



2020 CARES Act FINAL REPORT for Navajo Nation Leadership

For close to five months in 2020, the Navajo Nation (NN) and the Navajo Tribal Utility Authority (NTUA) remained committed to extending utility services to the homes of Navajo Nation families to help prevent the spread of COVID-19 using federal funding allocated under the U.S. Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act. On August 16, 2020, Navajo Nation President Jonathan Nez signed into law CJY-67-20 CARES Act legislation, passed by the 24th Navajo Nation Council.

The NN leadership approved \$147,116,561 in 2020 CARES Act funding for NTUA. In an effort to make the Navajo Nation CARES Act a success and to connect as many Navajo homes to the utility infrastructure as possible, before the December 30, 2020 deadline. NTUA had to self-fund our projects until we received our first cash disbursement from the NN Office of Controller on October 5, 2020.

NTUA only received \$144,964,983 of the total award of \$147,116,561. NTUA made three reversions back to the Navajo Nation totaling \$70,286,711.58. These funds were returned with the understanding that they would be reverted into the NN Hardship fund to help families.

The NN CARES Act legislation provided NTUA funding to construct utility projects eligible under the CARES Act by December 28, 2020 with special projects having a completion date of December 30th and a few projects were allowed to be completed after December 30th. While Congress changed the federal deadline to use CARES Act funds to December 30, 2021, the Navajo Nation did not extend its deadline.



With approximately \$76.8 million, 3,121 Navajo homes received internet services, 737 Navajo homes were connected to the electric grid, 300 Navajo families received an off-grid residential solar unit, 105 families received a cistern and septic system, and 30 Navajo families received a waterline and septic system connection to their homes.

NN CARES ACT NTUA BREAKDOWN	Award	Total Spend	2/5/2021	3/7/2021 & 4/21/2021	Total Reversion
			Reversion 1 to Navajo Nation	Reversion 2 to Navajo Nation	
E-POWERLINE	13,897,562.00	7,596,816.58	-	6,300,745.42	6,300,745.42
E-CAPACITY	24,747,269.00	8,740,073.58	6,700,000.00	9,307,195.42	16,007,195.42
SALT SPRINGS (POWERLINE)	850,000.00	409,089.56	-	440,910.44	440,910.44
WATER/WASTEWATER	18,635,000.00	13,529,512.98	2,151,578.00	2,953,909.02	5,105,487.02
CISTERN	20,946,523.00	6,139,008.37	6,300,000.00	8,507,514.63	14,807,514.63
OFF-GRID SOLAR	35,192,000.00	12,950,780.62	17,100,000.00	5,141,219.38	22,241,219.38
BROADBAND	32,848,207.00	27,464,567.73	1,800,000.00	3,583,639.27	5,383,639.27
Grand Total	147,116,561.00	76,829,849.42	34,051,578.00	36,235,133.58	70,286,711.58

The table above shows a general breakdown of where funds were expended and what was reverted back to the NN. NTUA received 5 award payments totaling \$144,964,983 during the 10-5-2020 to 12-22-2020 time frame.

NTUA would also like to point out that when the NN deadline approached, some projects were still under construction. NTUA opted to complete those projects instead of leaving the families with an unfinished utility projects.

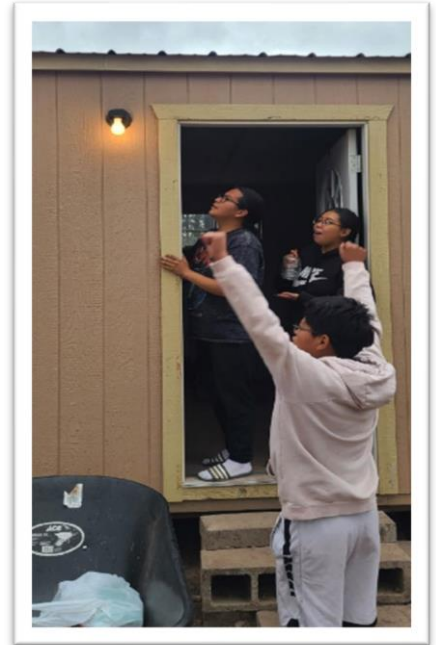
For various reasons NTUA had to contribute \$3,393,949 of its own money to complete some of the CARES Act projects.

Under the CARES Act timeline, the NTUA workforce completed an unprecedented amount of work in a very short time. NTUA organized internally and limited the granting of personal leave before December 30, 2020.

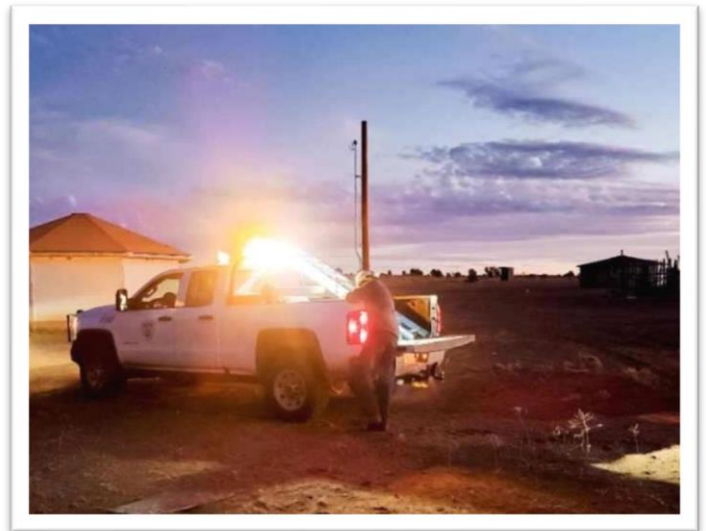
In an effort to help as many people as possible, NTUA employees worked 75-hour work weeks in the Fall and 70-hour work weeks (7/10) during the Winter to complete as many projects as possible before the CARES Act deadline.

In addition, NTUA worked closely with various contractors and vendors across the United States to connect Navajo homes with utilities. In total, 470 contractors and vendors were hired to work on NTUA projects under the CARES Act, of which 240 were Navajo members.

The total amount that NTUA awarded to contractors and vendors under the CARES Act was \$47,157,419. In addition, 797 NTUA employees worked tirelessly to provide utilities infrastructure to Navajo citizens to prevent the spread of COVID-19.



STATE BREAKDOWN DETAILS		Total Complete
BROADBAND		
	Arizona	23,780,258.32
	New Mexico	3,672,738.10
	Utah	11,571.31
CISTERN		
	Arizona	4,721,129.33
	New Mexico	1,835,994.73
	Utah	327,856.21
E-CAPACITY		
	Arizona	7,130,301.63
	New Mexico	1,376,535.39
	Utah	233,236.56
E-POWERLINE		
	Arizona	6,144,647.87
	New Mexico	953,807.04
	Utah	498,361.67
SALT SPRINGS (POWERLINE)		
	Arizona	409,089.56
OFF-GRID SOLAR		
	Arizona	7,077,652.87
	New Mexico	5,789,294.51
	Utah	83,833.24
WATER WASTEWATER		
	Arizona	10,601,774.58
	New Mexico	2,148,607.12
	Utah	33,159.38
Grand Total		76,829,849.42



STATE BREAKDOWN		Total Complete
	Arizona	60,233,268.31
	New Mexico	15,408,562.74
	Utah	1,188,018.37
Grand Total		76,829,849.42

The following is an overview of some of the major projects completed by NTUA under Navajo Nation CARES Act CJY-67-20

Powerline Residential Connections

NTUA's initial goal was to connect 510 families. NTUA exceeded this goal by extending electricity to the homes of 227 additional families.

737 Navajo families are now connected to the electric grid

- Arizona – 489
- New Mexico – 171
- Utah – 77

683 families connected by NTUA crews to NTUA's electric grid system

- Arizona – 484
- New Mexico – 122
- Utah - 77

54 families connected by neighboring utility crews to their powerlines



Neighboring Electric Utility Partnerships

NTUA created partnerships with the neighboring electric utilities that serve homes on the Navajo Nation to help mitigate the spread of COVID-19. NTUA reached out to neighboring electric utility providers to develop a meaningful solution for families living beyond the reach of NTUA's electric distribution system but are in close proximity to a powerline of another electric utility provider.

These companies identified homes they were able to connect. NTUA shared its CARES Act funding with these companies so the identified families could be connected to the grid.

It was the first time NTUA established this type of partnership with these neighboring electric utilities.

➤ **Arizona Public Service (APS)**

5 homes connected in Arizona – Western Navajo

- 2 homes connected in Tuba City; 3 homes connected in Cameron

➤ **Continental Divide Electric Cooperative (CDEC)**

24 completed projects in New Mexico – Eastern Navajo

- 1 Baahaali, 3 Baca Prewitt; 1 Chichiltah, 4 Churchrock, 1 Littlewater, 1 Red Rock; 1 Rock Springs; 2 Smith Lake; 2 Thoreau; 3 Tohajiilee'; and 5 Tsayatoh

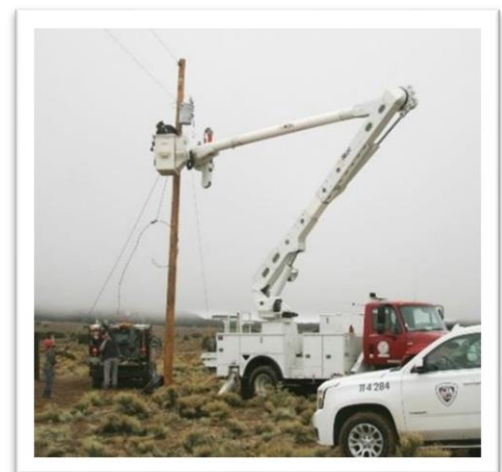
➤ **Jemez Mountain Electric Cooperative (JMEC)**

24 Completed projects in New Mexico – Eastern Navajo

- 6 in Counselor; 3 Huerfano; 9 in Nageezi, 6 in Torreon

➤ **Socorro Electric Cooperative (SEC)**

1 home in Alamo, NM – Alamo Navajo



Off-Grid Residential Solar Units

300 solar units installed & commissioned

- Arizona – 141
- New Mexico – 132
- Utah - 27

These solar units were only offered to homes that are not connected to the electric grid and located miles away from the nearest electric powerline.

Field crews prepared homes for a 3,000-kW solar unit placement. House-wiring for 202 homes was required.

Outside contract crews (mostly Navajo-owned) were hired to complete the work.

Of the 300 solar units placed, 40 were designated for the homes of U.S. Military Veterans. Twenty- three (23 units) were assigned for the Water Cistern/Septic project described below.

Each system also received an energy efficient refrigerator – as shown here at one home in Oljato, Utah. The family was grateful they will no longer have to use portable ice chests to store their perishable food.



Electric Capacity Projects

NTUA's electric division completed 140 capacity projects to strengthen the system's reliability, including adding capacity to the electric system which is needed to provide additional services to newly connected homes and to help prevent and combat the spread of COVID-19.

- Arizona – 81 projects
- New Mexico – 43 projects
- Utah – 16 projects

These capacity projects included:

- Powerline conversions & upgrades
- Substation - switch/motor replacements
- Recloser/switch installations
- Transformer/bushing replacements
- Powerline Pole replacements
- Distribution improvements



Water Cistern and Septic Projects

The CARES Act provided funding for cistern water systems where there is no water available for household drinking water, kitchens, and bathrooms. A cistern water system will store the water needed for a household in a large 1,000-gallon container that is refilled.

NTUA worked with the Navajo Engineering and Construction Authority (NECA) to install the water cisterns, septic tanks, a power system, which included building a bathroom addition and plumbing, if necessary.

Projects included cistern/septic, drain field, bathroom addition (if needed), plumbing (if needed), house-wiring (if needed) and power source (connection to electric grid, solar unit, generator) (if needed) and an energy efficient refrigerator (except for the homes which only were powered by a generator).

105 total cistern systems completed:

- Arizona – 47
- New Mexico – 53
- Utah 5

71 out of 105 homes receive electric service from NTUA
➢ 51 were already connected to NTUA's electric system
➢ 20 were connected by NTUA's electric crews

23 out of 105 homes received a solar unit and back-up generators

11 out of 105 homes will be powered by generator

NTUA Water/Wastewater Projects

116 total projects completed

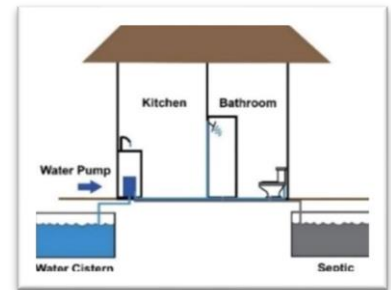
- Arizona – 72
- New Mexico – 37
- Utah – 7

NTUA Waterline Extensions with Septic to Homes

As the CARES Act work was underway, NTUA made the decision to assign the water crews to construct waterlines to homes to help prevent the spread of COVID-19. This work also demonstrated the capability of NTUA to build water lines. These projects were short-distance and feasible.

30 total waterline extensions & septic systems installed

- Arizona – 19
- New Mexico - 11



Water Loading Stations

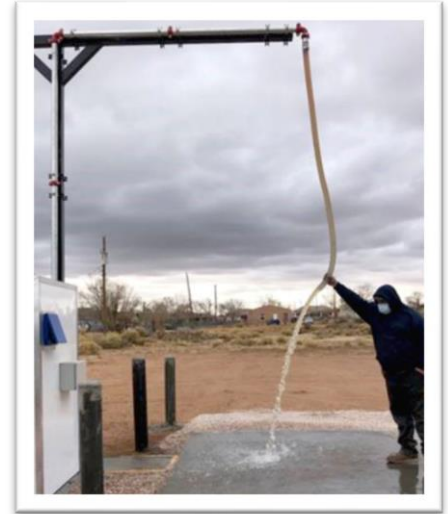
New water loading stations were constructed and repairs/upgrades to regional watering loading stations were also completed. Four are in Arizona and two are in New Mexico. In addition six existing water loading stations were upgraded – four in Arizona and two in New Mexico.

- Arizona – 7 New; 4 Upgraded
- New Mexico – 2 New; 2 Upgraded

In addition, NTUA constructed livestock water loading stations.

- Arizona – 3
- New Mexico – 2

These livestock water loading stations were constructed so that residents will not haul water for livestock from potable water sources.



Water Wells & Water System Upgrades

Pump/motor replacements for targeted water wells were completed, including well renovations for targeted projects. Other projects included:

- 64 pump/motor replacements for water wells
- 10 water well renovations
- 1 water storage tank renovation
- Dilkon Well 3 to Well 1 pipeline upgrade
- Ganado Water Supply Well
- Halchita Water Treatment Plant Upgrades
- Pressure reducing Value Upgrades



Major Water/Wastewater System Improvements

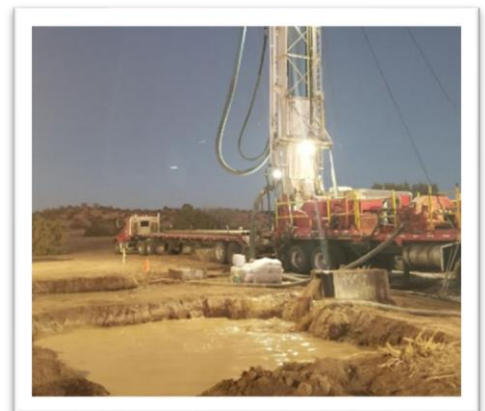
Construction to replace 27,000 feet of waterline for the Park Estates project near Sanders (AZ) Phase I & II have been completed.

The Montezuma Creek (UT) arsenic removal water treatment plant has been completed & commissioned.

4,800 feet of the Window Rock (AZ) wastewater trunk line was renovated WR WWTP Emergency Sewer line repairs.

The Pinon (AZ) wastewater total retention lagoon was completed and commissioned.

Two Shiprock wastewater lift station motors were replaced.



Broadband & Telecommunications Projects

143 total projects were completed

- Arizona - 116
- New Mexico - 24
- Utah - 3

The upgrade of NTUA fiber optic backbone from 10 Gbps to 100 Gbps was one of the major broadband projects. This increase in capacity was necessary to handle the increased internet traffic due to the COVID-19 pandemic.

Without this uplift installation of the 85 broadcast stations, NTUAW would not have provided the increase in internet speeds that the Navajo people deserve, especially the students attending school on-line and patients and doctors engaging in telehealth.

- 81 broadcast stations uplifts on existing tower locations
- 4 new broadcast stations on 4 new tower locations
- 14 fiber buildouts to various locations on the Navajo Nation



Free Student Wi-Fi Hotspots

Forty-two (42) hotspots have been connected in various communities throughout the Navajo Nation. The goal was to place the hotspots so that no one would have more than a 45-minute drive to access the Internet. The initial CARES Act target was 31 locations; however, due to increased demand, NTUA and NTUAW installed additional hotspots.

- Arizona – 34 locations
- New Mexico – 7 locations
- Utah – 1 location

NTUAW Broadband Residential Connections

3,121 connections

- Arizona – 2,171
- New Mexico - 806
- UT - 144

Of the 3,121, (1,056) customers signed up for the Student/Teacher Discount Plan, which provided customers with free equipment, free internet service for the first 4 months of the plan and a 50% reduction of the standard plan price

Four New Towers installed

- Pinedale (NM) completed on September 18, 2020
- Summit East (AZ) completed on December 15, 2020
- Woodsprings (AZ) completed on December 15, 2020
- Beclabito (NM) completed on February 15, 2021



Navajo Nation President Jonathan Nez, NN Vice-President Myron Lizer, NNC Delegate Vince James, NN Delegate Edmund Yazzie, and NNC Delegate Amber Kanazbah Crotty joined NTUA at different ribbon cutting celebrations held at legislative districts for all 4 new towers.

Navajo Nation Leaders and Members of Congress.

It is with great pride that I submit this final NTUA CARES Act Update. From August 2020 to December 2020, NTUA worked diligently on multi-utility projects that were part of the Navajo Nation (NN) legislation CJY-62-20, funded by the 2020 Coronavirus Aid, Relief, and Economic Security Act, otherwise known as the CARES Act.

On August 16, 2020, NTUA was notified that the NN CARES Act legislation was signed. The next day, I sent notice to NTUA employees that we would change internal operations to prioritize CARES Act projects. We postponed all other non-CARES Act funded projects so that we could meet the December deadline, knowing that there was a short window for construction, and we needed to get started as soon as possible.

From that point forward, the NTUA workforce concentrated on CARES Act projects because people were depending on NTUA for life-sustaining multi-utility services. Following an expedited schedule, NTUA completed an immense amount of work that included electric connections, water and wastewater system extensions, water cistern/septic installations, off-grid solar residential unit placements, and broadband system expansions.

Every week, NTUA employees proved themselves essential, most times sacrificing family time to fulfill their roles to build and extend multi-utility services while maintaining business operations to serve our customers. Even with a relentless pandemic, NTUA adapted and demonstrated the effectiveness of an efficient and diligent workforce that is guided by the NTUA mission: To provide safe, reliable, and affordable utility services that exceed our customers' expectations.

NTUA field crews also had the privilege of hearing from families who benefitted from the CARES Act. They expressed to our crews the deepest appreciation and sincerest heartfelt gratitude when a utility project was complete. They shared stories of the challenges they faced and how life would be easier following utility connection. It is clear that the COVID-19 pandemic has shone a bright light on how important it is to have utility services at each home.

On behalf of NTUA, I would like to gratefully thank leadership for giving us this opportunity to allow us to help improve the standard of living for hundreds of Navajo families. We understand that leaders entrusted us with the CARES Act funding to extend, build, and provide utility services to families without. NTUA success cannot be achieved without ongoing leadership support and encouragement.

As a proud Navajo Nation enterprise, it is our hope that we have demonstrated that the 2020 CARES Act funds allocated for utility infrastructure were successfully applied and fulfilled the requests and prayers of many Navajo families.

Thank you,



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