



GOVERNMENT OF THE VIRGIN ISLANDS OF THE UNITED STATES

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FOR IMMEDIATE RELEASE

**DPNR OUTLINES PROGRESS ON WATER INFRASTRUCTURE MODERNIZATION
AFTER EPA INSPECTOR GENERAL REVIEW**

The Department of Planning and Natural Resources (DPNR) acknowledges the findings of the U.S. Environmental Protection Agency (EPA) Office of Inspector General's audit, which began in January 2024 and included an on-site visit to the territory in April 2024. "We appreciate the OIG's work and view the report as an important tool to help strengthen our internal capacity as we manage major federal investments in the territory's water infrastructure," stated Commissioner Jean-Pierre L. Oriol.

At the time of the audit, the Division of Environmental Protection had only one financial staff member dedicated to managing these awards. This staffing limitation contributed to several of the concerns noted in the report. Since then, DPNR has taken meaningful steps to expand its capacity. DPNR now has four financial team members supporting the division's grant and financial management responsibilities, significantly improving the department's ability to track, report, and administer federal water infrastructure funds.

It is also important to clarify that while DPNR is the official state agency responsible for receiving these federal awards, the department primarily serves as a pass-through entity for the territory's utilities, most notably the Virgin Islands Water and Power Authority (WAPA) and the Waste Management Authority (WMA). These utilities are the implementing agencies for the projects funded under these programs.

Both major utilities have been awarded funds (subawards) from DPNR for the implementation of several significant infrastructure projects, including:

- Christiansted Sewer System Upgrade – approximately \$11M
- Krause Lagoon Interceptor Upgrade – \$10M
- Blackbeard Waterline Rehabilitation – \$3.5M
- Mahogany Estate Waterline Rehabilitation - \$2.7M
- Installation of automated water meter readers – \$3M
- Hospital Ground Waterline - \$1.2M

Additionally, DPNR has approved the required Facility Plan for the Mangrove Lagoon Wastewater Treatment Plant Upgrade Project – \$29M. WMA is currently working on the final engineering plans and design needed to put the project out for bid.

These projects represent critical progress toward modernizing the territory's water and wastewater systems.

"The challenges identified in the OIG report were real, and we did not wait for the final publication to begin addressing them. Since early 2024, we have significantly strengthened our staffing, tightened our financial practices, and accelerated the flow of federal dollars to long overdue projects. Our commitment is unwavering: the people of the U.S. Virgin Islands deserve a reliable, modern water infrastructure system, and DPNR is doing the work to deliver it," Commissioner Oriol concluded.