

The Hopi Tribe
Pandemic Recovery Committee
Project Applicant Guidance – Eligible Costs

The Hopi Tribe Pandemic Recovery Committee (“HTPRC”) has provided an initial application for Tribal departments or other Tribal entities that are tasked to undertake infrastructure development or other projects due to COVID-19 and its effects on the community. The application provided three broad categories in which applicants can seek federal financial assistance through the Hopi Tribe State and Local Fiscal Recovery Fund (“FRF”) Project Program, as follows:

Departments and Tribal entities will only be awarded funds for expenditures that were incurred on or after March 3, 2021, will be incurred on or before December 31, 2024 and fall into the following broad categories:

1. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet;
2. Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector (not including direct cash assistance to households);
3. Support public health expenditures, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff.

Potential applicants have noted that there are two additional broad categories of spending that are eligible pursuant to the Treasury guidance:

4. Replace lost public sector revenue to provide government services; recipients may use this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic.

Authority to use this funding was delegated to the Budget Oversight Team and it is not available to other applicants.

5. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors.

Treasury has outlined extensive data collection and reporting requirements for premium pay. There is also a compliance requirement for a documented procedure for determining worker eligibility for premium pay. Due to these challenges, the HTPRC is not entertaining applications for premium pay at this time.

Potential applicants have begun to ask specific questions regarding projects that will be deemed eligible for funding. The remaining pages of this guidance provides a non-exhaustive list of eligible activities under each of the first three broad categories.

Invest in water, sewer, and broadband infrastructure

First, a quote from the Final Rule that Treasury issued in early 2022: “Treasury considers an investment in infrastructure to be necessary if it is (1) responsive to an identified need to achieve or maintain an adequate minimum level of service, which for some eligible project categories may include a reasonable projection of increased need, whether due to population growth or otherwise and (2) a cost-effective means for meeting that need, taking into account available alternatives. In addition, in the case of investments in drinking water service infrastructure to supply drinking water to satisfy a projected increase in population, the project must also be projected to be sustainable over its estimated useful life.”

- **Broadband Infrastructure**

Recipients are required to design projects to, upon completion, reliably meet or exceed symmetrical 100 Mbps download and upload speeds. In cases where it is not practicable, because of the excessive cost of the project or geography or topography of the area to be served by the project, eligible projects may be designed to reliably meet or exceed 100/20 Mbps and be scalable to a minimum of symmetrical 100 Mbps download and upload speeds.

Recipients must require the service provider for a broadband project that provides service to households to either:

- Participate in the FCC’s Affordable Connectivity Program (ACP)
- Provide access to a broad-based affordability program to low-income consumers that provides benefits commensurate to ACP

- **Water & Sewer Infrastructure**

Recipients may undertake the eligible projects below:

- Construction of publicly owned treatment works
- Projects pursuant to implementation of a nonpoint source pollution management program established under the Clean Water Act (CWA)
- Decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage
- Management and treatment of stormwater or subsurface drainage water
- Water conservation, efficiency, or reuse measures
- Development and implementation of a conservation and management plan under the CWA
- Watershed projects meeting the criteria set forth in the CWA
- Energy consumption reduction for publicly owned treatment works
- Reuse or recycling of wastewater, stormwater, or subsurface drainage water
- Security of publicly owned treatment works
- Facilities to improve drinking water quality
- Transmission and distribution, including improvements of water pressure or prevention of contamination in infrastructure and lead service line replacements
- New sources to replace contaminated drinking water or increase drought resilience, including aquifer storage and recovery system for water storage

- Green infrastructure, including green roofs, rainwater harvesting collection, permeable pavement
- Storage of drinking water, such as to prevent contaminants or equalize water demands
- Purchase of water systems and interconnection of systems
- New community water systems

Address negative economic impacts caused by the public health emergency

Treasury recognizes the enumerated projects below which have been expanded under the final rule, as eligible to respond to impacts of the pandemic on households and communities:

- ✓ Food assistance & food banks
- ✓ Burials, home repair & home weatherization
- ✓ Programs, devices & equipment for internet access and digital literacy, including subsidies for costs of access
- ✓ Cash assistance
- ✓ Paid sick, medical, and family leave programs
- ✓ Assistance in accessing and applying for public benefits or services
- ✓ Childcare and early learning services, home visiting programs, services for child welfare-involved families and foster youth & childcare facilities
- ✓ Assistance to address the impact of learning loss for K-12 students (e.g., high-quality tutoring, differentiated instruction)
- ✓ Programs or services to support long-term housing security: including development of affordable housing and permanent supportive housing
- ✓ Certain contributions to an Unemployment Insurance Trust Fund
- ✓ Emergency housing assistance: rental assistance, mortgage assistance, utility assistance, assistance paying delinquent property taxes, counseling and legal aid to prevent eviction and homelessness & emergency programs or services for homeless individuals, including temporary residences for people experiencing homelessness
- ✓ Health insurance coverage expansion
- ✓ Benefits for surviving family members of individuals who have died from COVID-19
- ✓ Assistance to individuals who want and are available for work, including job training, public jobs programs and fairs, support for childcare and transportation to and from a jobsite or interview, incentives for newly-employed workers, subsidized employment, grants to hire underserved workers, assistance to unemployed individuals to start small businesses & development of job and workforce training centers
- ✓ Financial services for the unbanked and underbanked
- ✓ Pay for community health workers to help households access health & social services
- ✓ Improvements to vacant and abandoned properties, including rehabilitation or maintenance, renovation, removal and remediation of environmental contaminants, demolition or deconstruction, greening/vacant lot cleanup & conversion to affordable housing

- ✓ Services to address educational disparities, including assistance to high-poverty school districts & educational and evidence-based services to address student academic, social, emotional, and mental health needs
- ✓ Schools and other educational equipment & facilities
- ✓ Remediation of lead paint or other lead hazards
- ✓ Primary care clinics, hospitals, integration of health services into other settings, and other investments in medical equipment & facilities designed to address health disparities
- ✓ Housing vouchers & assistance relocating to neighborhoods with higher economic opportunity
- ✓ Investments in neighborhoods to promote improved health outcomes

The HTPRC cautions potential applicants that the above assistance cannot be duplicative of other programs. For instance, cash assistance to households will be offered by the Tribe through GWEAP and is not eligible to be provided by other entities. It is also anticipated that home rehabilitation or renovation will be an area of emphasis in the Homeowner Assistance Fund (“HAF”), for which the program will be developed down the road.

In general, a project should address the above areas of community need. Specific questions that have already been posed required consultation with the Final Rule, as follows:

Q. Would playground equipment be eligible to be funded?

A. Yes. Final Rule p. 132:

“The final rule includes enumerated eligible uses in disproportionately impacted communities for developing neighborhood features that promote improved health and safety outcomes, such as parks, green spaces, recreational facilities, sidewalks, pedestrian safety features like crosswalks, projects that increase access to healthy foods, streetlights, neighborhood cleanup, and other projects to revitalize public spaces.”

Q. Improvements to kivas, churches, and community building or village owned?

A. Yes, with the appropriate justification of the services to be provided. Final Rule p. 420:

“(11) A program, service, capital expenditure, or other assistance that is provided to a disproportionately impacted household, population, or community, including:

...

(vi) Facilities and equipment related to the provision of these services to the disproportionately impacted household, population, or community.”

Support public health expenditures

- COVID-19 mitigation and prevention
 - ✓ Vaccination programs, including vaccine incentives and vaccine sites
 - ✓ Testing programs, equipment and sites

- ✓ Monitoring, contact tracing & public health surveillance (e.g., monitoring for variants)
- ✓ Public communication efforts
- ✓ Public health data systems
- ✓ COVID-19 prevention and treatment equipment, such as ventilators and ambulances
- ✓ Medical and PPE/protective supplies
- ✓ Support for isolation or quarantine
- ✓ Ventilation system installation and improvement
- ✓ Technical assistance on mitigation of COVID-19 threats to public health and safety
- ✓ Transportation to reach vaccination or testing sites, or other prevention and mitigation services for vulnerable populations
- ✓ Support for prevention, mitigation, or other services in congregate living facilities, public facilities, and schools
- ✓ Support for prevention and mitigation strategies in small businesses, nonprofits, and impacted industries
- ✓ Medical facilities generally dedicated to COVID-19 treatment and mitigation (e.g., ICUs, emergency rooms)
- ✓ Temporary medical facilities and other measures to increase COVID-19 treatment capacity
- ✓ Emergency operations centers & emergency response equipment (e.g., emergency response radio systems)
- ✓ Public telemedicine capabilities for COVID-19 related treatment
- Medical expenses
 - ✓ Unreimbursed expenses for medical care for COVID-19 testing or treatment, such as uncompensated care costs for medical providers or out-of-pocket costs for individuals
 - ✓ Paid family and medical leave for public employees to enable compliance with COVID-19 public health precautions
 - ✓ Emergency medical response expenses
 - ✓ Treatment of long-term symptoms or effects of COVID-19
- Behavioral health care, such as mental health treatment, substance use treatment, and other behavioral health services
 - ✓ Prevention, outpatient treatment, inpatient treatment, crisis care, diversion programs, outreach to individuals not yet engaged in treatment, harm reduction & long-term recovery support
 - ✓ Enhanced behavioral health services in schools
 - ✓ Services for pregnant women or infants born with neonatal abstinence syndrome
 - ✓ Support for equitable access to reduce disparities in access to high-quality treatment
 - ✓ Peer support groups, costs for residence in supportive housing or recovery housing, and the 988 National Suicide Prevention Lifeline or other hotline services

- ✓ Expansion of access to evidence-based services for opioid use disorder prevention, treatment, harm reduction, and recovery
- ✓ Behavioral health facilities & equipment
- Preventing and responding to violence
 - ✓ Referrals to trauma recovery services for victims of crime
 - ✓ Community violence intervention programs, including:
 - Evidence-based practices like focused deterrence, with wraparound services such as behavioral therapy, trauma recovery, job training, education, housing and relocation services, and financial assistance
 - ✓ In communities experiencing increased gun violence due to the pandemic:
 - Law enforcement officers focused on advancing community policing
 - Enforcement efforts to reduce gun violence, including prosecution
 - Technology & equipment to support law enforcement response

Conclusion

The FRF provides the Tribe with broad flexibility to design programs and execute projects that are responsive to the COVID-19 pandemic and its after-effects. The preceding list of enumerated expenditures is non-exhaustive and there may be other initiatives that are eligible for funding. Applicants should be mindful that all costs are subject to the Uniform Guidance Cost Principles, in which the overarching requirement is that all costs are reasonable and necessary.

The HTPRC has established a sub-committee that has various duties, including responding to technical questions. Please send your questions to Committee Secretary Racheal Povatah at RPovatah@hopi.nsn.us or Committee Chair Mark Talayumtewa at mark.csa@kykotsmovi.com.