TESTIMONY

Committee on Disaster Recovery and Infrastructure
Legislature of the Virgin Islands
Block 2: Virgin Islands Department of Public Works

OFFICE OF DISASTER RECOVERY
PRESENTED BY: DIRECTOR ADRIENNE L. WILLIAMS-OCTALIEN
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Good Afternoon Senator Janelle K. Sarauw, Chairwoman of the 34th Legislature's Committee on Disaster Recovery and Infrastructure, other members of the Committee, fellow testifiers, and the listening and viewing audience. I am Adrienne L. Williams-Octalien, Director of the Virgin Islands Office of Disaster Recovery. I am joined today by Deputy Director of Finance and Compliance, Artra Watlington-Francis and Territorial Hazard Mitigation Officer Graciela Rivera. Thank you for the opportunity to provide updates on the Department of Public Works' recovery projects and initiatives.

The Department of Public Works (DPW) is one of the most critical partners in the recovery effort and the Office of Disaster Recovery (ODR) works closely with DPW to facilitate the myriad of disaster recovery projects that require approval in their role as the Territory's Engineer of Record. Additionally, DPW is the only agency that has received funds from all major disaster recovery programs to reconstruct and rehabilitate the Virgin Islands infrastructure from four major programs: FEMA-Public Assistance (PA), FEMA-Hazard Mitigation Grant Program (HMGP), Department of Transportation-Federal Highway Administration-Emergency Relief (FHWA-ER) and HUD's Community Development Block Grant-Disaster Recovery Program (CDBG-DR).

**FEMA - Public Assistance (PA)**

To date, over $52.7M in FEMA Public Assistance funds have been obligated to the department, and $38.8M has been expended. $47.2M or 90% of the obligated funds assisted the territory in debris removal activities immediately after the storms in 2017. Of the remaining $5.5M of the total obligation, $2.7M was for permanent work, and $2.8M was management costs.
The repair and reconstruction of damaged roads is one of the Governor's top five recovery priority areas, yet the obligation of road projects has been wrought with many challenges. A majority of the Territory's road projects and damages were agreed upon by DPW and FEMA immediately following the 2017 Hurricanes. FEMA then reversed this decision in 2019, citing ineligibility concerns regarding potential pre-disaster damages. Approximately 87% of the roads (574 Sites) on St. Croix and 25% of the roads (28 Sites) on St. Thomas were deemed ineligible due to pre-disaster damage. Examples of ineligible roads include Dorothea and Sorgenfri on St. Thomas and Mt. Pleasant on St. Croix. The only option for the Territory is to appeal those determinations.

In an attempt to move eligible projects forward, FEMA chose to separate individual damage line items from each road into two separate project categories: "Road Project 1s" for damages determined “eligible” and "Road Project 2s" for damages determined “ineligible” or “lacking documentation necessary to determine eligibility”. The Territory is currently engaging in the Alternative Dispute Resolution Process for Road Projects 1s, giving DPW and FEMA room to review individual line items and justify costing and mitigation improvements. Road Project 2s however, have no funding allocations and determination memos are being developed by FEMA for these projects. There are thirty-seven individual Road Project 2s with associated Road Project 1s. At this time, the Territory has received 4 Determination Memos for Road Project #2s in the St. Thomas/St. John District and formal appeals are in development for submission to FEMA.

In addition to obligation challenges, because of this separation of damages along contingent roadways, it is impractical for DPW to begin construction on obligated Road Project 1s due to a lack of funding for adjacent damages along these roads. This effort would only result in a patchwork of repairs which no effective path forward to complete roadway rehabilitation.
To ensure that our Territory’s roads are reliable and safe, DPW petitioned FEMA to use US Department of Transportation's Federal Highway Standards. The subsequent approval of these standards by FEMA was a win for the Territory and necessary, as roads are not considered eligible facilities through the Bi-Partisan Budget Act of 2018 (BBA), which allows for the replacement or restoration of a facility or system to industry standards, despite its pre-disaster condition.

At this time, there are seven road projects nearing obligation without associated Project 2s. These road projects include the Kingshill Cemetery Parking Lot, Water Island Watershed Project, Jersey Bay and Smith Bay Watershed Project; Botany Bay, Perseverance Bay, and Red Hook Bay Watershed Combined Project; Great Cruz Bay Watershed; Fish Bay Watershed Project, and Coral Bay & Maho Bay Projects for an obligation amount of $18.5M. Solicitation development and design work are currently in process so DPW can execute a smooth transition into the procurement phase for construction.

The St. Croix DPW Anna's Hope Compound remains of critical importance as the day-to-day functionality of the department is severely compromised due to ongoing mold issues following the 2017 Hurricanes. The project is pending obligation and design work will commence shortly.

**FEMA - Hazard Mitigation Grant Program (HMGP)**

The Hazard Mitigation Grant Program (HMGP) reduces the loss of life and property by minimizing the impact of disaster via a variety of mitigation activities. DPW has been awarded 11 HMGP projects valued at $4.4M that include acquisitions of hazard-prone buildings, slope stabilization projects and drainage improvement projects to reduce flooding.
In October 2019, Phase 1 of the Hannah’s Rest Drainage, Improvements and Acquisition project on St. Croix was awarded by FEMA in the amount of $513K. The contract is currently under review and execution by the selected contractor Kimley Horne.

Phase I of the Northside Drainage Improvement Project on St. Croix was obligated $305K. This project will improve drainage along Northside Road. There are ongoing coordination efforts with other agencies that are part of the combined project with CBDG-DR. Additional funding in the amount of $573,487 is needed for the A&E portion of this project and currently in process with the VIHFA.

On December 2, 2019, the Donoe Bypass Drainage Improvement Project on St. Thomas was awarded a Phase 1 obligation of $434K. This project will resolve flooding and potential landslides affecting the buildings alongside and adjacent to the Donoe Road and Bypass. This project has been awarded to Kimley Horne and pending finalization of the contract. Currently a cost analysis is being done for the CBDG-DR funding. The design will take 18-24 months and construction should take approximately two years.

The Mahogany Road Drainage Improvement Project on St. Croix will address stormwater runoff issues along Mahogany Road within the La Grange gut watershed. Phase 1 of the project was awarded to Stanley Consultants for $398K to design ditches, culverts, concrete outlet pipes, retention ponds and catchments.

The Smith Bay Road Storm Water Mitigation Project on St. Thomas was awarded in April 2020 for $485K for Phase 1. This project will remediate flooding issues on the Coki Point and Smith Bay Roads. The contract is currently with the awarded vendor Nv5 for execution.
The St. Thomas East End Reserve (STEER) Stormwater Mitigation Project was awarded in the amount of $749K for Phase I. This project will address the risk of flooding in the eastern part of St. Thomas. The solicitation for this project is being finalized for advertisement.

In May 2020, Phase 1 of the Gallows Bay Drainage Project was obligated $1.1M. This project will reduce the flooding that affects Mount Welcome Road by capturing the runoff that flows from Spring Gut and directing it into a box culvert. Currently, this RFP is being finalized for advertisement. This project will be completed in conjunction with a paving and drainage project from FHWA.

The La Reine Intersection project on St. Croix was awarded on March 17, 2021 with a Phase 1 obligation of $384K. It will reduce the flooding that occurs at that intersection during rain events.

The Estate Paradise Road Drainage Improvement Project was awarded on March 17, 2021, with a Phase 1 obligation of $49K. This project will reduce the flooding that currently affects the Louis E. Brown apartments during minor rain events.

Two HMGP projects will provide a territory-wide analysis to identify locations and methodology for mitigation opportunities. The Territory-wide Slope Stabilization Analysis Project received an obligation of $701K in September 2020 and the Territory Wide Culvert Analysis was awarded in October 2020 and received an obligation of $580K.
Community Development Block Grant- Disaster Recovery (CDBG-DR)

The Department of Public Works has received $6.3M in funding through Tranche 1 of the CDBG-DR Program for the Donoe Bypass Road on St. Thomas, and Northside Road on St. Croix; Both projects will be executed in conjunction with FEMA-HMGP.

DPW has also submitted four applications for design to the CDBG-DR Program administered by VIHFA. The completed applications are being reviewed by VIHFA for the following road projects: Mafolire Road and Bolongo/Bovoni Road Projects on St. Thomas, Centerline – Queen Mary Highway on St. Croix and Centerline Drive on St. John. Due to limited funding availability in Tranche 2, these projects will be funded through CDBG-MIT.

Federal Highway Administration-Emergency Relief (FHWA-ER)

The Department of Transportation (DOT) allocated $68M in FHWA-ER funds to fix storm-ravaged roads across the Territory. To date, $56.6M of those funds has been obligated of which, $22.6M has been expended. ODR is currently tracking the progress of two FHWA-ER projects addressing 13 Sites on St. Thomas, 5 Sites on St. John and 16 Sites on St. Croix.

The design-build procurement for the St. Thomas/St. John District was awarded to Island Roads, Inc. The Initial Notice to Proceed was provided to the contractor in November 2020 and a Notice to Proceed was executed in March for roadwork in Crown Mountain, Fortuna and Hull Bay. The design-build procurement for the St. Croix District was awarded to VI Paving, Inc. The initial Notice to Proceed for design was provided to the contractor in December 2020 and a Notice to Proceed for Construction is being developed for execution. Gallows Bay Road, East End Road and Midland Road Bridge should begin construction by the end of the year.
With a large number of recovery projects mobilizing within the territory, there is an increased need to augment the capacity within the government to manage projects. ODR and DPW are acutely aware of these needs and consistently work together to identify strategies to address these challenges. At DPW's request, the ODR solicited qualified firms and contracted with Springline Architects for architectural and engineering design support to accelerate projects to the construction phase. Since January 2020, Springline Architects has been developing the schematic design and construction documentation for 19 recovery projects and counting. This support has been instrumental in advancing the Territory's projects to DPP and ultimately out to bid.

Construction management support and firms with experience with historical facilities have also been identified as the next critical area of need. In anticipation, and incorporating feedback provided by DPW, the ODR issued an RFP and selected two additional firms, Jaredian Design and the DLR Group, to provide design services and construction management to ensure future projects entering the design and construction phases have the necessary resources in place for successful execution.

Throughout this disaster recovery process, critical needs have been identified highlighting areas integral to the success of our Territory’s projects. These critical demand needs involve the requirement for additional engineers to support A & E design services, and additional financial and grant managers to manage project funds.

In response, ODR in collaboration with the Workforce Investment Board, the Department of Labor and the University of the Virgin Islands (UVI) is crafting a Workforce Development
Initiative. This initiative's primary purpose is to create and execute a workforce development plan aimed at building the Territory's disaster recovery workforce. This plan focuses on four core objectives: placement opportunities for graduates and job seekers, training programs that align with demand positions through the integration of DOL’s Skills for Today program, certificate programs at the UVI for demand recovery careers, and degree programs at the UVI for demand recovery positions.

One of the areas identified as a critical occupation is engineering. To support this need, UVI is designing a recruitment plan to locate both graduates and students from their 3-2 Engineering program. Once identified, these candidates will be presented with local placement opportunities in high-demand positions, offering our Virgin Islanders the chance to return home and play a vital role in the Territory's recovery efforts.

A strong partnership between ODR and DPW is integral to the successful completion of Central Government Agency projects, and the overall success of the Territory’s disaster recovery efforts. To support these efforts, the ODR coordinates a Bi-Weekly Priority Engineering Meeting with DPW. Through this collaboration, the ODR and DPW establishes and track deadlines to ensure the Territory’s recovery projects progress to the Department of Property and Procurement (DPP) for solicitation and overall project completion. ODR appreciates the support and commitment of the DPW team.

Madam Chair, thank you for the opportunity to testify today. This concludes ODR's update on the status of DPW's recovery projects. My team and I are available to answer any questions you may have.