



Contact: Erny Zah
Director of Communications

Cell: (928) 380-0771

navajonationpress@navajo-nsn.gov

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Navajo President Shelly Signs Loan Agreement for Freeze Emergency

ALBUQUERQUE – Navajo Nation President Ben Shelly signed a loan agreement on Thursday for \$2.8 million to pay for Operation Winter Freeze, the operation that restored running water to 18,000 residents on the Navajo Nation.

The agreement was with Key Bank. Key Bank agreed to the loan adhering to Navajo Nation law and courts.

“I am thankful that we will have the funding for our emergency operation where many of people endured conditions without running water because of frozen water pipes. We had many people affected by the freeze, so it was important that we ensured the safe welfare of our people,” President Shelly said.



The loan is expected to be partially paid back with reimbursement funding from the Federal Emergency Management Agency.

President Barack Obama declared the frozen waterlines a disaster on Tuesday, making way for FEMA to financially assist with cost related to the emergency.

The Navajo Nation is expect to share 25 percent of the cost of the emergency while FEMA can reimburse 75 percent of cost related to the emergency.

Navajo Tribal Utility Authority officials said the emergency cost about \$1.8 million as they had more than 25 crews working to restore water. In addition, Navajo Nation

Department of Emergency Management officials said it cost \$1 million to operate the emergency command center.

The amount of money FEMA will assist the Navajo Nation is unknown at this point, but FEMA officials are scheduled to visit the Navajo Nation next week to further assess the costs of the emergency.

According to the FEMA, the Navajo Nation is eligible for two types of financial assistance. One category relates to costs directly resulting from the emergency, such as labor and supplies to restore water service to residents. While the other category allows for financial assistance with infrastructure upgrades, such as placing water lines deeper in the ground to make them less susceptible to freezing.

“I want to thank everyone for their hard work to restore services to our people. We are a strong people and have the ability to manage through crisis, but we also must keep in mind that we have Navajo people who depend on running water for their health. Their health is important to the Navajo Nation,” President Shelly said.

During the months of December and January, the Navajo Nation had as many as 18,000 residents living without running water because of frozen water pipes. President Shelly signed an emergency declaration in January because communities through the entire 27,000 square mile Navajo Nation were affected by the freeze.

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