

Cover Photo: Hopi Sponsored 2002
AML Partnership Meeting, Sedona
Arizona



**OFFICE OF SURFACE MINING
RECLAMATION AND ENFORCEMENT**

ANNUAL EVALUATION REPORT

Evaluation Year – 2002

(October 1, 2001 through September 30, 2002)

on the

**HOPI
ABANDONED MINE LAND RECLAMATION PROGRAM**

INTRODUCTION

This annual evaluation report is produced by the Office of Surface Mining (OSM) in fulfillment of its Statutory responsibility [under the Surface Mining Control and Reclamation Act of 1977, (SMCRA)] to annually assess the accomplishments of the Hopi Abandoned Mine Lands Reclamation Program (Hopi AML Program). The annual report consists of OSM's oversight findings based on field inspections and meetings with the Hopi Abandoned Mine Land Program during the 12-month evaluation period beginning October 1, 2001 and ending September 30, 2002.

The Office of Surface Mining Reclamation and Enforcement (OSM) has responsibility under SMCRA for approving State and Tribal Abandoned Mine Land Programs, to carry out the goals of Title IV of SMCRA. The primary goal of Abandoned Mine Land Programs, is to mitigate the effects of past coal mining, by reclaiming abandoned mines. The primary emphasis is placed on correcting the most serious problems endangering public health, safety, general welfare, and property. Once this is accomplished, secondary emphasis is placed on the remediation of mining related impacts to impacted communities. This remediation is the funding of public facility or infrastructure projects.

On behalf of the Secretary of Interior, OSM administers the Abandoned Mine Reclamation Fund by awarding grants to States and Tribes, to cover their administration and reclamation costs of running their Programs. The OSM Western Regional Coordinating Center's (WRCC) Albuquerque Field Office (AFO) provides assistance to the Hopi AML Program and through its oversight process, annually monitors the progress and quality of the Hopi AML Program. The oversight evaluation period begins October 1 and ends on September 30 of each year.

In conducting this annual review, AFO followed OSM Directive AML-22, which contains general procedures for evaluating Abandoned Mined Land Reclamation Programs. This requires OSM and Tribal Programs to annually develop an oversight workplan with specific topics (principles of excellence) for evaluation during the evaluation period. The workplan identified specific performance measures to assess the Program's success or failure for each principle of excellence. The objective of the oversight process is to annually assess each Program's performance and accomplishments and to report the progress to OSM-HQ. In addition, recommendations for improvement can be relayed to the Program Director if needed.

PART I GENERAL INFORMATION

Program History:

The Hopi inhabit twelve villages and one community on the Hopi Reservation. Under its 1936 Constitution and By-Laws, the Hopi Tribe consists of a Union of 12 self-governing Villages and Communities (Villages). The Hopi Tribal Consolidation Plan of 1995 identifies and prioritizes Tribal goals and objectives into a strategic plan. It serves as the blueprint or guide for the Tribe and Villages to consult when establishing their Tribal or Village priorities. This directly affects how the Tribe and Village elect to use their available AML funds.

Prior to approval of the Hopi AML Program, OSM's Federal Reclamation Program spent approximately \$1,259,909.00 completing three reclamation projects on the Hopi Reservation. OSM approved the Hopi AML Program (Hopi AML) on June 28, 1988. The Hopi did not apply for an Emergency AML Program, so OSM retained the authority for reclamation of "emergency" AML projects.

Almost six years after the Hopi AML Program was approved, it had spent a total of \$1,188,524 completing all abandoned mines on the Hopi Reservation. On June 9, 1994, the Secretary of the Interior concurred with the Hopi AML's certification that all known eligible priority-1 and priority-2 abandoned coal mines were reclaimed. Having certified completion of all known coal reclamation, the Hopi AML was able to begin using its AML funds for the construction of Public Facility Projects (PFP's) and Community Impact Projects (CIP's). These are infrastructure type construction projects, authorized under 411(e) and (f) of SMCRA. Section 411(e) and (f) of SMCRA provide for construction of public facilities as a means of mitigating current and past mining related impacts to communities.

Since June 1994, the Hopi AML has almost exclusively focused its efforts on the construction of PFP's. Aside from its responsibility to maintain past mine reclamation work or to reclaim any newly identified abandoned coal mine hazards, Hopi AML is no longer actively involved with mine hazard remediation work. Eight of the Hopi Villages and one Hopi community chose to work with the Hopi AML Program by sponsoring a Public Facility Project(s) in their locale. Although there are numerous needs for infrastructure throughout the Hopi, many Village inhabitants are said to have traditional views and may not readily accept or adopt a view that such construction projects or progressive values are in the best long term interest of the Hopi people and culture.

Program Staffing:

The Hopi AML Program consists of seven employees, the Office of Mining and Mineral Resources Director (40% funded by AML), and a Construction Superintendent, a Project Manager, an Administrative Secretary, an Equipment Pool Coordinator, an Equipment Operator, and a part time Custodian. All but the Director position are 100% funded by Hopi AML. All the AML staff work out of the Hopi AML office located in Kykotsmovi, Arizona.

Hopi Public Facility Program:

Infrastructure needs on the Hopi Reservation are substantive, there are more needs than there are funds available. With regard to project eligibility, the Hopi have determined that the entire Hopi population was impacted by past and current mining and therefore all Villages are eligible for Public Facility Project funding although some choose not to participate. OSM has concurred with the Hopi's interpretation of impacts.

The prioritization of Public Facilities Projects on the Hopi Reservation has proven to be a difficult process because of cultural and religious conflicts with progressive views. Villages select their village project however this can be a very time consuming process. Hopi AML has made itself available to the Villages to provide assistance and guidance. Federal Regulation 30

CFR 875.15 (d) requires that where the head of the governing body of an Indian Tribe or Nation determines that there is a need for the construction of a public facility related to the coal or minerals industry, the Director of OSM must concur in that determination.

The Hopi AML Program has been successful in describing the framework within which the Tribe and Villages must operate, in order to expend AML funds for PFPs, while concurrently allowing the Hopi government to make critical decisions regarding how AML funds will be distributed. The Hopi government determines its priorities for Tribal-wide projects. Likewise, the Villages/Community set the priorities for specific projects.

Hopi AML coordinates all Tribal-wide projects, in cooperation with the Hopi Tribe. However, for Village specific projects, Hopi AML may delegate some project management responsibility over to the Village. In which case, Hopi AML provides guidance and technical assistance to the Village as needed. In addition, Hopi AML oversees the management of PFP's.

The Hopi AML Program funds both Tribal-wide and Village specific AML Projects. Each year the Hopi AML Program funds one or more public facility project proposals sponsored by one of the Villages or the Hopi Tribe. The Hopi AML Program has completed several public facility projects. [See Table-1 for a complete list of projects and project costs.]

OSM has examined the Hopi Tribe's proposals for PFPs and in every case has concurred with all of the statements of need for such projects, submitted by the Chairman of the Hopi Tribe. Although all the proposed projects must meet the requirements of the AML Program and regulations for allowable costs, within these restraints, OSM intends to continue to respect the Hopi Chairman's determination of priorities and needs. OSM has consistently found that the Hopi AML Program has done an exemplary job of seeking out public involvement in project selection and project scope, especially for its Tribal-wide projects.

Sometimes, Hopi Villages choose to design, and administer construction activities using local labor in order to promote the local economy and employment. This approach has had the indirect benefit of providing a training ground for local Hopis in both vocational and administrative areas. The Hopi AML Program supports Village efforts to enhancement work opportunities for the local workforce through its PFP's.

Grants and Financial Information:

The undistributed Tribal Share Balance for the Hopi Tribe as of June 30, 2002 is \$4,853,073.

The following table shows grants that were active during the evaluation period:

| Grant Number | Awarded | Amount |
|---------------------|----------------|----------------|
| GR 097800 | 07/07/99 | \$ 914,202.00* |
| GR 007800 | 09/01/00 | \$ 401,791.00 |
| GR 107800 | 09/01/01 | \$2,441,021.00 |
| GR 207800 | 09/01/02 | \$ 382,667.00. |

* Indicates final grant amount (grant has been closed out).

Several of the Public Facilities Projects completed to date were funded in partnership by Hopi AML and other Agencies. See Table-1 of this report for a listing of Public Facility Projects and their status. The AML Program uses a Memorandum of Agreement or Memorandum of Understanding with the lead agency (first line administrator of the project), to delineate program limitations regarding the use and accounting of AML funds.

Technical Assistance to Villages and Hopi Tribe:

After selecting a project, Hopi AML works with the project's Task Team to identify what clearances are necessary, hires contractors as necessary to secure all permits and National Environmental Policy Act (NEPA) concurrences, develops geo-technical surveys, perform legal property assessments, perform hazardous property assessments, develop project specifications & architectural / engineering plans and to construct the project. For Village projects, Hopi AML also assists the Village to scope out the details of the selected projects, and to develop contract specifications. Hopi AML secures the necessary environmental assessments and clearances so OSM can issue a Finding of No Significant Impact (FONSI) and grant an Authorization to Proceed (ATP) with construction. Hopi AML works with the Tribe and Villages to monitor the project construction work and to account for expenditures. In addition, Hopi AML is responsible for keeping the Tribal and village governing boards informed of project status and concerns.

Hopi AML developed the contract specifications for some completed projects, bid out the contract, selected the lowest responsible bidder (contractor) through a competitive bidding process and monitored the construction activity.

Program Maintenance:

There are no oversight issues with regard to Program maintenance (maintaining a current AML Plan / regulations) nor do any Program maintenance deficiencies currently exist with regard to the Hopi AML Plan. Timeliness of Program maintenance has never been an issue. To date, the Hopi AML Program has submitted to OSM two substantive amendments to their AML Plan. These amendments to the AML Plan provided the necessary authority to allow the AML Program to commence public facility projects.

PART II. NOTEWORTHY ACCOMPLISHMENTS

OSM would like to highlight the following items that Hopi AML has excelled at:

1. In 2000-2001, the Hopi AML Program inspected all of its previously reclaimed AML reclamation sites to identify any need for maintenance at these sites. As a result of these inspections, one site where a portal existed had settled and the physical hazard reappeared. The Hopi AML Program quickly identified the hazard as a potential health risk and classified the hazard as a priority-1 hazard. Hopi AML actively sought technical assistance from the New Mexico AML Program in getting design recommendations for the closure of this portal at Keams Canyon. The AML Program adequately safeguarded the hazard during this evaluation period using a permanent closure consisting of rock backfill and a concrete bulkhead. There are residents near the area with small children. As a result of Hopi AML's attention to its AML responsibilities, the hazard has been effectively eliminated and parents in this community can feel more comfortable that their children are safe.
2. OSM commends the Hopi AML Program again this year for doing an exemplary job with its Public Coal Project and Equipment Rental Program. This program has generated sufficient income to make the Public Coal Project and the Rental Program self-sufficient and has generated a positive image for the Hopi AML Program among the Hopi Villages. The Hopi AML Program purchased a fleet of coal trucks and trailers to deliver coal to public storage locations near its various communities. These vehicles along with other heavy equipment purchased by the AML Program are also used as an equipment rental program. The equipment is rented or hired-out at economical prices to the Tribe, to individuals, and to contractors. This results in substantial savings to the Hopi because of the high mobilization costs of off-reservation rentals. In addition, this year the Program set up a maintenance schedule for its equipment fleet. The Rental Program this year started providing training to other programs in Commercial Driver Licenses and has hired out some of its equipment operators to Tribal agencies and contractors. The concept and management of this Public Facility Project is unique and it has been extremely successful. It has gone a long way toward making progress in self governance and self reliance.
3. The Hopi AML Program has done an admirable job with regard to its public outreach efforts for its Public Facility Projects. Hopi AML held meetings with the communities of Yu-Weh-Loo Pah-ki (Spider Mound), and the Villages of Mishongovi, Walpi, Kykotsmovi, Hotevilla, Shongopavi and Sipaulovi. In addition, the AML Program has worked with the Tribal Administration on Tribal-wide projects for the Veterans Memorial Center Expansion Project and the Westside Wildland Fire & EMS Project. The Program has been able to maintain a positive work relationship with Village, Tribal government, Federal entities and contractors.
4. OSM oversight activity has determined that the Program is cost effective and PFP's completed by the Program are of excellent quality. OSM has found that the Hopi AML Program has adequately sought out public involvement on the Hopi Reservation in determining project priorities and selecting projects. Most importantly, Hopi AML has

done an exemplary job of ensuring that projects proposed for funding meet the eligibility requirements of SMCRA. The Hopi AML Program has effectively monitored all phases of project construction and has been readily available to the Village project managers. The Program has routinely scheduled and sponsored oversight tours of construction projects as necessary and has efficiently provided information to OSM when requested and in a timely manner. Hopi AML's management and staff have been very responsive to OSM's needs and concerns and is a pleasure to work with.

PART III. RESULTS OF ENHANCEMENT AND PERFORMANCE REVIEWS

Two principles or topics were selected for evaluation during EY-2002.

Principle 1:

The Hopi AML Program should be responsive to public concerns regarding project priorities and project selection. (Directive AML-22, Principle 1)

The Hopi AML Program has effectively addressed public inquiries concerning the program and has provided requested information to the public. Hopi AML has consistently provided the public adequate opportunity for input into the project selection process by holding public meetings. In addition, Hopi AML has demonstrated a sincere effort to inform and educate the public of the Hopi AML program activities.

By interacting with the public the AML Program has promoted public awareness of what the AML program is all about and what the program is striving to do. It also has given the public the opportunity to have meaningful input on Hopi AML's project planning, project selection, and priorities. More importantly, the Hopi AML Program has been responsive to Village concerns and has scheduled numerous meetings with the Village and governing boards to discuss projects and resolve issues.

AFO has notified OSM of meetings held with Villages and of other Public Meetings held to discuss Public Facility Projects.

Hopi AML has not only met the provisions in the approved Hopi AML Plan for public involvement in for public facility projects but has gone beyond what is required for public outreach by working in an ongoing manner with its clients. The Hopi AML Program has been very respectful of the Villages and the difficulties that the Village governments have. They provide technical and administrative support to the Villages but do not interfere with internal Village government affairs.

OSM has found the Hopi AML Program appears to have established trust and a strong rapport among the participating Hopi Villages and with the Hopi Tribe. Despite the Hopi AML Programs best efforts, Village specific projects have proven more difficult for the AML Program to administer or coordinate, because the Village Governing Boards are having difficulty selecting

and prioritizing projects or the Villages government is not fully functional. Hopi AML continues to work with these groups and to offer advice, guidance and patience.

OSM views the Hopi AML Program as being responsible for maintaining control over project development and construction schedules, however, the Program cannot act independently of the Village government(s). Because many Villages have not been able to independently bring projects on-line, Hopi AML has focused much of its efforts on assisting the Villages with planning and implementation issues. In addition, the AML Program has shifted some of its focus toward Tribal wide projects that are construction ready.

Most of the Hopi PFP were in the planning stages this year. Hopi AML has had difficulty getting some of their new projects to construction during EY-2002, however, they have been making progress. Several projects are nearing the construction stage and should be under construction in EY-2003. Part of the difficulty is the need to work and coordinate with so many different Tribal, Village and Federal entities to secure funding, project specifications, and a lack of existing structure on the Hopi Reservation to govern building code. The AML Program is using generally accepted Uniform Building Codes and a the American Disabilities Act for its buildings and facilities.

OSM supports the Hopi AML efforts to pursue its Tribal-wide Projects when possible. Hopi AML has done a lot this year to work with the Tribe and Villages to complete project planning and get projects closer to construction. These efforts will be realized in EY-2003. All projects completed by Hopi AML were very cost effective. Hopi AML, the Tribe, and Villages have had to be innovative in the use of their funding.

Overall, OSM considers the Hopi AML Program to be fully successful with regard to this evaluation Principle.

Principle of Excellence 2:

Programs should have systems in place to ensure accountability and responsibility for spending AML funds and a process to assure that such systems are working. (Directive AML-22, Principle 4).

Review Findings:

In performing this evaluation the AFO Grants Specialist conducted two on-site visits to Hopi AML Office and to the Hopi Procurement Office and accompanied the AML Program Specialist on two site inspections. The Hopi AML Program is required to comply with OSM's Federal Assistance Manual, Federal Regulations and Hopi policies and procedures for property purchased with grant funds.

AFO reviewed and identified OSM Grant-purchased Government property, that exceeds \$5,000.00 at the Hopi AML Office in Kykotsmovi, Arizona. The review showed that Hopi AML

is in full compliance with the OSM Federal Assistance Manual, other Federal regulations and existing Hopi Tribal policies and procedures regarding government property. All property that exceeded \$5,000.00 was properly accounted for. OSM gave some recommendations for disposition of equipment no longer being used by the Program. No issues or concerns were identified during the review.

Principle of Excellence 3: AML Program Accomplishments During the Evaluation Period.
(Directive AML-22, Principle-5)

The Hopi AML Program volunteered to host the third partnership meeting in 2002. The Hopi Program has been an active participant in the Southwest AML Partnership effort by effectively coordinating with other partners. The Hopi AML sponsored partnership meeting was held in Sedona, Arizona. The partnership meeting involved presentations from each of the three AML Programs. Various guests and dignitaries attended the event. The meeting / workshop provided an opportunity for everyone to gain some exposure to the Hopi culture and what it means to be Hopi. This event had a lot of relevance to the public facility projects that we (OSM and the Hopi AML Program) deal with in these communities. The meeting included a tour of the Grand Canyon area with speakers on the topic of the importance of the Grand Canyon to the traditions and religious beliefs of the Hopi. In summary, OSM finds that the Hopi AML program is actively involved in pursuing and contributing to partnership efforts.

The Hopi AML Program has complied with OSM's request to bring the database up to date and to maintain the Abandoned Mine Land Information System (database) in a timely manner. The database contains all public facility projects either funded or completed by the Hopi AML Program. OSM finds that the Hopi AML Program is in full compliance with the requirement to maintain AMLIS information regarding its activities.

TABLE 1
Status of Public Facility Projects

| Project | Village | Status (Funded or Completed) | Amount Funded by AML to Date |
|--|------------------------------|---|--|
| Bacavi Plaza Restoration | Bacavi | Completed | \$200,000 |
| Hopi HS reverse osmosis water purification | Tribal-wide | Completed | \$100,000. |
| Moenkopi community & youth center | Moenkopi | Completed | \$235,000. |
| Sipaulovi cultural & historic resources | Sipaulovi | Completed | \$225,000. |
| Mishongnovi sewage facility | Mishongnovi | Project abandoned | \$13,225. for EA |
| Polacca day school multi-purpose bldg. | Polacca | Project abandoned (in lieu of building a whole new school). | \$2,066. for EA |
| Westside Wildland Fire & EMS | Tribal-wide | Project Relocated. Const. began 10/02/01. | \$36,073. Arch. & Geotech. Designs, EA |
| Kykotsmovi sewage lagoon treatment | Kykotsmovi | EA done by IHS Construction began 10/17/01. Final inspection 09/17/02. | \$200,000. |
| Yu-Weh-Loo Pah-ki (Spider Mound) well & fluoride treatment | Spider Mound | In contracting process. | \$215,000. AML |
| Shongopavi Community Bldg. Renovation | Shongopavi | Grant application done. (Tribal Chairman is representing the Village.) | \$225,000. |
| Hopi Veterans Memorial Center Expansion | Tribal-wide | In contract/design process. | \$1.8 Million |
| Hotevilla Youth / Elderly Center | Hotevilla | Building permit approved by Tribal Council. | \$35,414. |
| Public Coal Project | Tribal-wide | Ongoing energy program | \$341,352 |
| | Tewa | Admin. Facility Planned | Pending |
| | Lower Moencopi | No project proposal | |
| | 1 st Mesa Consol. | No project proposal | |
| | Old Oraibi | No project proposal | |
| | Mishongnovi | No project proposal | |
| | Walpi | Hist. Renov. & Planning | Pending |
| Turquoise Community | Tribal-wide | Planning ongoing by Tribal government | \$4,888. Arch. & Eng. Consultation |

PART IV. ACCOMPLISHMENTS AND RECOMMENDATIONS

OSM does not have any major issues with the Hopi AML Program. The Hopi AML Program has had many successful PFP's. OSM holds the Program in high esteem and considers it well managed.

Those projects that were in construction this year were the Kykotsmovi Sewage Lagoon and Waste Water Infrastructure Project and the Hopi Wildland Fire / Emergency Service Substation Project. These were both successful projects.

1. Hopi Wildland Fire / Emergency Services Substation Project. [Construction Contract P.L. 93-638]

This is a jointly funded project. The Hopi AML Program funded \$36,073.00 for project design / NEPA compliance and geotechnical services (soil tests). The BIA Forestry Department funded the project construction. No AML funds were used for project construction. The Hopi Tribe negotiated a Public Law 638 contracted with the Bureau of Indian Affairs, Western Regional Office. Swan Hulsing Partnership from Dickinson, North Dakota was selected by the Hopi Tribe to build the project. Although the AML Program was not paying for the construction work, because the Hopi Tribe did not have anybody to supervise the project, the AML Program's Construction Superintendent was designated to be the Contractor Representative for the project. In addition, the Hopi Agency BIA Facility Manager also had oversight responsibility for the construction.

BIA has a building requirement that all new buildings 2,000 square feet or larger must have Fire Sprinkler Systems installed and functional before BIA will accept the building. The Village of Kykotsmovi is the water authority for this area. However, the Village of Kykotsmovi was originally not able to certify that the required water flow and pressure was available to feed the fire sprinkler system.

The construction contractor must not only have adequate water pressure and flow to supply the system, but the design engineer needs to know the water pressure that will be available in order to design the fire sprinkler system. As of September 2002, a second flow/pressure test was completed. As a result of the last test, the Professional Engineer was able to certify that the available flow / pressure is adequate to support the fire sprinkler system.

Schedule:

Site grubbing began October 5, 2001.

Facility Construction was from October through July.

2. Kykotsmovi Waste Water / Sewage Lagoon Project.

The Village of Kykotsmovi selected a sewage lagoon project as their AML public facility project.

The project consists of the construction of five holding ponds and two wetlands. The holding ponds were designed to have a water transfer system (network of pipes), appurtenances for the ponds, chlorinating chambers, and plastic liners under each of the five holding ponds. Funding sources for the project were the Village of Kykotsmovi, the Hopi Tribe, the Bureau of Reclamation, the Indian Health Service and the Hopi AML Program. Indian Health Service is the lead agency for the project. Hopi AML did periodic visits to the site during construction.

The project was done in three phases. Phase 1 included installation of 8" sewer mains and construction of five lagoons (holding ponds) with manholes spaced along the route. Borings were done in several locations in order to route the line under existing roads. Phase 2 involved installation of new sewer lines to service the existing village home owners currently on septic systems. Phase 3 will involve connecting homes on the eastern part of Kykotsmovi to the main sewer line. Hopi AML funded \$200,000 for construction work involved in Phase 1 of the project. Hopi AML was not involved in the other phases of the project.

Schedule:

Construction began in October 2001.

Final inspection for Phase 1 (Schedule A) construction was September 17, 2002. After this, Hopi AML is no longer involved in the project.

3. Hotevilla Elderly / Youth Center Project.

The Village of Hotevilla selected the construction of a new elderly and youth center as their PFP. The Village of Hotevilla has decided to take the lead for the planning portion of the project. The Village, working through the Tribal Chairman's office, was able to secure funding for the planning portion of the project from the Arizona State Senior Center Legislation. The Village plans to hire a project manager. The required building permit application was approved by the Tribal Council. Conceptual designs now exist for the facility and the Village is seeking additional funding sources.

The Hopi AML Program is willing to fund \$200,000 of the construction cost of this facility. However, it is currently not known what other funding sources are available so total funding for the project is currently uncertain. Once the other funding sources and total funds available are determined, the lead agency can be determined.

The Village of Hotevilla has a governing board. The project is subject to the new Hopi Tribal Ordinance 55, which is a policy that refines Tribal criteria requiring that building functions, setbacks, and community needs be determined for all new buildings and facilities. The timing of this project is currently uncertain since it will be a jointly funded project. The Hopi AML Program may be the lead agency for the project. Construction grants must be closed out after three years. If this project is not completed within three years of the grant award, the grant must be closed out and funds returned to OSM for deposit into the Hopi AML appropriated balance.

4. Yu Wehloo Pahki (Spider Mound) Water Well Project:

The Village of Spider Mound selected the construction and development of a water supply as their PFP. The drinking water supply in the Spider Mound area contains high levels of flouride. The high levels of flouride cause teeth to yellow and poses a health risk. This project involves development of a sustainable yield well for a water resource and the installation of a reverse osmosis treatment facility to purify the water. The Indian Health Service will be the lead agency for the project.

The project will be done in two phases. Phase 1 will consist of drilling a 950 foot deep well, testing and analyzing the water yield and water quality. Phase 2 will consist of construction of a pump house, installation of the reverse osmosis water treatment system and installation of the water infrastructure. Hopi AML will provide \$215,000 in funding and The US Department of Agriculture, Rural Development (USDA-RD) will fund \$250,000 for Phase 1 of the project. USDA-RD and Indian Health Service will fund all of Phase 2. A pre-conference for the Spider Mound project is scheduled for October 2002.

5. Hopi Veterans Memorial Conference and Wellness Center Project:

This is a Tribal-wide project rather than a village specific project. The project entails construction of a new Conference and Wellness Center next to the existing Veterans Memorial Center in Kykotsmovi, Arizona. The original plan was to put an addition onto the existing building. However, due to code requirements, the plan now is for the construction of a separate building at least 30 feet away from the existing building. The new building will need to meet the fire code requirement for a built in fire-supression system. Therefore, pressure and flow tests were performed on September 10, 2002.

A project team has been established for the project. The team consists of members from several Tribal programs and the Indian Health Service. The team met with the contractor in their Phoenix office and held a pre-award meeting. The team developed a Statement of Qualifications for publication by the Hopi Tribe's Procurement Office. Only one response was received. The team selected the contractor for the design and construction of the facility. A "Design and Build Agreement" between the Hopi and the Contractor is currently under review by the Hopi Tribe's General Counsel. The contractor has previous experience working with Native American communities in Arizona, California, and New Mexico. In fact, the company has a Native American Division that is dedicated specifically to working with these communities and has teamed up with another Native American design firm of architectural engineers. Several meetings have been held and more are scheduled between the Architect and the contractor's representative to examine design alternatives, specifications and purpose of the structure.

6. Village of Walpi PFP.

The Village of Walpi is one of the oldest inhabited establishments in North America. It is situated on top of a very narrow rocky finger-like peninsula, with shear cliffs on two sides. This traditional location for homes, long ago, provided a form of protection from outside raiders.

The Village met with the Hopi AML Program and has expressed interest in two PFP's. One project involves the stabilization of rocky cliffs that buttress the Village above. The Village residents have for decades expressed a need to implement stabilization / reinforcement measures to protect their homes and community.

The other project is an addition of a second story building to provide a maintenance office and office space for the existing "bath-house." The bath house provides shower facilities for area residents whose homes do not currently have running water and associated facilities.

Both of these project options are in preliminary (discussion) stages. The Hopi AML Program plans to fund both projects with about \$200,000. The Village Governing Board is currently in the process of setting up a modular office. Once that is done they will begin developing conceptual plans for the second story (above the bath house) office / maintenance facility. In addition, the Hopi AML Program is in the process of procuring the services of a professional engineer to assess alternatives for stabilizing the Mesa. Hopi AML has also begun to make inquiries to the National Parks Service regarding these projects.