

**CHEROKEE NATION'S MAY 2021 SEMIANNUAL REPORT
UNDER SECTION 5.3 OF THE ENVIRONMENTAL MITIGATION TRUST
AGREEMENT FOR INDIAN TRIBE BENEFICIARIES DATED OCTOBER 2, 2017**

The Office of the Secretary of Natural Resources, the lead agency authorized to act on behalf of the beneficiary Cherokee Nation, is submitting this May 2021 Semiannual Report pursuant to Section 5.3 of the Environmental Mitigation Trust Agreement for Indian Tribe Beneficiaries dated October 2, 2017 ("Indian Tribe Trust Agreement"). This Report is submitted for the Cherokee Nation's 3rd Round Zero Emission Project ("Round 3 Project"), which was funded in Round 1 under the Indian Tribe Trust Agreement.

Report On Status Of Eligible Mitigation Action Item

The Round 3 Project will deploy multiple all new zero emission vehicles under Appendix D-2 to the Indian Tribe Trust Agreement, along with their charging infrastructure. For all replaced vehicles, the old engine and chassis will be permanently disabled. Disabling the engine consists of cutting or punching a three-inch hole in the engine block. Disabling the chassis entails cutting completely through the frame/frame rails on each side of the vehicle/equipment at a point located between the front and rear axles. If other, pre-approved scrapping methods were used, details and documentation will be included, including photos of the disabled engine/chassis and/or a signed Certificate of Vehicle/Engine Destruction.

The Cherokee Nation's Project also includes a light duty ZEV component. Light duty ZEV charging stations will help further the electrification work that the Cherokee Nation has already started with their recently installed solar canopy in Tahlequah, as well as the electrification work that the Cherokee Nation is in process with its 1st Round Zero Emission Project and its 2nd Round Zero Emission Project. In accordance with Section 9(c)(1) of Appendix D-2, the Cherokee Nation is planning to make all light duty ZEV charging stations available to the public on property owned by the Cherokee Nation. For all of the light duty ZEV charging stations, the Cherokee Nation intends to install a mix of Level II, Level III, and Level IV chargers. However, the number and final design of these charging stations will depend on the particular site's needs, as well as the available budget based on the actual costs of installation at each selected site.

The project schedule and budget have had revisions as detailed below. Costs expended thus far are also detailed below.

Report On How Cherokee Nation Has Made Documentation Publicly Available

The Cherokee Nation has complied with Sections 5.2.7.2 and 5.3 of the Indian Tribe Trust Agreement by making publicly available all documentation submitted in support of its funding request and all records supporting all expenditures of any funds it receives, subject to applicable laws governing the publication of confidential business information and personally identifiable information, including the following:

- Posting its Round 3 Project application at the following website:
<https://www.cherokee.org/our-government/secretary-of-natural-resources-office/>

Report On Eligible Mitigation Action Management Plan
Including Detailed Costs, Budget, And Implementation And Expenditures Timeline

REVISED PROJECT SCHEDULE AND MILESTONES

The Cherokee Nation has revised its Round 3 Project schedule, and now estimates it will conclude in about October 2023.

Step 1. Trustee Award [completed November 2020]

The Trustee has distributed Round 3 funds to the Cherokee Nation.

Step 2. Contracting, Project Planning, and Initiation [November 2021]

This step will include detailed project planning to finalize the scope, assignments, and timeline. This phase will result in a formal kick-off of the Project with all team members so that they can successfully meet project goals and objectives. This step also includes executing agreements with the contractors, including final selection of the all-new electric medium and large vehicle manufacturers. The Cherokee Nation anticipates that this can mostly be performed simultaneously with project planning. The Cherokee Nation estimates that this will take about 12 months.

Step 3 (Infrastructure Installation and Vehicle Deployment) [May 2023]

The Cherokee Nation anticipates that steps 3.a. (Vehicle Procurement and Deployment) and 3.b. (Infrastructure Installation) can be performed simultaneously.

Step 3.a. Vehicle Procurement and Deployment [May 2023]

This step includes finalizing the specifications for the vehicles by working with the third party suppliers. Once the specifications are finalized, the Cherokee Nation expects that the lead-time on the vehicles will be at least 12 months. The funds for the vehicles will be expended when a vehicle is ordered. The Cherokee Nation will conduct pre-delivery inspections to approve vehicle delivery, and conduct post-delivery inspections for final approval. If necessary, the Cherokee Nation will engage the services of external vendors to complete the inspections.

This step also includes deployment of the vehicles. Delivered vehicles will be registered and insured by the Cherokee Nation. At the time a vehicle is delivered, construction of some of the charging stations should be completed. A series of tests will be conducted to ensure the vehicles can be charged properly with the charging equipment and can operate along the planned medium and large vehicle routes, including testing the vehicle at any existing charging station(s). During this phase, staff will receive the necessary training to operate and maintain the vehicles. At the end of this phase, the vehicle being replaced will be scrapped.

Step 3.b. Infrastructure Installation (18 months) [July 2023]

This step includes finalizing site plans for the charging stations and seeking the necessary permits from local authorities to install the systems. During this step, the Cherokee Nation will be working with all third parties to develop site and installation plans for the charging stations, including any site engineering (such as civil, electrical, and mechanical), construction, and equipment installation.

The costs for the charging infrastructure equipment will be expended when the parts are ordered once the site design is complete. The costs for the charging infrastructure installation will be expended as infrastructure is completed. Once construction at a charging site is complete, the site will be tested with the vehicles in the Cherokee Nation's electric fleet.

Step 4. Project Completion (3 months) [October 2023]

During the course of the Project, the Cherokee Nation will provide semiannual reports on its status. Once the replaced vehicles are scrapped and the charging infrastructure is installed, the Cherokee Nation will issue a final report summarizing implementation and will close out the project with the Trustee. The Cherokee Nation estimates project completion will occur in October 2023.

SUMMARY OF ALL COSTS EXPENDED ON THE ELIGIBLE MITIGATION ACTION

No costs have been expended yet.

PROJECT BUDGET

Eligible Mitigation Action and Mitigation Action Expenditure Categories	Item	Cost	Qty.	Total
D-2 Sections 1(f)(4) and 6(e)(4) - Government-Owned Eligible Medium and Large Vehicles	Box truck	\$327,498	1	\$327,498
	Dump truck	\$375,000	1	\$375,000
	Dump truck shipping	\$10,000	1	\$10,000
	Water Truck	\$375,000	1	\$375,000
	Water Truck shipping	\$10,000	1	\$10,000
	Charging Infrastructure - DC Charger w/ new elec.	\$188,448	1	\$188,448
	Charging Infrastructure - DC Charger	\$154,602	1	\$154,602
	Charging Infrastructure - Solar Canopy	\$173,040	1	\$173,040
	Other - vehicle salvage fee	\$5,000	3	\$15,000
<i>Government-Owned Eligible Medium and Large Vehicles Subtotal:</i>				<i>\$1,628,588</i>
D-2 Section 9(c)(1) - Light Duty ZEV, Gov't Property	First Level 3 Charger	\$125,384	1	\$125,384
	Each Add'l Level 3 Charger	\$112,846	1	\$112,846
<i>Light Duty ZEV, Gov't Property Subtotal:</i>				<i>\$238,230</i>
Administrative Expenditures	Contractual - application by Askman Law Firm	\$30,477	See Quote	\$30,477
	Construction at first charging site	\$100,000	See Quote	\$100,000

	Construction at second charging site	\$100,000	See Quote	\$100,000
<i>Administrative Expenditures Subtotal:</i>				\$230,477
PROJECT TOTAL				\$2,097,295

CERTIFICATIONS

By submitting this report, the Lead Agency makes the following certifications:

1. This report is submitted on behalf of Beneficiary Cherokee Nation, and the person executing this certification has authority to make this certification on behalf of the Lead Agency and Beneficiary, pursuant to the Certification for Beneficiary Status filed with the Court.

2. This report contains all information and certifications required by Paragraph 5.3 of the Trust Agreement.

3. To the best of my information and belief, and under penalty of perjury, the information in this report is true and correct.

DATED: May 11, 2021



Chad Harsha
Secretary of Natural Resources

The Office of the Secretary of Natural
Resources

[LEAD AGENCY]

for

Cherokee Nation
[BENEFICIARY]