

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE UNITED STATES OF AMERICA
AND
THE NAVAJO TRIBAL UTILITY AUTHORITY

PROVISION OF ELECTRICAL POWER TO SELECTED PROJECT SITES
Nation Nation
Arizona, New Mexico, and Utah

Public Law 86-121

U.S. Department of Health and Human Services
Public Health Service
Indian Health Service
Office of Environmental Health and Engineering
Division of Sanitation Facilities Construction
Navajo Area Indian Health Service
Window Rock, Arizona

April 2007

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE UNITED STATES OF AMERICA
AND
THE NAVAJO TRIBAL UTILITY AUTHORITY

PROVISION OF ELECTRICAL FACILITIES TO SELECTED PROJECT SITES
Nation Nation
Arizona, New Mexico, and Utah

Public Law 86-121

THIS AGREEMENT is made between the United States of America, acting through the Director, Navajo Area Indian Health Service, hereinafter referred to as IHS, Department of Health and Human Services, under and pursuant to the provisions of Section 7 (a) (3) of Public Law 86-121 (42 USC 2004 (a), 73 Stat. 267), and the Navajo Tribal utility Authority, hereinafter referred to as the NTUA, acting through its General Manager.

WHEREAS, the NTUA is desirous of obtaining satisfactory water supply and waste disposal facilities for the Navajo Nation; and

WHEREAS, the IHS is desirous of assisting in the provision of sanitation facilities to serve the Native Americans on the Navajo Nation Reservation; and,

WHEREAS, electrical facilities are required for the operation and control of various sanitation facilities; and

WHEREAS, the NTUA constructs, operates, and maintains electrical power distribution and control systems on the Navajo Reservation; and

WHEREAS, the NTUA has the personnel and equipment to construct and install the electrical facilities; and

WHEREAS, the NTUA is desirous of assisting the IHS in the provision of electrical facilities needed for various Public Law 86-121 facilities, and

NOW THEREFORE, in order to provide electrical facilities to various Public Law 86-121 projects, the parties mutually agree:

1. The IHS will notify the NTUA of the needs for electrical service and / or controls, provide a location map, the type and size of service needed, the desired schedule for the provision of electrical facilities, and the Public Law 86-121 project number and project name whose funds will be utilized for payment of the services.

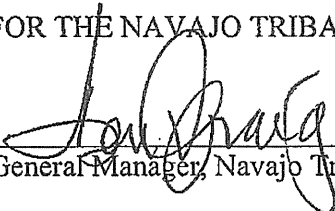
2. The NTUA will prepare and submit to the IHS Project Engineer / Manager, prior to the performance of any electrical facility construction, a nonprofit cost estimate. The cost estimate shall include all material, labor and equipments costs, a description of facilities to be installed, and an estimated construction completion date and shall reference the Public Law 86-121 project number and name.
3. The IHS shall review (i.e.: Project Engineer/Manager with concurrence of the District Engineer) the NTUA cost estimate, and depending upon the estimate cost, proceed in the following manner:
 - A. For facility costs of \$1,999 or less – The IHS Project Engineer / Manager shall complete a NTUA work order authorization and pay in full for the cost using their IMPAC Visa card.
 - B. For facility costs of \$2,000 or more - The IHS DSFC Deputy Director shall submit a letter of authorization to NTUA to verify funding availability and to authorize NTUA to proceed.
 1. That, upon NTUA receipt of authorization to proceed from the DSFC Deputy Director, the NTUA shall invoice IHS for 50 percent of the approved cost estimate. This first advance will allow the NTUA to proceed with construction without having to borrow funds to cover the cost of materials and equipment. The NTUA agrees to make every effort to expend all advanced funds within one year of receipt. Once NTUA completes construction and the facilities are placed into operation, NTUA will submit a second invoice for the cost estimate balance. No work shall be performed or costs incurred by the NTUA that exceed the approved cost estimate without the concurrence of the Indian Health Service. The NTUA will make every effort to complete construction within one year of the authorization to proceed.
 2. The NTUA will submit itemized invoices that include the IHS project number and name, a description of facilities installed, and include a NTUA Invoice number and contract account number.
 3. The IHS will make contributions to NTUA for the facilities and appurtenances based on approved invoices. The payments will be from the specified Public Law 86-121 projects for which the facilities were constructed.
 4. The IHS project funds for contributions from the IHS to the NTUA will be obligated based on the NTUA cost estimate.

4. The NTUA will construct and install the electrical facilities and appurtenances utilizing its personnel and equipment on a nonprofit cost basis.
5. This Agreement can be terminated by either of the participating parties by providing a thirty-day written notice.
6. This Agreement shall supersede the Memorandum of Understanding between the IHS and the NTUA that was executed by its last signature on December 12, 1993, regarding the provision of electrical power under Public Law 86-121 projects within the Navajo Nation.

IN WITNESS WHEREOF, the parties hereto have subscribed their names.

FOR THE NAVAJO TRIBAL UTILITY AUTHORITY

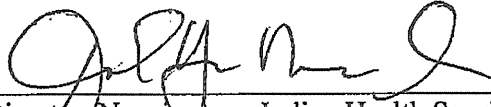
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Date



General Manager, Navajo Tribal Utility Authority

FOR THE UNITED STATES OF AMERICA

4/16/07
Date



Director, Navajo Area Indian Health Service
Department of Health and Human Services