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NTUA explains why it pushed for broadband bill

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This is in response to the letter written by Ms. Theresa Hopkins, executive director of the Navajo Nation Telecommunications Regulatory Commission, and was published in the Navajo Times on Jan. 3, 2019 ("Broadband bill redundant, unnecessary").

The Navajo Tribal Utility Authority was established in 1959 by Navajo leaders. They created NTUA because regional utilities at the time were not adequately providing services to the Navajo people. The Navajo leadership believed it was time to establish a nonprofit tribal enterprise to meet the utility needs of the Navajo Nation. We at NTUA understand what they envisioned and we work hard to meet what they foresaw.

Our mission is to help raise the standard of life on the Navajo Nation. Broadband internet accessibility will positively improve the standard by creating a multi-directional internet pathway, giving direct access for education, economic development, employment, health, and emergency services.

That was our primary purpose when we sought legislation to bring internet access to 55 chapter houses. The legislation would have provided free internet access to community members at a safe indoor environment, eliminating having to sit in vehicles outside chapter houses.

Even though the proposed legislation did not make it past the Dec. 31, 2018, deadline, we believe the Navajo Nation is more than ready for Broadband.

Hopkins had submitted questions challenging the legislation. We found her challenge disappointing because this legislation was to broaden and expand internet accessibility here on Navajo.

As tribal entities, we should be working together to advance technology for our communities, instead of trying to further complicate the process. We all can do better.

In closing, we would like to explain why NTUA sought the legislation based on the questions raised.

• Hopkins: Five chapters listed on the PowerPoint are already connected to broadband. Why should Navajo pay for chapters who are already connected?

NTUA: The goal of the proposed legislation was to allow chapter government officials and community members to experience the benefit of internet connection. NTUA took the initiative and the risk to connect five chapter houses in Phase 1 (pilot) of this broadband to the chapter house project (BBCHP).

In Phase 1, NTUA contributed the material, equipment and direct labor to extend the existing communications infrastructure from where it existed to each chapter house building. Choice NTUA Wireless furnished and installed the connection to the wireless equipment and the wireless equipment inside the chapter house buildings, including the programming of the system to provide a wireless solution throughout the premises.

In the pilot phase, five chapter houses were provided free internet network service and maintenance for over one year. Funding for Phase 2 was written into the proposed legislation. The legislation would have provided an additional two years of network services for these 5 chapters.

• Hopkins: For the remaining chapters listed there is fiber at the chapters sitting on a pole outside the chapter. It should not cost \$27,000 to connect the fiber the rest of the way.

NTUA: The proposed legislation not only included the cost to extend the existing communications infrastructure to each chapter house but also the wireless equipment inside.

The \$27,000 referenced is the estimated average cost to extend the existing communications infrastructure from where it exists to all 50 chapter houses (commonly referred to customer service line) and to furnish and install the connection to the wireless equipment and the wireless equipment inside the building, including the programming of the system to provide a wireless solution throughout the premises.

• Hopkins: In addition, the American Recovery and Reinvestment Act grant received by NTUA indicated that the grant funds would be to connect these chapters.

NTUA: That is not correct. The American Recovery and Reinvestment Act grant did not include connecting to each chapter house (customer service line) because we could not guarantee that we could get the right of way from each chapter.

NTUA was not allowed to start construction of the project until it received all the ROW for the entire project. Since the ARRA grant, NTUA has expanded its communications infrastructure to six additional chapter houses – for which NTUA is not seeking a reimbursement.

• Hopkins: It has been over five years since the grant was received and 5-plus years later these chapters are still not connected.

NTUA: The scope of the ARRA grant for the chapter house portion was to install communications infrastructure within the proximity of 49 chapter houses.

Of these, 25 of the sites were established with microwave links and 24 were established with fiber optic lines.

The ARRA broadband project did not include the physical connection to each chapter house, because we could not guarantee that we could get the ROW from each chapter. NTUA was not allowed to start construction until we received all the ROWs for the entire project. Since the ARRA broadband project, NTUA has expanded its communications infrastructure to six additional chapters Houses – for which NTUA is not seeking a reimbursement.

• Hopkins: Most of the Eastern Navajo chapters will not benefit from this request.

NTUA: NTUA has already expanded into some parts of the Eastern Agency and they were included in this project. Sacred Wind Communications submitted a separate ARRA grant proposal covering the eastern Navajo chapters. Federal rules prohibited grant requests from covering competing coverage areas. If NTUA would have included this territory in its grant proposal then both grant proposals would have been disqualified.

This is the reason NTUA has limited communications infrastructure in the Eastern Agency.

However, NTUA is actively assessing the feasibility of building radio and microwave infrastructure into Eastern Agency. Once these feasibility assessments are complete, NTUA plans on seeking grant funding to subsidize or offset part of the construction costs to reduce Navajo Nation funding requests.

• Hopkins: Is Navajo violating its own procurement policies by not bidding this project out? NTUA is not the only commercial carrier that can provide this service.

NTUA: No, it is not. NTUA is a tribal enterprise owned by the Navajo Nation. The Navajo Nation has the right to provide services to itself.

In addition, NTUA is a Priority 2 certified business under the Navajo Nation Business Opportunity Act. NTUA is not aware of any Priority 1 or 2 business that can offer the services that NTUA is proposing. We proudly stand by the "Buy and Support Navajo" philosophy.

• Hopkins: Navajo should not be expected to pay for two personnel and operating expenses. The costs for this is usually included in the monthly reoccurring costs of \$785/month/chapter.

NTUA: To be sustainable, there are three discrete costs associated with Phase 2 of this project. The costs will be for construction services, support services and the last is a one-time capital expenditure costs. For the Broadband to the Chapter House Project to be successful, all three costs elements were necessary.

First, construction services, build-out by installing a physical connection to each chapter house. In other words, installing a circuit from our main NTUA backbone network into the chapter building and installing a line to connect to the NTUA provided wireless communication equipment inside the chapter houses, enabling access to the internet.

Second, support services, operation and maintenance of chapter house customer equipment. This is for two years of personnel service support, access to a 24/7 live call center to talk to technicians to address chapter house wireless network issues and concerns.

Third, direct internet access, internet network. For two years, each chapter will get access to direct internet access to utilize as they like and access to a 24/7 live call center and technicians to support the off chapter house network. This service is included in the monthly reoccurring cost of \$725/month per chapter house.

• Hopkins: The justification attached to the legislation is a PowerPoint presentation. It is not a plan – the presentation lacks important information, i.e., timelines, realistic costs per chapter location, what happens after two years, etc.

NTUA: The plan is very simple. This is a basic new customer connection process for NTUA. NTUA does this type of development planning all the time.

NTUA will design and physically connect chapters to the network. If the project cost exceeds NTUA estimates, NTUA will cover those costs.

NTUA will install and test network and radio equipment in each chapter house. NTUA will provide the circuit to the chapter house. Finally, the chapter will utilize the services.

• Hopkins: How will chapters pay for the reoccurring costs after two years?

NTUA: Legislation 0373-18 was two for years. After the two-year period, the chapter could have continued and provided maintenance and DIA service on their own or continue to contract with NTUA. During the two-year legislation period, NTUA was prepared to work with each chapter to help position them to seek funding through subsidy programs for monthly recurring costs, i.e., E-rate, USAC, and community connect.

• Hopkins agrees with the concept of establishing a "Broadband Fund." However, there should be proper planning and a strategy in place for use of this fund that can be used to leverage other opportunities as grants, loans, etc.

NTUA: More than four years ago the Navajo Nation appropriated \$250,000 to NNTRC to help the chapters get internet services. NTUA is not aware if those dollars were spent for its intended purpose.