vision to build a *resilient Virgin Islands*. This commitment is deeply etched in its mission to construct a safe, resilient community that transforms and fortifies the Territory's infrastructure. ODR achieves this through the development of robust systems, nurturing stakeholder collaboration, and undertaking recovery projects that set the stage for the community's prosperous growth.

Since its inception, ODR has played a critical role in managing federal recovery finances. The office has integrated efforts across governmental departments, semi-autonomous agencies, and private non-profit entities, focusing on channeling disaster recovery funds effectively and compliantly.

In line with its first strategic priority, getting the funds, ODR's responsibility has been to secure the requisite funding vital for the resilient rebuilding of the Territory. Subsequently, the office ensures that funds are expended, addressing the second strategic priority of spending the funds, but also that they initiate and complete projects within designated timeframes. This approach guarantees the timely allocation and utilization of funds critical for the Territory's recovery efforts.

Furthermore, ODR maintains an oversight mechanism, fulfilling its third strategic priority to spend funds correctly. These systems ensure that all executed projects meet relevant programmatic and regulatory standards, as internal audits are conducted for compliance. This approach underscores ODR's commitment to enhancing operational capacity.

Within the structure, the Public Assistance (PA) division administers all aspects of the PA Grant Program, and the Hazard Mitigation division oversees the programmatic and fiscal responsibilities of the Hazard Mitigation Grant Program. At its nucleus, ODR's team is charged with upholding compliance and steering the financial and strategic aspects of the Territory's disaster recovery efforts.

In the summer of 2023, the Office of Disaster Recovery applied to become a sub-recipient of the Territory's CDBG-DR funds. Through this expansion, ODR aims to foster synergy across various activities within the program, including Housing, Public Services and Facilities, Infrastructure, and Economic Revitalization. This will help accelerate vital programs like EnVIsion Tomorrow and support the organizational framework and recovery initiatives. Once approved, ODR will welcome the addition of 25 disaster recovery employees to provide direct operational management of the CDBG-DR program for existing and future projects.



Funding

In line with its first strategic priority of getting the funds, ODR has successfully increased anticipated allocations from \$8 billion to \$12 billion, with the potential to meet or exceed \$15 billion over the next few years. In 2023 alone, more than \$2.2 billion has been obligated as of August, marking a 100% increase compared to the funds secured in 2022. This brings the total amount of obligated funds to \$8.5 billion.

As of September 2023, the Public Assistance Grant Program has pledged \$6.15 billion of the prospective \$8 billion and has expended \$2.7 billion. All PA projects, excluding CAT B (Emergency Protective Measures) require a 10% match. The majority of CAT B projects for Hurricanes Irma and Maria were completed between 2017 and 2019.

The Hazard Mitigation Grant Program has secured \$178.25 million of the expected \$1.5 billion designated for the Territory. The Department of Transportation's

FHWA-ER program has committed \$66.3 million of the \$80.5 million apportioned for refurbishing roads and bridges in the Territory.

The HUD CDBG-DR initiative has been granted full access to its \$1.9 billion allotment with \$1.08 billion for Disaster Recovery and the recent approval of the CDBG-MIT \$774.2 million and another \$67.7 million for Electrical Grid work.

There are also other disaster-related funds from various federal entities, including the Department of Health and Human Services (DHHS), the US Department of Agriculture (USDA), the Department of Education (DOE), and the Department of Commerce, which have made an estimated \$215 million available to the Territory. Out of that

amount, \$116.5 million has already been spent benefiting local entities, including the Department of Planning and Natural Resources, the Department of Health, the Department of Education, and the VI Port Authority.



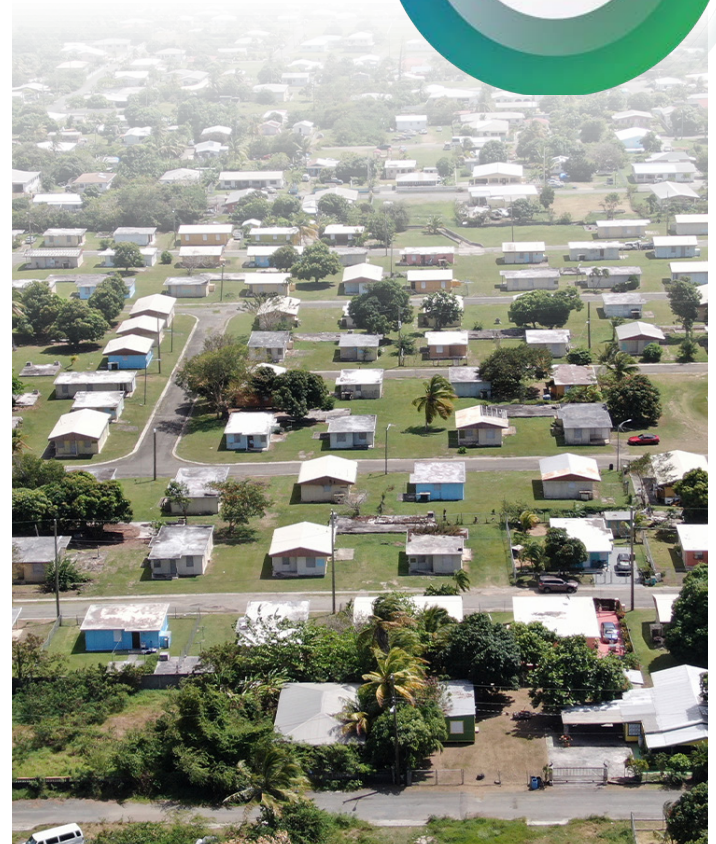
Additionally, during FY 2023, the Office of Management and Budget utilized \$497,755 in local funds to pay for the 10% local match cost share for several small projects funded by FEMA Public Assistance.

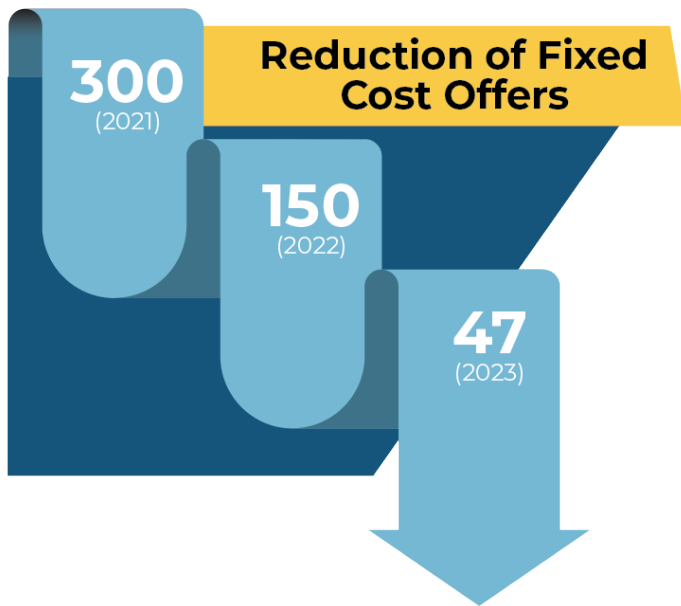
As it stands, \$9.7 billion of the anticipated \$12 billion has been earmarked for the Territory, with \$8.5 billion committed and \$3.15 billion expended.

Of the approximately 1500 FEMA Public Assistance projects, 62 remain to be obligated, of which 47 are fixed grant projects encompassing the more complex education, healthcare, and infrastructure facilities. These obligations reflect over \$6.2 billion in recovery aid for Hurricanes Irma and Maria. In all, 245 projects are underway at different phases, with 192 being construction-oriented initiatives that are shovel-ready, suggesting imminent or recent commencement. A total of 775 projects financed through alternative channels have also been completed. Collaborative efforts are essential to propel the remaining initiatives through FEMA's procedural stages, addressing all those awaiting approval.

The Hazard Mitigation Program has cataloged 156 projects, with 126 projects approved and 30 awaiting approval from FEMA. CDBG-DR has identified 44 projects in Phases 1 and 2. Out of these, eleven have been granted Notices to Proceed. FHWA-ER has underwritten a total of 110 projects that have been committed thus far. Following FEMA's approval of industry standards in 2020, each project within priority sectors—Health and Hospitals, Schools, Roads, and Utilities—has since adhered to top-tier industry standards, incorporating premier design and infrastructure components, thus raising the bar for new construction in all domains. To leverage the benefits rendered by the Bipartisan Budget Act of 2018 (BBA), the Territory utilized the specialized lane of

Section 428 of the Stafford Act. In December 2022, the cutoff for accepting Fixed-Cost Offers (FCO) was extended to January 15, 2024. Currently, 47 fixed-cost proposals are under FEMA's scrutiny for delivery to the Territory by January 15, 2024. As of the conclusion of September 2023, the Territory has accepted 201 FCOs, bringing the aggregate to 248.





Witt O' Brien's (WOB) continues to support the Territory as it seeks to finalize the obligation of the remaining 428 projects. The team has worked on behalf of the Territory to increase projected recovery assistance from the expected \$8 billion to an estimated \$15 - \$20 billion.

The WOB team continues to assist the Territory through coordinated efforts with individual agencies and ODR to attain maximal grant awards through the development of the fixed cost escalation factors that are required to develop cost estimates for the fixed grant agreements.

Spend the Funds

The strategies employed by the Office of Disaster Recovery significantly reflect the collaboration of key partner agencies within the Virgin Islands Government. The Department of Public Works, serving as the Government's official engineer of record, holds a cardinal function necessary to authenticate all capital project scopes and designs. This surge in demand has precipitated an unparalleled escalation in operational volume. In response, ODR continues to provide scope of work (SOW) development services as it has since 2020

through its recently procured architectural & engineering firms - Springline Architects, LLC, Jaredian Design Group, and the DLR Group - to assist and strengthen the Territory's project design and scope requisites.

SOW development services have been employed for upwards of fifty projects spanning numerous agencies. These agencies include the Departments of Sports, Parks and Recreation, Education, Finance, Health, and Planning and Natural Resources, as well as the VI Fire and Emergency Medical Services, Office of Management & Budget, VITEMA, Office of the Lieutenant Governor, and the VI Economic Development Authority.

With the Senate's approval in April 2023, the Public Finance Authority closed on a \$100 million revolving line of credit (LOC) with First Bank of Puerto Rico to further the Territory's disaster recovery efforts. This transaction keeps at-risk projects underway, ensures timely payments to contractors, as well as improves the Territory's overall disaster management.

As of fall 2023, ODR has requested and drawn \$8.8 million to support the continuation of major projects such as the Christiansted sewer lines, composite poles installation and the purchase of LED lighting for several Department of Sports, Parks and Recreation parks to include the DC Canegata and Reinholdt Jackson Complexes on St. Croix and the Doris Hodge Tennis Court, Alvin McBean and Lionel Smut Richards Ballparks on St. Thomas.

The Line of Credit has also been utilized to commence or continue the following projects:

- Alexander Henderson Elementary School
- Bertha B. Boschulte Middle School
- Charlotte Amalie High School
- St. Croix Central High School
- St. Croix Educational Complex
- Swan Annex Correctional Facility



- EnVIsion Tomorrow Program
- Frederik D. Dorsch Activity Center
- Methodist Outreach Center
- Government House St. Thomas

Spend the Funds Correctly

Optimizing payment workflows and ensuring prompt and consistent vendor payments is another key priority in advancing our recovery efforts. Streamlining the payment process has been one of the most critical process improvements. ODR joined forces with the Departments of Public Works, Property & Procurement, and Finance to optimize payment workflows to expedite consistent vendor payments. This modified system eliminated duplicitous reviews from multiple agencies, thereby accelerating

payments. Efforts to institutionalize this process across all projects remain a top priority.

Over the past year, the Office of Disaster Recovery has continued to work closely with federal partners around the recovery's current needs. As a result, \$7.5 million dollars was allotted by Congress through the Department of Interior's Omnibus Bill for technical assistance to the Territory through the Insular Area Act Technical Assistance (IAATA) contract and the Disaster Recovery Funds Assistance.

The IAATA is the first of its kind, offering direct assistance to the Territory through onsite personnel who will provide much-needed staff augmentation in areas of engineering and project management.

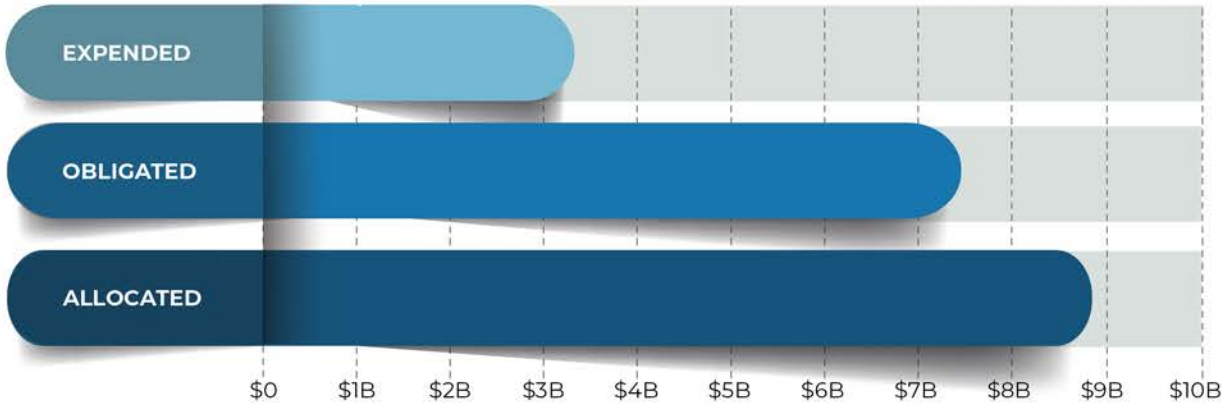


All Funds Executive Dashboard



As of September 30, 2023

ANTICIPATED (ESTIMATES)	ALLOCATED	OBLIGATION	EXPENDED
\$12,000,000,000	\$9,748,355,150	\$8,527,896,223	\$3,154,891,739



FEDERAL DISASTER ASSISTANCE GRANTS SUMMARY

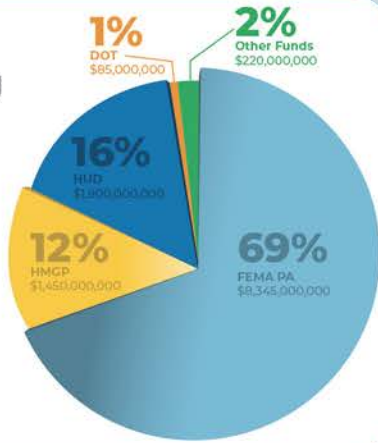
September 2023

Funding Sources	Anticipated (Estimates)	Allocated	Obligated	Expended	% of Obligated Funds Expended
FEMA PA	\$8,345,000,000	\$6,150,353,838	\$6,150,353,838	\$2,656,104,428	43.2%
HMGP	\$1,450,000,000	\$1,384,484,648	\$178,254,671	\$33,000,377	18.5%
HUD	\$1,900,000,000	\$1,917,330,884	\$1,917,330,884	\$296,630,298	15.5%
DOT	\$85,000,000	\$80,536,756	\$66,307,806	\$52,695,318	79.5%
Other Funds	\$220,000,000	\$215,649,025	\$215,649,025	\$116,461,319	54.0%
TOTAL	\$12,000,000,000	\$9,748,355,150 81%	\$8,527,896,223 71%	\$3,154,891,739 37%	

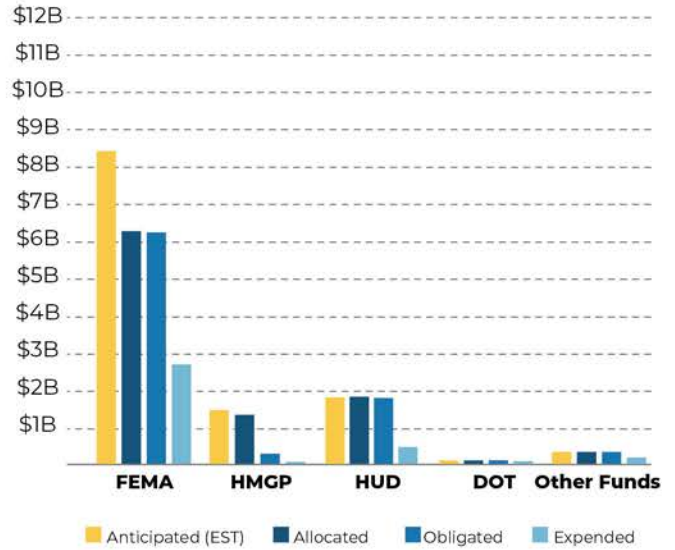
FEMA PA - OBLIGATED AMOUNT BY DAMAGE CATEGORY

Damage Category	Sum of Obligated Amount	Sum of Expended Amount	Sum of Funds Remaining to be Disbursed
A - Debris Removal	\$141,660,924.67	\$ 87,665,431.88	\$53,995,492.79
B - Protective Measures	\$1,692,496,921.31	\$ 1,517,304,120.48	\$ 175,192,800.83
E - Public Buildings	\$2,453,203,100.34	\$ 76,349,191.02	\$2,376,853,909.32
F - Public Utilities	\$1,106,929,750.62	\$690,007,482.02	\$416,922,268.60
G - Recreational or Other	\$27,837,017.68	\$7,958,934.47	\$19,878,083.21
Z - State Management	\$668,786,980.02	\$ 272,591,971.22	\$396,195,008.80
C - Roads and bridges	\$ 59,268,639.44	\$ 4,227,296.64	\$55,041,342.80
D - Water control facilities	\$170,503.90	-	\$170,503.90
Grand Total	\$6,150,353,837.98	\$2,656,104,427.73	\$3,494,249,410.25

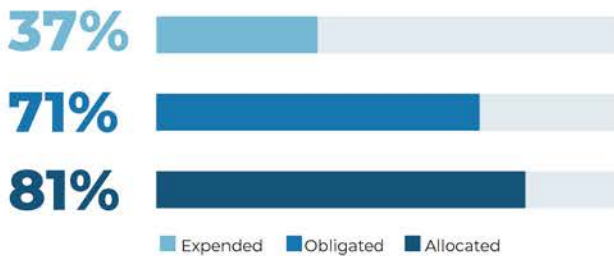
Anticipated \$12B in Funding by Program



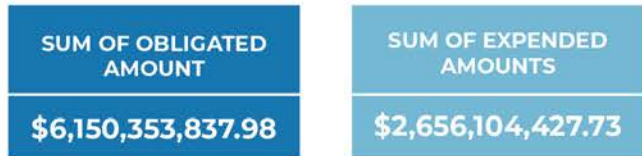
Federal Funding Status by Program



\$12B Current Status



FEMA PA Funding By Disaster



COVID-19 SNAPSHOT

Total Funding

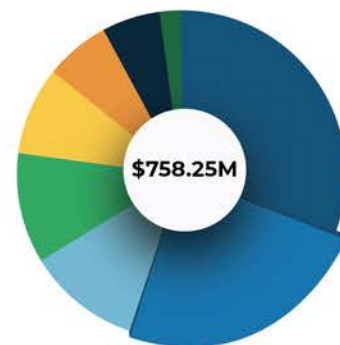


EXPENDED AMOUNT
\$615.61M



TOTAL REMAINING
\$142.64M

COVID-19 Funding



CATEGORIES

- Other | \$234.27M
- Emergency Services | \$180.59M
- Education | \$86.53M
- Fiscal Support | \$82.86M
- Health | \$66.20M
- Transportation | \$49.07M
- Human Services | \$44.12M
- Housing | \$14.60M

The funding, although supported through FEMA, allows for the Territory's use of technical assistance across all recovery funding sources. Through the contract, technical assistance support will be divided into three tasks: technical design and review support, construction monitoring, and data and project tracking.

IAATA resources will be deployed to aid all sectors with emphasis on the Territory's EnVision and Affordable Housing Development programs, which have been heavily stalled due to the lack of engineering and project management resources. Most recently, the ODR team met with AECOM, the awarded contractor, who began deploying resources to the Territory the week of October 9, 2023.

Through the Disaster Recovery Funds Assistance, both Argonne National

Laboratory (ANL) and Research and Development Corporation (RAND) will provide research on the economic outlook during the recovery and construction costs affecting the Territory.

ANL's analysis will aid the Territory's ability to understand current construction costs and its ability to lobby for additional funding to adequately address housing projects. RAND will focus on capacity needs, bottlenecks, tactical supply chains, and the effects on the Territory's economy.

This support will provide the necessary aid to the Territory in speeding up the recovery efforts. Additionally, this support endeavors to document territorial construction costs and identify strategies to address the Territory's housing crisis.





Utility Coordination

In the bustling world of development and infrastructure improvements taking place post-disaster, utility coordination efforts stand as a testament to the wisdom of collaboration. These endeavors represent the systematic orchestration of various utility providers, government agencies, and construction teams working together to ensure the smooth functioning of essential services while minimizing disruptions during construction and maintenance projects throughout the Territory.

The Utility Coordination Team includes representatives from the Virgin Islands Department of Public Works (DPW), Waste Management Authority (VIWMA), Water and Power Authority (WAPA), Liberty, and VI Next Generation Network (ViNGN), among others. Together they engage in planning, transparent communication, and innovative problem-solving to minimize disruptions during construction and maintenance projects. The Utility Coordination team is working diligently to plan and coordinate efforts ensuring that water, electricity,

telecommunications, and sewage systems coexist harmoniously.

The team is focusing on utility coordination on the island of St. Croix and will be mirroring efforts on St. Thomas and St. John. On the Island of St. Croix, the Utility Coordination Team has been actively coordinating projects in Christiansted, Frederiksted, Northside, Clifton Hill/ Container Port, and Queen Mary Highway. On the island of St. Thomas, the team is steadily making headway on coordinating projects in Donoe and Nazareth/Ridge Road.

The Utility Coordination Team plans on collaborating with the Lieutenant Governor's Office to develop Territory-wide Geographic Information System (GIS) mapping services. GIS mapping is a computer system designed to store, manage, analyze, edit, output, and visualize geographic data. The system provides a structured and user-friendly interface, allowing users to access specific utility data with ease. In essence, GIS mapping significantly streamlines the management and coordination of utilities, contributing to more efficient and effective operations. ODR recognizes the crucial



significance of standardizing this system as it directly contributes to enhanced efficiency in utility coordination efforts and overall growth for the Territory. The Lieutenant Governor's Office has an active, fully operational platform for housing GIS data across the Territory. Optimizing systems that are already in place, the Lieutenant Governor's Office will maintain and serve as the central house for all GIS data across every agency/entity in the Territory.

In addition to GIS mapping, the Utility Coordination Team is working closely with the Department of Public Works to get the Call Before You Dig Legislation that was passed in 2015 in full compliance. "Call Before You Dig" is a crucial safety initiative that plays a fundamental role in safeguarding underground utility infrastructure and preventing potentially hazardous incidents during excavation or construction projects. This program requires individuals or organizations planning excavation or digging activities to contact a designated call center or online service to request a utility locate service before breaking ground.

The Utility Coordination Team is collaborating with other agencies, such as the Department of Education, the Virgin

Islands Housing Authority, and the Territorial Hospital Redevelopment Team, to create holistic solutions. By considering other agencies other than utilities, the Utility Coordination Team strives to create a more resilient, efficient, and livable Territory.

Communications & Outreach

To supplement outreach efforts, staff members have participated in and supported national, community and government-sponsored activities. Members of the ODR team have also traveled to workshops and conferences to highlight the Territory's progress and gain experience and knowledge to continue forging ahead. Specifically, in September 2023, ODR attended the Congressional Black Caucus Foundation's 52nd Annual Legislative Conference in Washington, DC. ODR team members displayed and distributed recovery updates and annual reports at the exhibitor's booth and during Congresswoman Plasket's meet and greet session entitled "How to do Business in the Territory," where information on the recovery was shared.

Recovery in Focus

In March 2020, ODR in collaboration with the Virgin Islands Housing Finance Authority and USVI local broadcasting station WTJX-TV Channel 12 (WTJX), launched Recovery in Focus, an hour-long television program aimed at providing the public with up-to-date information on all things Recovery. The show entered its fourth season in 2023, marking its 34th episode in October 2023.

Recovery Leaders' Summit

The 2023 Annual Recovery Leaders' Summit, themed "Transforming Disaster Recovery through Partnerships, Processes, and Projects," was hosted at the University of the Virgin Islands' Orville E. Kean Campus on St. Thomas on February 13–14. The event brought together over 75 public and private sector representatives. Drawing from a myriad of agencies, semi-autonomous organizations, local contractors, and private

sector entities, attendees united in purpose for two days of transformative discussions aimed at trailblazing innovative pathways for the Territory's ongoing disaster recovery efforts.

Governor Albert Bryan, Jr. inaugurated the summit with an inspiring plenary session, christened "Recovery in a New Era of Prosperity." His message was unequivocal: complacency is no longer an option.

The summit focused on the following key areas:

- Payment Processing
- Housing
- Inter-agency Utility Coordination
- Workforce Development

The summit ignited a proactive, multifaceted approach to recovery, seeding a future where both the workforce and the infrastructure are not just rebuilt but reimagined.



Top Priority Areas



Looking ahead, ODR anticipates advancements in Health and Hospitals, Schools, Housing, Utilities, and Roads, key areas identified by Governor Albert Bryan, Jr. As of September 2023, there are 93 active construction projects. Notable projects in process and on the horizon include reconstructing seven schools and six Head Starts throughout the Territory. In healthcare, facilities such as the Charlotte Kimmelman Cancer Center, the Myrah Keating Clinic, the Charles Harwood Medical Complex, and the Queen Louise Home for the Aged are slated to progress significantly in 2024. Additionally, thirteen parks and public facilities, including Emile Griffith Ball Park, Charles Seales Fire Station, the Enid M. Baa Public Library and Archives, and Charles W. Turnbull Libraries, are set for renovations. Additionally, infrastructure projects are anticipated to include WAPA underground utility work in the St. Thomas district and improvements to roads and drainage systems in Fish Bay, Botany Bay, and the Altona Lagoon Bridge vicinity.

In the past fiscal year alone, the Territory celebrated the completion of the JFL North Temporary Hospital, Elaine Sprauve Library, Phase I of the Walter IM Hodge Pavilion, the Skills for Today Program, and several road projects.



Health, Hospitals & Human Services

The healthcare sector remains one of the highest priorities. FEMA has approved the replacement of six hospital facilities, with an estimated cost of approximately \$2.3 billion dollars. In 2023, the Territory received prudent replacement approvals for the Governor Juan F. Luis Hospital, Roy L. Schneider Hospital, Morris DeCastro Clinic, and Myrah Keating Smith Community Health Center. Obligations are still pending for the Roy L. Schneider Hospital and the Morris DeCastro Clinic. In September 2023, a vendor was selected for the commencement of construction of the Charlotte Kimelman Cancer Institute, located on St. Thomas. The rebuild of this facility will restore critical services such as radiation therapy and advanced cancer treatment services. The




construction contract has been executed, and a groundbreaking ceremony was held on November 4, 2023.

Demolition commenced on the Charles Harwood Medical Complex on St. Croix in early April 2023. The demolition scope includes the main building, annex building, and five outer buildings, along with the relocation of the Modular Lab. The demolition and lab relocation are anticipated to be completed within the

third quarter of 2024. The Virgin Islands Department of Health also completed its first large project in 2023. A ribbon cutting ceremony will be held on November 15, for the newly constructed Women, Infants, and Children (WIC) Building at the Knud Hansen Complex on the island of St. Thomas.

The Juan F. Luis Hospital has made significant strides in building the new JFL North Administrative Building. The foundation should be poured in October





2023, and completion is expected by December 2023. As for JFL's permanent facility, A&E designs are in progress, with the Territorial Hospital Redevelopment Team expecting to start soliciting for the facility's demolition and rebuild within the second quarter of 2024. On St. Thomas, the Roy L. Schneider Hospital is expected to commence A&E design within the fourth quarter of 2023.

FEMA greenlighted the prudent replacement of the Queen Louise Home for the Aged in October 2021, and in September 2022, the project was obligated \$65.7 million by FEMA. The current facility, a two-story building spanning 16,000 square feet, will undergo temporary repairs using a \$1 million FEMA obligation, ensuring ongoing, safe service delivery. Concurrently, the Department of Human Services, in collaboration with the Department of Property and Procurement, is in the final stages of the purchase and acquisition of land at Sugar Estates in St. Thomas. This new land purchase will be the future home of a new state-of-the-art adult care facility, the permanent Queen Louise Home for the Aged. Designs are currently underway and are expected to be completed within the second quarter of 2025.

Projects under the Head Start program, backed by a \$42 million disaster recovery grant from the U.S. Office of Head Start, are advancing consistently. In 2023, six locations - Anna's Hope, Concordia, Bolongo, Lindbergh Bay, Minetta Mitchell, and Cruz Bay - concluded solicitations with contracts executed in May 2023 and Notice to Proceeds issued in August 2023. Demolition is underway and completed for most of the facilities, with contractors working to complete construction of all 6 Head Starts by the summer of 2024.

Health Facilities

September
2022

Queen Louise Home for the Aged

September 2022 | Obligated 65.7M
Temporary Repairs in Design

Juan F. Luis Hospital and Medical Center

May 2023 | \$927M Obligation
Design has commenced

May
2023

May
2023

Myrah Keating Smith Community Health Clinic

May 2023 | \$37.3M Obligation
Design has commenced

Knud Hansen WIC Building

November 15 2023
Construction complete

November
15, 2023

Q4
2023

Roy L. Schneider Hospital

Obligation Pending from FEMA
*Expected to commence A&E design
within Q4 of 2023*

Frederiksted WIC Building

Construction in Progress

Q2
2024

Q4
2024

Charles Harwood Medical Complex

Demolition in Progress





Schools

VI Department of Education

Year six has seen significant movement in the approval and funding of unobligated school projects. To date, the VI Department of Education (VIDE) has obtained FEMA obligations totaling approximately \$399 million for the replacement and/or repair of several major schools across both districts, including Alexander Henderson and Joseph Sibilly. As VIDE awaits the FEMA funds to be obligated for its remaining projects, the department continues to work steadily to move its disaster recovery projects to completion by concurrently starting schematic design efforts for several projects. For the island of St. Croix, designs are underway for Alexander Henderson, Claude O. Markoe, and St. Croix Educational Complex, with designs for the two former schools estimated to be completed by December 2023 and the latter by early 2024. On St. Thomas, schematic designs for the renovation of Lockhart Elementary School as well as Edith L. Williams Alternative Academy have commenced. Designs for both are expected to be completed by early 2024.

Construction of the first FEMA-funded replacement project, the Design-Build of

the Arthur Richards School, commenced in February 2023. MCN Build, the selected contractor for the new school project, mobilized on February 20, 2023. The addition of a swimming pool to the project designs will mark Arthur Richards as the first school in the Territory to benefit from the new addition, allowing students, as well as the community to enjoy a space for learning and recreation. The project is currently at 75% design completion and remains on target for 100% design completion by 2024, with substantial construction completion slated for spring 2026.

The first phase of the Gladys Abraham Modernization project was completed by Custom Builders in September 2023. In July 2023, FEMA obligated \$59 million to cover the ongoing project and allow for the development of additional designs to replace the remaining buildings, which will become the future site of VIDE's Skills Center on St. Thomas.

Several VIDE projects currently in FEMA final review and close to obligation include Julius Sprauve, Educational Complex, Central High School, Charlotte Amalie, Addelita Cancryn and Claude O. Markoe. The signing of the St. John land swap between the U.S. Virgin Islands and the National Park Service will pave the way for the future site of the Julius Sprauve PreK-12 School. The new facility will

also include a safe room that will serve as a safe space for residents in the event of an emergency.

In September 2023, solicitations concluded for three VIDE projects with the design-build services for St. Croix Central High School awarded to MCN Build and design-build services for St. Thomas Charlotte Amalie High School and the modernization of Bertha C. Boschulte awarded to the joint venture firm of Consigli/Benton. VIDE anticipates the start of these projects to commence in 2024.



IN CONSTRUCTION

- Arthur A. Ricards PK-8
- Gladys Abraham Modernization

OBLIGATED

- Edith Williams Alternative Education Program
Design Phase
- Bertha C. Boschulte Elementary School
Procurement Phase

PENDING FEMA OBLIGATION

- Charlotte Amalie High School
Design - Build Procurement in Progress
- St. Croix Central High School
Procurement Phase
- St. Croix Educational Complex
Design in Progress
- Claude O. Markoe Elementary School
Design Phase
- Julius Sprauve PK-8 School
Design in Progress
- Addelita Cancryn Junior High School
Design in Progress

Housing

The Virgin Islands Housing Authority

The Virgin Islands Housing Authority (VIHA) has significantly improved its public housing portfolio in the past five years by upgrading interiors and common areas, improving building systems, and replacing roofs. With over 1,500 aging housing units throughout the Territory and most in need of repair before the storms, VIHA recognizes the need for aggressive redevelopment strategies.

To this end, VIHA is implementing its 10-year revitalization plan that prioritizes the gaps in care for the aging population and affordable living spaces. New development sites will include improvements to enhance the built environment, such as underground electrical lines, redesigned pedestrian walkways and seating areas, and recreational facilities. These facilities will include a playground, upgraded basketball courts, community gardening and planting boxes, and improved and increased parking throughout.

From 2021-2022, the Housing Authority completed \$6 million of roofing repair projects in both districts, projects were completed at Marley Homes and Additions on St. Croix, and Michael J. Kirwan Terrace and Paul M. Pearson Gardens on St. Thomas, to name a few.

VIHA has designated several communities on St. Croix as priority areas, namely, Wilford Pedro Homes, D. Hamilton Jackson Terrace, Alphonso “Piggy” Gerard, John F. Kennedy Terrace, Nicasio Nico Apartments, Ludvig E. Harrigan Court, Mt. Pleasant, Joseph E. James Terrace, and Williams Delight. In St. Thomas,

the Estate Tutu Hi-Rise Apartments are set to undergo redevelopment in three phases across three locations: two existing sites (Tutu North and Tutu South) and the Donoe site. At the Estate Tutu site, a solicitation to construct Senior Housing Estate Tutu North was released in September 2023. The project proposes to construct sixty units of senior housing on St. Thomas.

One of the agency’s larger redevelopment projects, Walter I.M. Hodge Pavilion in Frederiksted, began construction in June 2022 and has made significant progress. The \$116.7 million project will rehabilitate 248 units by the end of 2024. VIHA was awarded \$49.9 million in funding through FEMA’s Public Assistance and Hazard Mitigation Grant Programs and \$22.6 million through HUD’s Community Development Block Grant-Disaster Recovery Program. The project has also received an equity



investment of \$27.5 million from Goldman Sachs Bank, which includes 9% in Low-Income Housing Tax Credits and a Solar Investment Tax Credit. Additionally, Merchants Bank of Indiana is providing a construction loan worth \$28.5 million. A ribbon cutting for the first of four phases will be held on October 2023. This first phase will refurbish 82 units in seven buildings. All Phase I apartments are expected to be fully occupied by October 2023. Phases II and III will add an additional seventy apartments, a Senior Center, and improvements to the existing Community Center and Management Office. The final phase includes the renovation of the last 96 units. All phases are expected to be completed in the fall of 2024.



The Virgin Islands Housing Finance Authority

Hurricanes Irma and Maria caused significant damage to our community, impacting over 80% of public and private housing and requiring \$2.5 billion in repairs. Following the storms, FEMA modified its emergency recovery assistance to include permanent and temporary roof repairs due to increased rainfall. This decision set a historical precedent with the launch of FEMA's Sheltering and Temporary Essential Power (STEP) Program. The Virgin Islands Housing Finance Authority managed this program, repairing 6,560 homes immediately after the disaster, with an additional 1,648 houses repaired by April 2019.

The more severely damaged homes that required more than roof repairs were held and referred to EnVision Tomorrow's Homeowner Rehab and Reconstruction Program, which received \$195 million in CDBG-DR. The program has completed 29 homes. Residents who qualify are offered financial assistance up to \$350,000 to rebuild or renovate their houses under floodplain, environmental, and other local rules.



In addition to the homeowner program, HUD has allocated \$50.3 million to EnVision's Rental Rehab and Reconstruction Program to assist rental property owners who experienced significant damage to their assets. To date, this program has completed 2 properties with 83 remaining.

Other VIHFA FEMA-funded projects include repairs to the Frits Lawaetz Housing Community on St. Croix, which has already undergone repairs to 24 units, and the Charlotte and Staabiland communities on St. Thomas, which are expected to be in the construction phase in 2024.

The CDBG-DR Public & Affordable Housing program has a budget of \$180.9 million to replace affordable housing damaged during the storms. The main objective of the program is to provide new affordable rental housing options, including subsidized and mixed-income rental units, as well as public housing units. Some of the upcoming projects include the Ross Taarnenberg Mixed-Use Development Project, which will feature commercial office space and eight affordable housing units; Estate Taarneberg, which is expected to provide 11 additional emergency housing units on St. Thomas; the Kronegade Inn Renovation Project, which will offer 18 emergency housing units in St. Croix, and the Donoe Redevelopment, which will construct 84 residences across 14 buildings.

On July 1, 2023, the Kronegade Inn was granted project approval with a budget of \$3.92 million. The units will be equipped with easy-to-use connections for generators and solar panels. The site work will include paved driveways, a concrete area for garbage bins for trash pickups, and underground utilities to keep families connected to emergency services. Renovations are scheduled to begin in the second quarter of FY 2024.

The Donoe Redevelopment project is currently 38% complete, with an initial



On July 1, 2023, the Kronegade Inn was granted project approval with a budget of **\$3.92 million.**

budget allocation of \$34 million. If approved by HUD, \$88 million will be budgeted to fund this redevelopment effort, which will serve as replacement rental housing for the Estate Tutu Hi-Rise Apartments residents.

VIHFA continues to make headway on the rebuild of Sister Emma Cottage on St. Croix, which will replace the existing Queen Louise complex for children with severe disabilities. The building will comprise of two symmetrical wings, which will house bedrooms: one for girls and one for boys. Lutheran Social Services is currently finalizing designs for the issuance of the RFP that will enable construction to begin. VIHFA is confident that the project will be 10 percent complete by the end of spring 2024 and fully complete by fall 2025.

The CDBG-DR's new Housing Infrastructure Construction Program provides affordable housing units to first-time home buyers across the Territory. The Virgin Islands Housing Finance Authority has laid the groundwork for a busy year ahead, with projects set to begin in March 2024. Currently, bids have been put out for 30% of the architectural

and engineering services for these designs. This includes 16 townhouses for the Queen Louise Revitalization project, 20 homes for the Estate Fortuna Wild Pineapple project on St. Thomas, and 7 homes in Estate Mount Pleasant (West) on St. Croix.

Finally, the Neighborhood Revitalization Program offers two types of assistance: the Building Façade and Streetscape Enhancement Program and the Small Business and Entrepreneurship Technical Assistance Program. The Building Façade and Streetscape Enhancement Program provides forgivable loans to eligible projects located in traditional business districts, commercial, neighborhood retail, or mixed-use zone areas that were affected by the September 2017 Hurricanes Irma and Maria. The Small Business and Entrepreneurship Technical Assistance Program (SBETA) provides working recovery grants to small businesses and microenterprises that suffered physical and/or financial losses due to the 2017 Hurricanes. Additionally, a technical assistance program will be developed to support entrepreneurs. Technical assistance activities may include


the development of business plans, financial management guidance, marketing, inventory management, and workforce development. Across the program, 14 projects totaling \$5.1 million have been selected, which will be invested directly into building façades and street enhancement within our towns, along with technical assistance for small businesses.

Mitigation Funding

The Virgin Islands Housing Finance Authority received its Mitigation Grant Agreement on April 25, 2023. Unlike Disaster Recovery, these funds are for mitigation activities that increase the Territory's resilience. Projects must be CDBG-DR eligible activities, address current and future risks in the most impacted and distressed areas as identified in the MIT Action Plan, and meet a national objective. This 12-year grant allocation is \$774.1 million of which Infrastructure and Public Facilities will receive \$418.2 million, Housing \$192.7 million, Economic Resilience and Revitalization \$76.7 million, while the remaining \$86.5 million is set aside for public services, planning and administration.



**CDBG-DR
Public &
Affordable
Housing
Budget of
\$180.9 Million**



**Neighborhood
Revitalization Program
approved 14 projects
for \$5.1 million**

Electrical Grid

With the Electrical Grid Grant, the total program and activity delivery budget is \$67.6 million, of which \$53 million will be awarded to the V.I. Water and Power Authority for additional generators at its Estate Richmond power plant on St. Croix and \$10 million has been committed to Community Electrical Innovation.

**April 2023
approved
\$774.1 Million
for Mitigation
Projects.**



Roads and Ports

Department of Public Works

The Federal Highway Administration's Emergency Relief (FHWA-ER) program, administered by the Department of Public Works (DPW), supported the rapid restoration and recovery of vital transportation infrastructure, including highways, bridges, and roads, immediately after the storms.

In December 2020, several design/build projects funded by FHWA-ER for the St. Thomas/St. John District reached completion. The projects on St. Thomas include Shibui, Weymoth Rhymer, Black Point Hill, Hull Bay Road and Mandal Road, and on St. John Bordeaux Mountain, Fish Bay Road, and Southside Road. These were all completed by April 2023, totaling approximately \$24 million.

Before the end of spring 2024, residents and commuters of the Territory can also anticipate the successful completion of three significant projects. First Phase II of the Melvin Evan Highway, which has installed functional lighting from the Hannahs Rest to the Williams Delight intersection and is in its final stages of drainage and paving. Next will be the Clifton Hill Connector Road and Frederiksted town paving projects which are well underway and steadily nearing completion.

Additionally, at an approximate cost of \$10 million, the design-build process for 16 sites, comprising a mix of roads and bridges on the island of St. Croix, has begun. This process involves the design and construction of new roads, the demolition of existing bridges, and the establishment of temporary bridges to facilitate construction activities. The designs for all 16 sites have been successfully completed, and construction work on eleven sites has been fully concluded. Five of these sites are currently in progress: Agriculture Road Bridge, East Airport Road Bridge, Queen Mary Highway Bridge, Altona Lagoon Bridge, and Midland Road Bridge. Among these projects, the East Airport Road, Altona Lagoon, and Queen Mary Highway projects are projected to be completed by the end of spring 2024.

Alongside the FHWA-ER program, DPW is overseeing numerous FEMA-funded projects aimed at enhancing the durability and overall quality of infrastructure across the Territory. In 2021, DPW finalized the design phase for four contracts, comprising a total of seven obligated road projects with an estimated budget of around \$35 million. Since then, the designs have been completed, and construction is in progress. Notably, on the island of St. Thomas, the Frenchman's Bay project is substantially complete, while active construction efforts are still underway at Botany Bay. Meanwhile, on the island of St. John, construction has been initiated for the Fish Bay, Coral Bay, and Great Cruz Bay watershed projects.

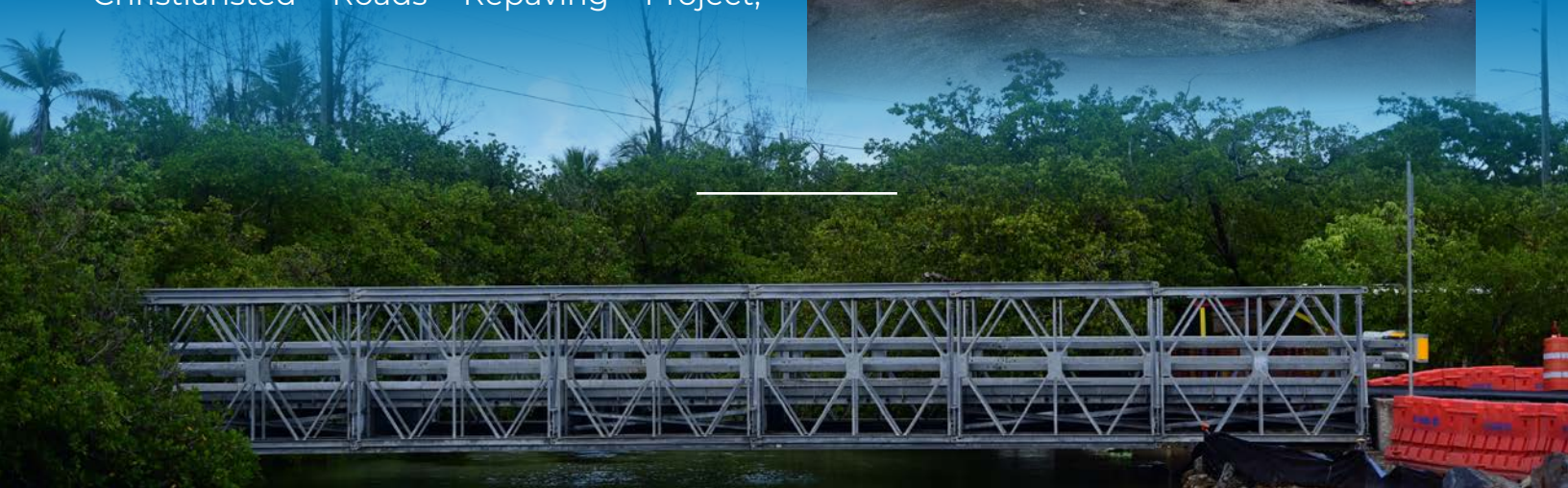




DPW is also awaiting FEMA’s approval of the Unified Paving Project, which will enable the Territory to allocate funding as needed to reconstruct roads as utility work is completed. Unified paving represents a cutting-edge approach to road construction and maintenance, revolutionizing the way we manage roadways within the Territory. As the demands on our transportation infrastructure continue to grow, unified paving emerges as a forward-looking solution that promises to transform our roads into resilient, cost-effective, and environmentally friendly assets. Before the end of spring 2024, construction is expected to commence on the Christiansted Roads Repaving Project,

funded by the Department of the Interior. This project will restore roads in the town area after VIWMA is completed with its sewer line replacement project.

HUD’s CDBG-DR program is also funding large road projects on St. Croix and St. Thomas. Both Northside Road and Donoe are expected to complete the design phase



Bridge Projects

Agriculture Road Bridge closed and expected to begin construction soon.

East Airport Road Bridge demolition phase is complete, and the permanent bridge is under construction. Completion expected in spring 2024.

Queen Mary Highway Bridge demolition phase is complete, and the temporary bridge is under construction. Completion expected in spring 2024.

Altona Lagoon Temporary Bridge has been successfully completed, and construction of the permanent bridge is underway. Completion expected in spring 2024.

Midland Road Bridge is still open to the public, and its project start date to be determined.



**Cyril E. King
Airport's
Transportation
Center Project
- Completion
summer 2024.**

Virgin Islands Port Authority

The Virgin Islands Port Authority (VIPA) continues to make substantial strides with several notable projects in 2022 and 2023. The agency has been awarded approximately \$32 million for its recovery projects from various funding sources. These projects include the completion of the Henry E. Rohlsen Airport Terminal Expansion Project and repairs to the car barge dock on St. John.

Phase I of the Cyril E. King Airport's Transportation Center Project on St. Thomas kicked off in May 2021 with the construction of a new two-story multi-purpose transportation center. The project is designed to create a comprehensive transportation hub featuring parking capacity for 600 vehicles and offices for rental agencies. The \$26.8 million project is funded by a \$20 million grant from the US Department of Commerce-Economic Development Administration (EDA) in 2019 and a \$6.8 million local match from VIPA. The Authority expects to open the second floor for travelers by spring 2024. The project has faced some delays due to concrete production and supply chain

disruptions, which have extended the expected completion date to summer 2024. The restoration of the Wilfred "Bomba" Allick Container Port, commonly known as the "Container Port," is positioned as the linchpin for both commercial and industrial maritime activities on St. Croix. With an expanded footprint, the facility now offers users more spacious and versatile areas to cater to their evolving needs. The project, valued at \$15.9 million, was made possible through a 50/50 financial partnership between EDA and VIPA.

As VIPA navigates the challenges and opportunities ahead in its hurricane restoration program, VIPA is poised for a future marked by innovation, growth, and resiliency.



Utilities

Water and Power Authority

Power

VIWAPA has effectively leveraged available disaster recovery funds and operational capital to enhance resilience, expand the use of renewable resources, and optimize efficiency. Over the last two years, utilities have undergone a substantial transformation, progressively adopting composite poles and undergrounding technologies.

The Authority remains dedicated to its objective of shifting 50% of its customer base to underground power, while the remaining connections will utilize composite poles for above-ground infrastructure. On St. Croix, undergrounding projects in the Midland, Container Port, and Golden Grove

communities, which began in July 2021, have now reached completion. Furthermore, several additional undergrounding projects have advanced through the design phase and are slated for solicitation in the first quarter of 2024. These include projects on St. Croix and St. Thomas.

Over 7,400 composite poles have been installed across the Territory. The installation of these composite poles on Water Island was successfully concluded in 2019 and are on track to complete the installations on St. Thomas, St. John, and St. Croix by early 2024. Currently, the installation progress stands at 82% on St. Croix, 99% on St. Thomas, and 87% on St. John. Once all the islands are equipped with these modern poles, this Territory-wide project will boast approximately 8,500 installed poles, representing a substantial investment of close to a billion dollars.

In November 2021, VIWAPA successfully acquired four new Wartsila generating units, utilizing \$95 million in funds from the Community Development Block Grant



– Disaster Recovery Program. Once these state-of-the-art generators are put into operation, they will significantly enhance the reliability of electrical services in the St. Thomas – St. John district. As we approach the final stages of installation, these generators are well on their way to increasing the Territory’s power capacity by early 2024.

Furthermore, WAPA is pursuing the initiation of the St. Thomas Wind Microgrid and St. Croix Solar Microgrid projects. These initiatives are contingent on the essential prerequisite of conducting a comprehensive grid study.

Water

The hurricanes significantly impacted the functionality of the Territory’s water system. After a heavy focus on emergency repairs right after the disaster, the Authority recognized early on that the post-storm breakage far outnumbered pre-storm disruptions. These irregular occurrences prompted VIWAPA to conduct an analysis that eventually led to FEMA’s approval of the Authority’s May 2021 request for the prudent replacement of the entire underground

UNDERGROUNDING ST. CROIX
Container Port, Midland, Golden Grove | Complete August 2023

UNDERGROUNDING ST. JOHN
On hold for environmental assessment with National Parks Services – Resume by summer 2024

COMPOSITE POLES
82% on St. Croix, 99% on St. Thomas and 87% on St. John Completion summer 2024

WARTSILA - IN CONSTRUCTION
Projected completion spring 2024

water distribution system in St. Croix in 2022. VIWAPA is currently engaged in efforts to replicate these initiatives for the St. Thomas-St. John water distribution system.

On St. Croix, the commencement of construction for waterline extension projects in Clifton Hill/Container Port wrapped up in early September 2023, while projects were already underway in Hannah's Rest and Campo Rico. Both projects are expected to be complete in the fall of 2024. Simultaneously, progress is being made on waterline extension projects Donoe and Nazareth in St. Thomas. A contract is in negotiation for waterline extension and rehabilitation work on Northside Road on St. Croix and is expected to begin in 2024.





01

St. Croix
**Clifton Hill/
Container Port**
Complete Sept. 2023

02

St. Croix
**Hannahs Rest/
Campo Rico**
In Construction -
Complete by Fall 2024

Waterline Extension Projects

03

St. Thomas
Donoe
In Construction -
By EOY 2026

04

St. Thomas
Nazareth
In Construction -
By EOY 2026

Waste Management Authority

The Territory's wastewater systems suffered significant damage after the disaster. A comprehensive list of industry-standard recommendations, tailored to meet the Territory's requirements for an effective wastewater system, was submitted to FEMA. This documentation served as the basis for demonstrating to FEMA the interconnected nature of the wastewater system. Consequently, this led to FEMA's decision to grant approval for the prudent replacement of the entire wastewater system in St. Croix in October 2021.

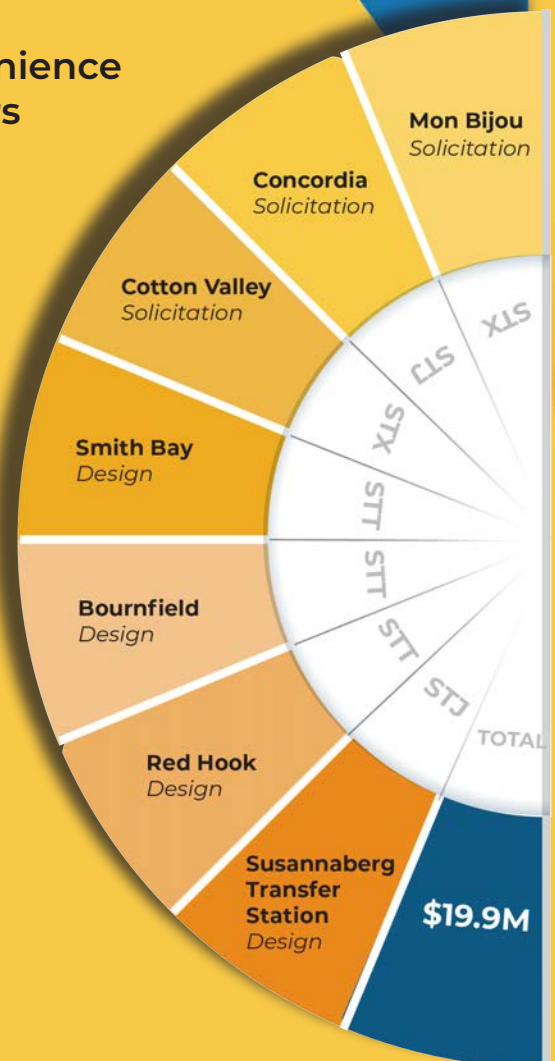
In May 2022, FEMA allocated funds to the Waste Management Authority to kickstart the architectural and engineering design phase for St. Croix. These financial resources allowed the Territory to initiate the design process ahead of the obligation to complete the system-wide replacement. The solicitation for the design of the Mon Bijou and Frederiksted (Bay Road & Lagoon Street) sewershed will be released in the first quarter of 2024.

It is anticipated that the A&E for Northside Road will also commence in 2024. Furthermore, construction of the Christiansted sewer lines is currently underway and is expected to be completed by May 2025.

CDBG-DR funds are being utilized to restructure and modernize solid waste collection in both districts. VIWMA plans to increase the number and usability of sites through the utilization of close to \$20 million in CDBG-DR dollars, easing the burden on both landfill sites and the public. Seven sites have been identified Territory-wide: three on St. Croix, three on St. Thomas, and one on St. John.

In August 2023, the St. Croix Convenience Centers went out to bid. The release of solicitations for the St. Thomas and St. John Convenience Centers will commence with Red Hook in 2024.

Convenience Centers



Sewer Line Replacement Projects



Christiansted
In progress



Up Next
**Designs for Northside,
LBJ, Mon Bijou, and
Frederiksted**





BEFORE

Public Buildings

Department of Planning and Natural Resources

Following the devastation of the 2017 storms, the Department of Planning and Natural Resources (DPNR) mobilized over \$33 million in FEMA Public Assistance and Hazard Mitigation funds, coupled with an additional \$35.4 million from various sources. To date, initiatives supported by the \$20.7 million expenditure are already yielding tangible results.

The year 2023 marked a transformative period for DPNR, with the realization of significant milestones, particularly on library projects Territory-wide. Most notable is the completion of the Elaine Sprauve Library on St. John in March 2023, the start of construction at the Athalie Petersen Public Library on St. Croix, and the Charles Turnbull Library on St. Thomas in addition to the anticipated completion of the Florence Williams Public Library by January 2024. The Enid M. Baa Public Library is in the contracting phase. The \$3.5 million project is expected to begin in spring 2024.

In addition to library projects, DPNR has also started repairs to its office on St. John.

The \$818K project is expected to be completed in spring 2024. The department is also tracking \$35 million in other funds from various sources. So far, DPNR has spent \$16.3 million to cover initiatives such as the Fisheries Grant, marine debris removal, and the Virgin Islands State Historic Preservation Office’s Historic Building Recovery Program.

Florence Williams Public Library

*Construction Phase Projected
Completion by spring 2024*

Athalie Petersen Library

*Construction Phase Projected
Completion by spring 2024*

Enid M. Baa Library

*Contracting Phase – Projected
Completion by spring 2025*

Charles W. Turnbull Library

*Construction Phase Projected
Completion in spring 2024*





Department of Sports, Parks and Recreation

The Department of Sports, Parks, and Recreation (DSPR) has been obligated approximately \$38.7 million to finalize 53 construction projects. In the last five years, the team at DSPR, in collaboration with ODR, has industriously concluded 19 projects. This includes fourteen parks on St. Croix and four on St. Thomas.

The agency is currently tracking fourteen active construction projects and has six more in the design stage. Of those fourteen projects, the pavilions at Cramer’s Park, Doris Hodge Tennis Center, and Marley Beach Rehabilitation Project are all expected to be completed before the end of 2023. In 2024, DSPR plans for the completion of at least ten projects currently under construction to include the Kirwin Terrace Ballpark, Cruz Bay Tennis & Orville Brown Basketball Courts, and the Emile Griffith Ballpark in the St. Thomas/St. John district, as well as the DC Canegata Ballpark, Rudy Krieger and Reinholdt Jackson Complex on St. Croix.

DSPR has made major improvements to the Emile Griffith Ballpark on St. Thomas by adding a second level to the concession

building, adding ADA-compliant stalls to the women’s and men’s restrooms, and modifying the existing press box to accommodate space for more media personnel.

To accompany repairs at various parks, DSPR has also modernized the lighting systems, adding LED lights to the scopes for projects in both districts, allowing for increased energy efficiency, reduced carbon footprint, improved safety and security, and reduced maintenance costs.

The Vincent Mason Pool began construction soon after the groundbreaking in October 2021 and in April 2022, work had to be stopped. The demolition phase uncovered the need for additional scoping and design to replace steel pilings at the bottom of the pool. Since then, the contractor, DSPR, DPW, FEMA and ODR have been working collectively to redesign and rescope the project. This additional phase was successfully rescope and released for solicitation in August 2023. Due to a lack of responses, a second solicitation package will be distributed before the end of 2023.

DSPR has persisted through many obstacles, leading to the expenditure of more than \$3.4 million between August 2022 and September 2023.

Park Projects

**Frederiksted
Town & Waterfront
Lighting Repairs
(STX): Construction
Phase – Projected
Completion
spring 2024**

**Emile Griffith
Ballpark (STT):
Construction
Phase – Projected
Completion
spring 2024**

**DC Canegata
Ballpark (STX):
Construction
Phase – Projected
Completion
spring 2024**

**Alvin McBean
Complex (STT):
Construction
Phase – Projected
Completion
spring 2024**

**Marley Beach
Rehabilitation
Project (STX):
Construction
Phase – Projected
Completion
Dec. 2024**

**Doris Hodge
Tennis Center
(STT): Construction
Phase – Projected
Completion Dec.
2023**

**Cruz Bay Tennis
Court (STJ):
Construction
Phase – Projected
Completion Dec.
2023**

**Kirwin Terrace
Ballpark (STT):
Construction
Phase – Projected
Completion spring
2024**

**Reinholdt Jackson
Complex (STX):
Construction
Phase – Projected
Completion spring
2024**



Virgin Islands Fire and Emergency Medical Services

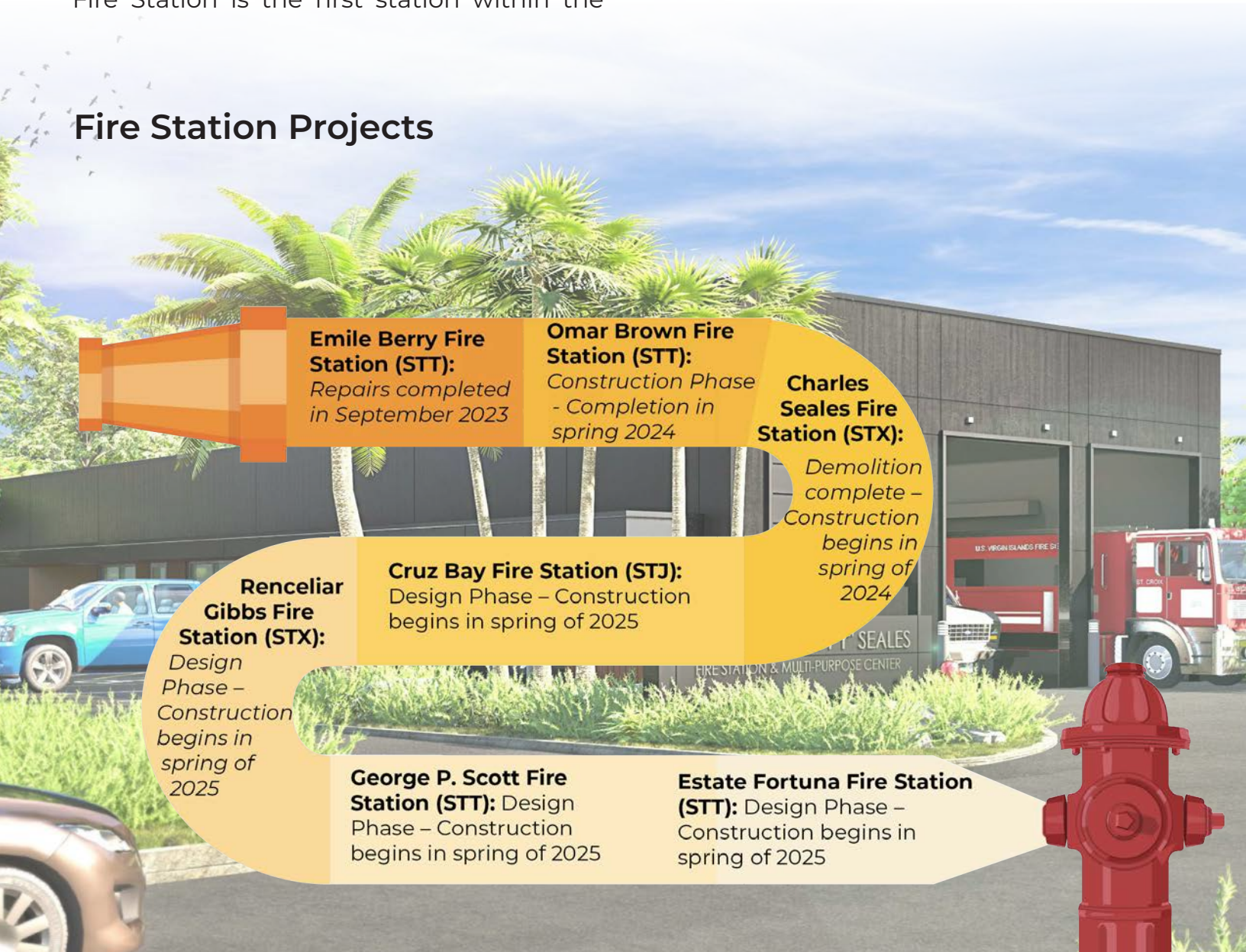
There are ten operational fire stations Territory-wide: four on St. Thomas, four on St. Croix and two on St. John. While all ten facilities were damaged during the storms, the Virgin Islands Fire and Emergency Medical Services is seeking replacement through FEMA PA for two stations on St. Thomas, one station on St. Croix, and one station on St. John. In 2023, FEMA approved and obligated \$40.3 million to replace these facilities.

The Charles “Tappy” Seales (Grove Place) Fire Station is the first station within the

Territory to receive FEMA approval. The \$5 million HMGP project has made substantial progress this year. The demolition of the hurricane-damaged station and adjoining Weed & Seed building ended in May 2023, and the contract to begin the construction of the new multi-purpose fire, police, Weed & Seed and EMS facility is in the final stages.

Design work to demolish and rebuild four fire stations has already started, and work is expected to begin on all before the end of Spring 2025. Jaredian Design Group has been tasked to complete the scope of work and designs, which are all expected in the fall of 2024.

Fire Station Projects



Emile Berry Fire Station (STT):
Repairs completed in September 2023

Omar Brown Fire Station (STT):
Construction Phase - Completion in spring 2024

Charles Seales Fire Station (STX):
Demolition complete - Construction begins in spring of 2024

Renceliar Gibbs Fire Station (STX):
Design Phase - Construction begins in spring of 2025

Cruz Bay Fire Station (STJ):
Design Phase - Construction begins in spring of 2025

George P. Scott Fire Station (STT): Design Phase - Construction begins in spring of 2025

Estate Fortuna Fire Station (STT): Design Phase - Construction begins in spring of 2025



VITEMA Emergency Operations Center

Phase 1 Roof Repairs

*This project started on June 2023
and ended on July 2023..*

Challenges



As the USVI's recovery from 2017 Hurricanes Irma and Maria enter the seventh year, the Territory is on the verge of a historic and unprecedented era of infrastructure rebuilding. While many key issues have been resolved at this point, there are still a few remaining federal funding challenges to be overcome as well as the enormous challenge of organizing the Territory for a multi-billion dollar reconstruction program that will take more than a decade to complete.

As Year 7 approaches, the Territory faces several critical challenges.



Waiving the 10% Local Match on FEMA PA Funding

Obtaining a waiver of the 10% non-federal cost share on the FEMA Public Assistance Program continues to be the most significant barrier to recovery.

Thanks to the spectacular foresight of Congress in passing the Bipartisan Budget Act of 2018, which directed FEMA to address the dilapidated pre-storm condition of most of the Territory's infrastructure and to bring critical facilities up to modern industry standards, the USVI is set to receive nearly \$20 billion for rebuilding across multiple sectors. Unfortunately, the BBA has created the unintended consequence of making these funds unavailable to the Territory due to a lack of the required 10% local match.

Traditionally, Congress, FEMA and HUD have ensured that state and territorial governments have a sufficient allocation of HUD's CDBG-DR funds to cover the local cost share. In this case, the HUD allocation was made in early 2018, long before the full impacts of the BBA were realized, leaving the Territory short of CDBG-DR funds to meet the current local match requirement.

As a result, unless there is at least a partial waiver of the 10% local match, the Territory is in the impossible position of having to choose between either forgoing use of the FEMA funding to reconstruct its critical infrastructure or redirecting most or all of its CDBG-DR and CDBG-MIT funds to local match. The former is completely contrary to Congressional intent through the BBA, which was supposed to correct decades of underinvestment in the Territory's infrastructure, while the latter contradicts HUD's commitment to supporting not only local match but also important unmet needs in affordable housing, infrastructure, and economic recovery. Currently, these HUD funds are slated to pay for essential housing repair and reconstruction programs, conversion to renewable energy, building new landfills, and other high-priority infrastructure and economic development projects.



In her letter dated June 13th, 2022, FEMA Administrator Deanne Criswell denied the Governor's request for reconsideration of the local match waiver.

Solution: Governor Bryan and his team have continued the dialogue with FEMA and the United States Office of Management and Budget, requesting a waiver at least for the more than \$15 billion covered under the BBA, noting that the Territory has already set aside approximately \$500 million of CDBG-DR for the local share on the traditional (non-BBA) FEMA Public Assistance Program projects.

The Territory continues to lobby for the FEMA Administrator to exercise the authority granted by the Insular Areas Act as reinforced by the President and waive some or all of the Territory's 10% share.

Engineers (USACE). Although FEMA and USACE have committed to a 30-day turnaround on cost estimate reviews, the IEP has been unable to maintain this schedule, and there are currently 13 projects totaling more than \$3 billion in the IEP backlog.



Solution: While the Territory has no objection to the IEP reviews in principle, at this stage, the IEP has already validated numerous cost estimates for schools, healthcare facilities and other critical infrastructure, and the projects now in their queue were estimated using the exact same unit price methodology. Therefore, the Territory proposes that FEMA and the IEP agree to automatically validate any projects over \$25 million federal share which use the same pricing methodology as previously reviewed for all facilities that use the same basic unit costs model and only vary in size.



Expediting FEMA Cost Reasonableness Validations of Critical Infrastructure Projects

By FEMA policy, all projects for which the federal share of an agreed-upon cost estimate exceeds \$25 million are subject to review by an "Independent Expert Panel (IEP)," a role that FEMA has assigned to the US Army Corps of



Undertaking a \$15B+ Resilient Reconstruction Program

Hinged on FEMA's pace and its ability to process and approve the last few dozen major recovery projects, **the Territory expects to have approximately \$20 billion of accessible infrastructure funding by mid-2024.**

While the overwhelming majority of these funds will come from FEMA, the Territory will also have significant disaster recovery funding from other federal agencies as well as funding from other federal infrastructure initiatives.

Implementing a \$15B+ multi-sector infrastructure capital improvement program would stress the capacity of any of the largest states, cities, and counties on the mainland.

Not surprisingly, this will create a unique challenge for a Territory of less than 100,000 residents, especially during a time of historically low unemployment coupled with a historically high number of contracting opportunities nationwide.

Critical challenges include but are not limited to:

- Attracting and retaining a workforce of 5,000-7,000 workers at the peak of construction and creating sufficient housing to adequately house workers without negatively impacting the acute affordable housing shortage on the islands or the USVI tourism economy.
- Supporting the scaling and development of local building resources and contractors and development of a large network of external suppliers.
- Resolving a wide variety of logistical issues, including ports capacity, transportation, staging and warehousing, utility coordination and more.
- Implementing systems for efficient procurement, payment processing, and contracting to encourage construction companies to commit to long-term participation to deliver the rebuild.
- Establishing a cohesive program support function to coordinate and manage a massive influx of funding and resulting construction activity.

Meeting these challenges and undertaking this unprecedented reconstruction of virtually all the Territory's critical public



infrastructure simultaneously over more than a decade will require a new approach which:

- Maximizes the use of local labor and creates substantive opportunities for local businesses.
- Attracts the largest construction companies in the nation to make long-term commitments to rebuilding the USVI.
- Streamlines internal governmental processes and leverages the agility of the Office of Disaster Recovery to coordinate across all the Territory's agencies, authorities, and other stakeholders.

Solution: The Rebuild USVI initiative includes a clear strategy to ensure the accelerated and successful development of the island's infrastructure and portfolio by taking the following actions:

- Establishing a Rebuild USVI Super PMO (Portfolio Management Office) to drive a coordinated, efficient rebuild program across all sectors, notably schools, healthcare facilities and underground utilities. The Super PMO will unify all reconstruction efforts, implement streamlined processes, and maximize coordination of efforts across all stakeholders.
- Conducting Rebuild USVI Industry Day in late 2023 to showcase the projects and opportunities to the large construction companies and to facilitate relationships with USVI-owned and USVI-based businesses to ensure that a fair share of the work and profits further community prosperity.

- Building upon existing programs to train US Virgin Islanders to have successful careers and launch new businesses to support the rebuild effort while creating incentives to attract and retain a supplemental off-island workforce.
- Using available funding to leverage opportunities to create short-term workforce housing which can transition into permanent affordable housing for Virgin Islanders.
- Putting processes in place to make sure that all facilities are built to the highest standards of resilience and consider the Total Cost of Ownership, including operations and maintenance, so that the portfolio of projects built continues to serve the needs of Virgin Islanders for generations to come.

These steps will facilitate the Governor and his team's delivery on the promise of Rebuilding a Resilient Virgin Islands and creating a Legacy of Resilience while serving as exceptional stewards of the vast amount of funding being provided by the federal government. Now, the USVI continues its journey to take full advantage of what Governor Bryan has called a "Once-in-a-Century Opportunity" to build the foundation for shared prosperity for all Virgin Islanders.



CDBG-DR Administrative Costs

The availability of CDBG-DR Administrative Funds is limited to cover program administrative costs that are necessary for the smooth functioning of the program. These costs include funding for CDBG-DR employees who oversee the program’s development of policies, monitoring, and leased office space. Additionally, it covers legal, accounting, and auditing services performed under third-party contracts. The cap for these costs is \$53 million or 5% of the total grant amount of \$1.075 billion. However, with over 50% of admin costs already expended, it’s becoming challenging to maintain these needs within the program.

Solution: The subrecipient agreement between the Office of Disaster Recovery and the Virgin Islands Housing Finance Authority enables the ODR to provide programmatic oversight to the CDBG-DR program. As a sub-recipient, any costs incurred through this agreement are eligible for Activity Delivery Costs, allowing for more flexibility and access to capital within the CDBG-DR grant to implement programmatic needs.



Housing

Another issue compounded by the storms is the shortage of adequate housing, which is becoming increasingly critical. This scarcity heightens the urgency to determine sustainable housing solutions, alleviate pressure on local resources, and facilitate the logistical efficiency necessary for advanced and ongoing recovery operations.

Solution: Efforts like the Derelict and Abandoned Building legislation, VI Slice, and the Rental Rehabilitation & Reconstruction program are aimed at helping to address housing deficits.

OFFICE OF THE GOVERNOR TOWN HALL MEETINGS

TOPIC OF DISCUSSION
A solution to remedy the blight of derelict
and abandoned properties in the USVI

August 28, 2023
6 PM
Charlotte Amalie
High School
Auditorium

August 30, 2023
6 PM
St. Croix
Educational
Complex Auditorium





EnVision Tomorrow

The EnVision Tomorrow Program continues to miss targets despite multiple interventions and increased staffing. The main factors contributing to the program's slow progress lie in the execution of rebuilding hundreds of private residential homes simultaneously. First, the homes approved require extensive repair and/or replacement, which requires architectural drawings. Approved drawings with varying roof designs and a standardized completed set of drawings cannot be used for multiple homes; they are all different. Consequently, each home must go through the A&E phase and requires skilled, available contractors to execute each individual scope. Additionally, the program, like other sectors of the recovery, is continuously faced with addressing the ever-increasing cost of construction, labor, and materials, with some homes even exceeding the existing program cost of construction cap.

Solution: In March 2022, the program mobilized a general contractor, Persons Service Corp., which was awarded construction services for 172 homes referred to as the EnVision 200 (EV 200). This initiative has increased the number of projects in construction, thus eliminating multiple solicitations by placing a minimum of 100 homes under one contract. The program will continue to award small projects, less than 20 homes, to qualified companies, large or small.

VIHFA has also executed a contract with Grant Engineering and Construction Group to expedite projects under the EnVision program by providing supplemental manpower. While based in New Jersey, 100 percent of the firm's senior project management team is either from or resides in the Territory. To ensure success, VIHFA has also hired two engineers whose responsibility includes oversight of the management of this

contract and the program's reconstruction efforts. Additionally, to minimize delays in construction and issue timely payments, the payment and approval process is being streamlined.



Lag in Project Timelines

One of the most pressing issues facing recovery is the recurrent lag in project timelines, which is affecting anticipated revenues. Challenges such as scarcity of contractor workforce, disruptions in the supply chain, and delayed release of funds are contributing factors.

Solution: Although the recent procurement of a \$100 million credit line provides temporary relief, there is a pressing need for enduring resolutions.



Road Ahead



The seventh year after 2017 Hurricanes Irma and Maria will mark a major turning point in recovery as the transition from “getting the funds” to “spending the funds” is moving forward in earnest. With a total reconstruction package estimated at \$15 billion or more, reconstruction cannot and will not be conducted in a business-as-usual fashion.

The historic and ambitious plan to complete major reconstruction of much of the Territory’s critical infrastructure over the next decade will require a truly herculean effort beyond the Territory’s current capacity. Therefore, in December of this year, the Office of Disaster Recovery will formally launch Rebuild USVI, a special initiative aimed at streamlining the process.

Rebuild USVI has three major initiatives:

1 Attract National Construction Firms to Bid on USVI Projects

Given the scale of the reconstruction, the Territory needs local contractors, regional contractors, and large engineering, procurement and construction contractors (EPCs) to undertake USVI recovery projects. While local and regional contractors will continue to play a substantive role in recovery, participation of the national EPCs—who bring large-scale construction expertise and thousands of additional skilled laborers—is essential.

Recognizing this, ODR will host Rebuild USVI Industry Day in the first week of December 2023, during which invited participants from national, regional and local firms will come together to learn more about the projects and timeline for the overall Rebuild USVI program. They will also meet with and learn about the upcoming procurement process and provide input on how a collaborative reconstruction can be successfully structured. Industry Day will also include sessions for local and national contractors to meet, forge partnerships, and discuss teaming opportunities.

2 Resolve Logistical Challenges

Construction on islands typically presents a series of challenges that can drive up costs and limit contractor interest. In order to proactively address these challenges, Rebuild USVI includes a process for designing and deploying centralized solutions to address challenges and streamline the reconstruction process.

Major logistical challenges which the Rebuild USVI team is already working on include:

- Workforce Housing
- Building Materials & Heavy Equipment Availability
- Port Capacity
- Disposal of Construction Debris
- Local Transportation
- Warehousing, Staging, and Storage Sites



- Minimizing the Construction Impacts on Residents and Visitors

Establish a Super PMO to Coordinate Efforts

3

Managing dozens of simultaneous construction projects valued in billions of dollars across virtually all infrastructure sectors in a jurisdiction of the size of the USVI is unprecedented in our nation's recent memory.

An essential enabler for major multisector infrastructure construction projects, both nationally and internationally, has been the establishment of a Portfolio Management Office (PMO) to coordinate the efforts of all contractors, government agencies, and other key stakeholders.

The Super PMO remit will include the following key functions:

- Interagency/Contractor/Stakeholder Coordination
- Master Project Prioritization & Schedule Management
- Program Cost Management
- Resource Balancing
- Program Controls
- KPIs and Reporting
- Program Risk Management
- Quality Assurance
- Total cost of ownership and maintenance forecasting



Rebuild USVI will be a comprehensive initiative that will enable the Territory to undertake this massive reconstruction program while maintaining the way of life that Virgin Islanders treasure, supporting the resilience of the Territory, and sustaining other key economic drivers, including tourism.

Rebuild USVI marks the start of a journey which the Governor has called a “once-in-a-century opportunity,” which the Territory must take full advantage of.

Rebuild USVI will group many of the top-priority recovery projects into multibillion-dollar bundles for procurement. The projects will be aggregated first by island and then by infrastructure type, e.g., healthcare facilities, schools, public buildings, and utilities.

The hurricanes significantly impacted the functionality of the Territory’s water system. After a heavy focus on emergency repairs right after the disaster, the Authority recognized early on that the post-storm breakage far outnumbered pre-storm disruptions. These irregular occurrences prompted VIWAPA to conduct an analysis that eventually led to FEMA’s approval of the Authority’s May 2021 request for the prudent replacement of the entire underground water distribution system in St. Croix in 2022. VIWAPA is currently engaged in efforts to replicate these initiatives for the St. Thomas-St. John water distribution system.

On St. Croix, the commencement of construction for waterline extension projects in Clifton Hill/Container Port wrapped up in early September 2023, while



Rest and Campo Rico. Both projects are expected to be complete in the fall of 2024. Simultaneously, progress is being made on waterline extension projects Donoe and Nazareth in St. Thomas. A contract is in negotiation for waterline extension and rehabilitation work on Northside Road on St. Croix and is expected to begin in 2024.





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