

**NEW MEXICO FINANCE AUTHORITY OVERSIGHT COMMITTEE
NEW MEXICO STATE LEGISLATURE**

***Tribal Infrastructure Need and Financial Challenges
Submitted by the Pueblo of Acoma Utility Authority***

Gallup, New Mexico
July 1, 2021

Madame Chair Representative Elizabeth Thompson, Vice Chairman Senator Jacob Candelaria and Honorable Members of the New Mexico Finance Authority Oversight Committee.

Good afternoon! My name is Raymond Concho, Jr. and I am the Executive Director for the Pueblo of Acoma Utility Authority. I am a former 1st Lieutenant Governor for the Pueblo. Prior to my appointment in 2016 as 1st Lieutenant Governor, I was the Director for the Acoma Pueblo Planning and Engineering Office. I also served as the former Chairman for the Northwest New Mexico Regional Transportation Planning Organization. The Acoma Utility Authority manages the operations of water, wastewater, solid waste, automotive services, road maintenance, other community services, and most recently, electrical utilities. The Pueblo is constructing broadband and natural gas utilities to be managed by the Acoma Utility Authority.

Over the past 15 years, Acoma Pueblo made significant progress to address the following infrastructure needs and challenges:

Housing

The U.S. Department of Housing and Urban Development completed a 2014 study on housing needs for American Indians and Alaska natives. The study focused on three areas: the determinants of housing needs, emphasizing trends in demographic, social and economic conditions; housing conditions and needs; and, housing policies and programs, focusing on the intent of the 1995 Native American Housing and Self-Determination Act. The report noted

worse conditions exist in New Mexico and Arizona counties with high rates of overcrowding at 16%, incomplete bathrooms at 9.8% and incomplete kitchen facilities at 8.5 percent. Many homes on Acoma Pueblo are in substandard conditions and until 2018, there were no housing opportunities for non-low-income families. Acoma Pueblo has a housing crisis. **Acoma Pueblo requests for state support and funding for land use planning, planning and design for residential housing development for non-low-income families including housing for doctors, teachers, police, medical emergency personnel, etc. This housing need includes design and construction funds for roads and infrastructure systems.**

Economic Development – Small Business

Acoma Pueblo is known nationally and internationally for our traditional potteries and culture. Many families continue the tradition of pottery making as it is their sole source of income. Potters operate their small businesses from their homes with slow internet speed some with no internet at all. With joint funding from Acoma Pueblo and a planning grant from the New Mexico Finance Administration through the Department of Economic Development, Acoma Pueblo received funds to complete conceptual plans to develop a tribal main street corridor for small businesses along Pinsbaari Drive. The USDA Rural Business Development Grant program awarded \$499,000 for preliminary engineering, design and utility infrastructure installation for a small business center. In 2021, a second Capital Outlay award was approved for the construction of the small business center. The U.S. Department of Commerce's Economic Development Administration (EDA) approved a \$114,000 EDA investment to support the development of a comprehensive economic development strategy (CEDs). **Acoma Pueblo requests financial support for small business capital development including infrastructure, roads, buildings, information technology and training for small business owners.**

Energy Development and Distribution

The U.S. Department of Energy, Office of Indian Energy Policy and Programs and the Pueblo of Acoma combined funds to take “First Steps Toward Developing Renewable Energy and Energy Efficiency on Tribal Lands.” Acoma Pueblo is building capacity to establish, operate and maintain a natural gas and electrical distribution system. First, funding from the Pueblo of Acoma, Acoma Utility Authority, Kinder Morgan Natural Gas, New Mexico Tribal Infrastructure Funds and New Mexico Capital Outlay, the natural gas construction project, Phase I and Phase II, will connect natural gas to over 600 residential homes. In several years, there is an agreement that the Acoma Utility Authority will operate and manage natural gas services. Second, after numerous meetings with the Continental Divide Electric Cooperative and with approval from the New Mexico Public Regulatory Commission, Acoma Pueblo became the 3rd Indian tribe in New Mexico to operate and manage an electric utility. The transfer of operations and management of the electric utility occurred on June 9, 2021. This utility infrastructure milestone was made possible by a number of funding sources including a \$5,188,531 loan from the New Mexico Finance Authority. **Acoma Pueblo requests for ongoing NMFA and Legislature support for the Pueblo of Acoma to exercise our sovereign right to manage natural gas, electric utility systems and to plan for the development of a 100 MW solar farm.**

Water and Wastewater

For 2021, the U.S. Department of Health and Human Services, Indian Health Service’s (IHS) Albuquerque Area Office report that there is a construction need of over \$100,000,000 for water, wastewater and solid waste services for 25 Indian tribes in New Mexico, southern Colorado and west Texas; however, for the past years there is an average of \$2,000,000 per year to fund these projects. This is a very competitive process to upgrade and construct Acoma’s

water, wastewater and solid waste infrastructure. Historically, this has been Acoma's main source of funding for these types of infrastructure projects. For the past years, Acoma Pueblo has reached out to state agencies to rebuild and enhance our utility system.

The North Acomita Wastewater Treatment Facility (NAWWTF) was constructed and commissioned in December 2009. Funding sources included the New Mexico Finance Authority, U.S. Department of Agriculture Rural Development, New Mexico Indian Affairs Department Capital Outlay and the Pueblo of Acoma. The facility served the villages of North and South Acomita and the Acoma-Canoncito-Laguna (ACL) Hospital complex which includes a 24-seat dialysis clinic. In 2009, it was estimated that the wastewater plant will operate and treat 35,000 gallons of wastewater per day. This was half the design capacity of the system, which will handle 75,000 gallons per day.

By 2015, New Mexico Capital Outlay funds and Pueblo of Acoma Housing Authority's U.S. Housing and Urban Development funds of \$1.0 million were used for the Acomita wastewater service line extension project to connect the Pueblo's open Skyline lagoons to the North Acomita Wastewater Treatment Facility. This allowed for new housing development to continue along the Pinsbaari Drive corridor. Eighty-nine housing units were recently constructed or are currently or being planned for construction. In 2018, the Indian Health Services (IHS) awarded \$150,000.00 for technical support and professional engineering services to expand the North Acomita Wastewater Treatment Facility. Design plans were completed by the Indian Health Services. Construction funding sources included USDA Rural Development at \$2 million and NM Environment Department Capital Outlay funds at \$235,000.

Other ongoing funded projects include water meter installation, water storage tank construction, water pump improvements and public water system improvements funded with tribal, state and federal funds at \$5.4 million.

There remains a need to further expand the North Acomita Wastewater Treatment Facility, install new and replace failed septic systems, construct additional water storage tanks, replace and upgrade an aging public water system and install new water connections.

Broadband Phase IV – Network Operations Center

There are 42 critical community facilities and 741 occupied residential homes; other housing projects will be completed in several years. Prior to the pandemic, community facilities and residential homes did not have high-speed internet. Due to the pandemic and stay-at-home orders, the community lacked adequate internet speed for education, telehealth, work-at-home, small business operations and online shopping. Broadband is vital for future community and economic development growth.

Prior to the pandemic, the Pueblo secured FCC E-rate, USDA and tribal funds to implement a phased broadband project. First, E-rate funds were used to install a conduit and 12-count fiber line to the local school and library. The second Phase, middle mile, was to install a conduit and 144-count fiber line for the community. With USDA Reconnect Program funds, the third phase plan is to connect the middle mile to 6 broadband towers. Original plans for the broadband third phase were delayed due to the pandemic. With increased material costs, there is an immediate need to secure additional funds for customer premise equipment to install in residential homes.

The fourth and final phase is to fund a network operation center (NOC) facility. State funds for \$3,547,800 are needed to plan, design, construct, equip and furnish a NOC facility. This facility will house internet service provider operations, office space and a business center; it will be secured with fencing, lighting and other security systems. In 2021, Capital Outlay funding was approved for \$15,000.

Electric Utility Warehouse

As stated earlier, the Pueblo of Acoma is managing an electric utility. Until a permanent operation facility can be constructed, the current electric utility office is in a substandard trailer. Heavy equipment and materials are stored in a fenced area with no shelter for storage and protection of these items.

There is a need to plan, design, construct and furnish a 15,750 sq-ft electric utility warehouse facility and office building. Installation of streetlights and security systems will provide needed protection for materials and equipment. Funding need is \$3,805,380.

Infrastructure – Road Maintenance

Safe roads are needed to our homes, schools, hospital, job sites, tourism destinations, utility structures, shopping centers, and many other destinations. For the past decades, the U.S. Department of Interior, Bureau of Indian Affairs (BIA), Southwest Regional Office, Road Maintenance Program provided road maintenance funds to maintain BIA and tribal roads and bridges that are on the BIA road and bridge inventory. In 2021, only \$118,773 was awarded. For FY 2021, \$263,876 was funded from the Federal Highway Administration Tribal Transportation Program. There are 662 miles of roadways within the exterior boundaries of Pueblo of Acoma lands, however only 363.8 miles are on the BIA road inventory. This includes paved, gravel and dirt roads. **An annual funding allocation of \$850,000 is needed to maintain Acoma Pueblo roads and bridges. The New Mexico Department of Transportation (NMDOT) needs to work with Acoma Pueblo and surrounding communities to bring historic Route 66 (NM 124) to meet current health and safety design standard. Thirteen (13) miles are on or near Acoma Pueblo lands.**