



# Speaker's Report

## 2015 Fall Council Session

LoRenzo Bates  
23<sup>rd</sup> Navajo Nation Council

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23<sup>rd</sup> Navajo Nation Council  
Fall Council Session  
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## Message from Speaker Bates

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Yá'át'ééh my colleagues of the 23<sup>rd</sup> Navajo Nation Council, President Russell Begaye, Vice President Jonathan Nez, chapter officials, federal, state and county officials, legislative staff, and most importantly, to our Diné Citizens. Thank you for joining us and welcome to the opening of the 2015 Fall Council Session!

As we gather to deliberate and to consider the critical issues and legislations before us, my Council colleagues and I are mindful of the need to make decisions that empower our Diné Citizens and that allow them to resolve and improve the conditions of their communities.

In the past few weeks and months, my Council colleagues and I have had the wonderful opportunity to engage with many of our people during fair and parade activities. We had many conversations with people from various areas with a variety of backgrounds who conveyed their needs and concerns, as well as their will to help their communities.

Through these conversations, we gain greater knowledge and experience that guides us when making decisions that impact our Nation. So I thank our Diné Citizens for engaging our Nation's leadership and sharing their wisdom.

In recent months, our Nation has encountered challenges such as the Gold King Mine contamination spill that devastated several Navajo communities, particularly livestock owners and ranchers who are still facing uncertainty today. Challenges such as this can be overcome through the partnership and cooperation of our Nation's leaders.

In July, the "One Nation, One Voice" document was finalized and signed, which outlined the agreed upon priorities of the Navajo Nation. The priorities and goals contained within the document may seem overwhelming and perhaps insurmountable; however, it is this Council's belief that they are a true reflection of the voices and will of Diné Citizens.

Acknowledging the ambitious goals of the Nation, it goes without saying that we must partner, communicate, and respect one another as leadership in order to move this Nation forward. My Council colleagues and I acknowledge the need for the Nation's three-branches of government to move forward with the "One Nation, One Voice" agreement. I am confident that we will move forward in unison to achieve the goals to help our people and our communities.



Thank you,

A handwritten signature in black ink, appearing to read "LoRenzo Bates".

LoRenzo Bates, *Speaker*  
23<sup>rd</sup> Navajo Nation Council



## Rehabilitation of the Former Bennett Freeze Area

After a compelling and heartfelt report to the Naabik'iyáti' Committee on July 16, 2015 from the Forgotten People Community Development Corporation, my Council colleagues and I entered into further discussion regarding the many needs of the Former Bennett Freeze communities.

With overwhelming support from Council members, a directive was issued to have the Naabik'iyáti' Committee and the Office of the President and Vice President, to hold a Naabik'iyáti' Committee meeting in Tuba City, which occurred on September 24 at Greyhills Academy Auditorium to address the Former Bennett Freeze Area.



Photo (above): Dilapidated home in the Former Bennett Freeze area.

The intent of the meeting was to share with the people impacted by the Bennett Freeze that the Three Branches of government made the Rehabilitation a priority within the "One Nation, One Voice" agreement and to develop direction based on previous studies and recommendations.

With 300-plus community members in attendance, unfortunately we could not afford the opportunity for everyone to speak about their personal hardships and struggles. However, we heard testimony from several elderly people who have endured the harsh living conditions for decades.

The result of the meeting was a listing of 30 recommendations (see listing below) issued by Council members and members of the Forgotten People. Additionally, it should be noted that the meeting at Greyhills Academy was the beginning of future meetings to develop a long-term "Regional" action plan that incorporates Chapter Plans and other proposed plans.

1. Technical amendments to the Navajo Rehabilitation Trust Fund and other trust fund accounts to address the recovery
2. Designation of Empowerment/ Promise Zone
3. Re-establish the Interagency Coordination and Collaboration agreement
4. Provide informational updates for federal officials
  - a. Community & Economic Development
    - i. New Market Tax Credit
    - ii. Private Sector Investments
    - iii. Other Incentives
5. Fund Critical Needs:
  - a. Housing
    - i. Recommendation: Cluster Housing
    - ii. Fund 50% of the 1,434 identified houses using TDHE Funds
  - b. Infrastructure
    - i. Powerlines
    - ii. Renewal energy

- iii. Solar, etc.
6. Address Water Contamination
7. Development of Community/ Chapter Master Plans
8. Collect and Compile all existing project plans and other data
9. Tour FBFA
10. Reinstate BIA budget line-item for Bennett Freeze Area
11. Consider giving TDHE back to the Navajo Nation
12. Creation of Advisory Committee
13. Use ESCROW Fund to connect powerlines to nearby homes (within 6 months)
14. Develop on-going list of progress and homes served (Inventory)
15. Redevelopment plan map - showing community and economic development
16. OPVP to Declare State of Emergency for the FBFA
17. Three Branch Chiefs to give directives to make FBFA a Priority
18. \$17.5M Emergency Funds to be used for FBFA
19. Involve former Leaders
20. Establish FBFA Development Office
21. Matching Fund to CDBG
22. Need Inventory of land
23. Involvement of all programs within the Navajo Nation
24. Involve community in development of plan
25. Water, powerline assessments (initial phases of approval by chapters)
  - a. Right-of-ways, archaeological clearances, etc.
26. Identify strengths and weaknesses from previous plans
27. Develop impacted Community-based coalition level Taskforce Committee
28. Develop a Research and Analysis Committee
29. Develop a Fiscal and Project Oversight Committee/Taskforce
30. Restructure Navajo-Hopi Land Commissions

It is the goal of the Council to coordinate and collaborate amongst involved entities and oversight committees to identify all plans and resources, as well as to identify and address all obstacles and barriers that would hinder a Regional Long Range Plan of Action.

**Photo (below): The home of Mary Reeves, built in the early 1960's. Ms Reeves witnessed the Bennett Freeze unfold from the beginning and was told by Bureau of Indian Affairs not to fix and add on to her home.**



On behalf of the Council, we recognize that many studies and assessments have already been conducted and finalized and we recognize that the people impacted want the government to produce tangible results that benefits their communities -- the 23<sup>rd</sup> Navajo Nation Council shares this same sentiment.

With the assistance of the Navajo-Hopi Land Commission, Council standing committees, and the Office of the President, we look to moving forward on rehabilitating the communities that are impacted by the Bennett Freeze.

## Gold King Mine Spill

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The Office of the Speaker is in direct communication and has had several one-on-one discussions with U.S. Environmental Protection Agency officials and Congressional leaders. We have also been in contact with the Office of the President and Vice President and the Attorney General in recent days.

Several issues include the monitoring of the San Juan River, compensation claims process for impacted farmers and livestock owners, and the litigation consideration/discussions.

Looking ahead, future discussions with the U.S. EPA may revolve around issues such as the interpretation of data from current water samplings, a long-term monitoring plan, collaboration with other jurisdictions, and improving emergency response plans for potential future emergencies.



**Photo (above): Council members met with U.S. Senator Tom Udall to discuss the Gold King Mine Spill that occurred on Aug. 5.**

In September, the federal EPA issued a draft conceptual monitoring plan for surface water, sediments, and biology that outlines their objectives, monitoring sites/frequency/analytes, data management, and decision model for continued monitoring.

Federal EPA officials have provided this information to the Office of the President and Vice President, Attorney General, and the Navajo Nation EPA. The Office of the Speaker will continue its efforts to provide accurate information and maintain direct communication with all entities.

Currently, there is a temporary treatment plant being installed by the U.S. EPA to treat the GKM discharge over the winter and during mine site operations. We will continue to closely monitor the impacts of the Gold King Mine spill and will continue to provide information to the Navajo Nation Council as it is received.

Since the incident first occurred on August 5, 2015 various governmental agencies including the Navajo Nation have addressed the issue in various forms and various meetings were held in communities affected by the spill. I have personally met with federal and Congressional officials to address how individuals who were negatively impacted may be compensated.

At this point, the Navajo Nation continues to attempt to address the matter with discussions and communications with the U.S. EPA. In addition, hearings have also been conducted by Congressional Committees in Washington, D.C. in an attempt to acquire answers directly from the U.S. EPA.

All affected entities continue to work to determine how monitoring will be conducted to assess short-term and long-term impacts. The other issue to be considered is the impact to local communities along the river and the current and potential impacts to farmers and livestock owners.

Lastly, I extend my sincere appreciation to the Resources and Development Committee and my Council colleagues, for your support and continued assistance in coordinating relief efforts for your constituents and communities.

## Síhasin Fund Subcommittee

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Since the establishment of the Síhasin Fund Subcommittee, the members have met on a monthly basis. Legislative Staff Assistant LaShawna Tso has been greatly involved and of assistance to the subcommittee. Ms. Tso devoted much of her time to reviewing and organizing the submitted proposals and compiling existing projects to include in a comprehensive report for the subcommittee.

The findings and evaluations of these reports were used to provide expenditure scenarios based off of the seven public hearings held last year and the "One Nation, One Voice" priority listing. The subcommittee has reviewed and considered these documents.

On August 28 and 29, the subcommittee invited President Russell Begaye, Vice President Jonathan Nez, and several Navajo Nation Divisions and Departments to meet on the recommended use of the Síhasin Funds.

At the request of the Síhasin Fund Subcommittee the following departments were invited: the Navajo Nation Department of Diné Education, Office of Navajo Nation Scholarship and Financial Assistance, Navajo Nation Department of Water Resources, Division of Natural Resources, Navajo Division of Transportation - Airports Management, Navajo Nation Government Buildings/Facilities Improvement and Development, Division of Community Development, Navajo Design and Engineering Services, and the Navajo Housing Authority.

Other governmental entities that were invited were the Navajo Area Indian Health Service - Division of Sanitation Facilities Construction, and the USDA Natural Resources Conservation Service in efforts of maximizing the use of federal funds.

Due to the limitations outlined within resolution CD-68-14 and the adversities that affect the Navajo Nation, the proceeds from the settlement will not meet all the overwhelming needs and submitted proposals. However, the subcommittee has come to an agreement on how to deliver certain needs within the Navajo Nation through an expenditure plan disclosed into phases.

**Phase One:** The subcommittee is aware of the crucial water needs of communities throughout the Navajo Nation. A list of water and waste water projects that addresses the critical water needs at a regional level was developed by the Navajo Nation Department of Water Resources, the Navajo Tribal Utility Authority, and Navajo Area IHS's Division of Sanitation Facilities Construction. To address the demands of agricultural water development, the Navajo Nation Division of Natural Resources and the USDA Natural Resources Conservation Service have collaborated to establish a list of their own.

Upon the presentation of each of these departments the members of the subcommittee have determined that water and wastewater development projects and agricultural water development will be considered.

Therefore, through legislation the Síhasin Fund Subcommittee has requested additional time to establish a subsidy plan. An expenditure plan for the first phase of funding is expected to be considered by or before the Winter Council Session in January 2016.

**Phase Two:** The second phase of funding is still under consideration, and will be discussed upon the completion of the phase one expenditure plan. The SÍhasin Fund Subcommittee will then focus on other areas such as education, healthcare, community and economic development.

## **Fire & Rescue Services on the Navajo Nation San Juan County - New Mexico**

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The Office of the Speaker as well as several Council members continue to meet with officials to determine a solution to maintain emergency services to several communities in San Juan County, New Mexico. Since the last quarterly update, San Juan County has continued to provide Fire and Rescue/EMS Services to the communities of Newcomb, Shiprock, & Ojo.

As previously reported the county proposed three options to the Navajo Nation:

- 1) For the Navajo Nation to pay \$810,000 annually to cover operational and equipment costs
- 2) For the county to transfer the fire stations and a portion of the equipment to the Navajo Nation Fire Department for response and operational costs with some form of mutual aid agreement in place
- 3) For the county to close the fire stations which would allow the Navajo Nation Fire Department to assume all responsibility and provide equipment and emergency response.

The county has been in several discussions with the Navajo Nation on the matter. Initial discussions began between the Office of the President and Vice President and the Navajo Nation Division of Public Safety when the parties met with San Juan County officials on May 18, 2015. At the conclusion of this meeting in which OPVP, Division of Public Safety, and San Juan County were in attendance, the OPVP indicated the Navajo Nation would consider Option 2, which proposes to turn the fire stations and a portion of the equipment over to the Navajo Nation Fire Department for response and operational costs.

Also, the Division of Public Safety and the Navajo Nation Department of Justice indicated they would gather additional information to make a final assessment to determine what steps will be taken to make a transition for services and equipment. The Division of Public Safety and OPVP would also determine the impact and needs to fund services utilizing the Nation's General Fund budget.

An additional meeting took place in Shiprock on May 28, 2015, where San Juan County officials provided information to the local leadership and community members. Representatives from the Speakers Office, several Council Delegates, and Executive Branch representatives were in attendance.

The Speakers Office along with several council delegates, will continue to monitor the issue in hopes of a resolution to the matter. The initial timeline for both governmental parties to agree on a final determination of the services was July 1, 2015.

During the FY2016 Navajo Nation Comprehensive Budget process the issue was considered as unmet needs budget. The final Comprehensive Budget included an allocation of \$768,596 to Fire and Rescue for the hiring of

15 additional firefighters to address the matter of assuming responsibility for the services.

The most recent discussion and determination took place at a San Juan County Commission meeting on October 7, 2015 in Aztec, N.M. in which President Russell Begaye addressed the Commission. President Begaye conveyed to the County Commissioners the Nation's intent to assume all responsibility of providing Fire and Rescue Services for the three communities. The President also mentioned the cost associated with taking over has been included in the Nation's FY2016 budget and that the Executive Branch and Division of Public Safety would like to work with the county on the transition.

## Council Chamber Renovation

On May 14, 2015, the Naabik'iyáti' Committee of the Navajo Nation Council directed the Office of the Speaker to pursue the preservation of the current Council Chamber. In addition, the directive instructed the office to acquire land for a new legislative multiplex building.

Since then we have had meetings with Navajo Nation Design and Engineering Services, Navajo Land Department, and the Navajo Historic Preservation Department. The meetings progressed to include Bureau of Indian Affairs Regional Director, Sharon Pinto on July 17. The purpose of the meeting was to determine the feasibility of BIA administratively transferring a tract of land.

On August 17, Design and Engineering were given approval to pursue securing a contractor to perform an assessment and has since been working on the contract. The Office of the Speaker currently awaits the finalization of the contract in order to move forward.

The cost of assessment will be determined by the scope of work. The company will also provide a proposal on the restoration project.

Staff from the Office of the Speaker continues the land acquisition effort and will meet with Historic Preservation in the coming weeks. Our primary objective at this point is to determine the feasibility of the proposed facility, which entails identifying potential funding to preserve the historical landmark.

After the contract is procured, a Request for Statement of Qualifications will be required, which entails advertisement, receiving sealed bids, a team evaluation, and statement to award.



**Photo (above): Deteriorating support log on the Council Chamber.**



**Photo (left): Rotting support log on the Council Chamber.**

## State Task Force

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The Office of the Speaker continues to work closely with the Naabik'iyáti' State Task Force to develop the framework within each state -- New Mexico, Utah, and Arizona -- to successfully collaborate with the various agencies in providing benefits to our collective constituents.

The State Task Force recently met and developed four areas of focus within the State of Arizona. These four areas are: Transaction Privilege Tax, Energy, Water, and Education.

Arizona Sen. Carlyle Begay assisted in arranging a meeting with Arizona Gov. Doug Ducey. It was during these discussions that the Task Force requested the assistance of Sen. Begay to arrange a two-hour meeting between Navajo leadership and the Governor's Office, as well as U.S. Sen. John McCain.



**Photo (above): Speaker Bates, President Begaye, and Vice President Nez pose with Utah Gov. Gary R. Herbert and Lt. Gov. Spencer Cox.**

It was an honor to host not only the Governor and Senator, but also many other members of Arizona's top leadership. While we may not agree on all aspects of our decisions affecting our constituents, it is vitally important that we maintain these lines of communication in our efforts to serve our people.

The State Task Force was also able to meet with Utah Gov. Gary R. Herbert to speak about issues important to our Utah residents including, the Utah Navajo Trust Fund and its continued operation for the benefit of our people. Other topics of discussion included school bus routes, the Bears Ears conservation proposal, water rights, and an expanded collaboration between the State of Utah's service agencies and our Navajo people.

The Task Force requested Gov. Herbert to elevate the Office of Indian Affairs to a cabinet level position to bring Navajo issues to an equal level within the State's resources. The Task Force also extended an invitation to Gov. Herbert to visit the Navajo Nation during one of the regular Council Sessions to work on issues important to both our constituents.

As the State Task Force moves forward with their charge and responsibility under the leadership of Honorable Kee Allen Begay, Jr. they will meet with New Mexico Gov. Susana Martinez to continue addressing issues important to our New Mexico residents. The Office of the Speaker will continue to work with the Task Force to meet the needs of our people.

## Energy

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### RENEWABLE ENERGY

On the renewable energy front, the Navajo Nation remains optimistic over the progress of the Paragon Solar Project in New Mexico. Full studies have been completed and solar companies are being sought to begin de-

velopment. The challenge is procuring a Power Purchase Agreement at a rate that is competitive with off reservation solar development. The point at which the Paragon Solar Project needs to tie into the power grid is a transmission line carrying extremely high voltage (69kv to 765kv) and requiring more expensive step-up Transmission Substations to access the 'grid' as well as additional costs in transmitting that electricity due to distance.

Off reservation commercial solar projects are able to tie directly into the distribution lines (7kv to 13kv) requiring far less expensive step-up Transmission Substations and transformers as well as shorter distances to the end market. This along with the complex regulatory framework that exists on Navajo compresses the profit margins of potential investors and makes commercial scale solar development challenging.

NTUA may have found a way around these challenges in the development of their Kayenta Solar Project, which will tie into their own distribution lines. By tying into their own distribution lines and utilizing their power locally, they are able to more cost effectively distribute solar generated electricity to their customers without raising utility rates. Although this is intermittent electricity, NTUA is able to balance this power generation with hydro-electricity from the Glen Canyon Dam and provide affordable as well as reliable service to their customer base. Their big challenge in reproducing this project in other areas is in the procurement of land adjacent to suitable distribution lines, which is a more difficult task than would be expected.

The major Transmission lines running through the Navajo Nation were designed for the transmission of coal based power. If the Navajo Nation hopes to gain a foothold in the development of large scale renewable energy projects we may need to look at the development of dedicated green transmission lines, both for renewable energy projects on Navajo as well as accommodating renewable energy projects seeking a pathway through the Navajo Nation to the renewable energy markets of California. California's energy market is still comprised of

over 50% coal based electricity, which it hopes to completely replace by 2030 when their current contracts expire. This fact coupled with the vast wind energy resources of the Midwest could provide for an opportunity for Navajo to push for green transmission lines to connect these two markets.

Recently, the 23<sup>rd</sup> Navajo Nation Council was invited to attend an event held at Camp Pendleton to honor our Navajo Code Talkers and the unique code that led to the victory of World War II.



**Photo (above): Council Delegate Edmund Yazzie addresses Navajo Code Talkers and U.S. Marine Corps to honor the Code Talkers at Camp Pendleton, CA.**

Camp Pendleton served as the training ground for our Code Talkers where they formulated the code that won the war and saved a Nation. Along with the Office of the Speaker, NOVA Corporation, Indian Energy, Clean Spark and Big Navajo Energy sponsored the event, which was hosted by the U.S. Marine Corps.

At the conclusion of the Code Talker event, Council members were invited to tour a portion of the military base



**Photo (above): U.S. Marine Corps servicemen post colors at Camp Pendleton.**

that housed a cutting edge off-grid renewable energy system, which had been recently declassified and made available to the public.

I believe what we witnessed is the future of energy -- a perfectly balanced micro-grid powering a significant portion of the military operations. We have witnessed many off-grid residential housing systems but nothing on the commercial scale of this 'FractalGrid' system. We have invited Big Navajo Energy and Indian Energy LLC to the Navajo Nation to explore the possibilities of powering a housing development in the most remote locations of our Nation.

The Council has established the rehabilitation of the Former Bennett Freeze Area as a high priority. For far too long our Navajo people in this area have suffered without adequate housing, infrastructure, and roads. The task of bringing these essential resources to an area long forgotten is a daunting task and will take many years before we begin to make a measurable difference in their lives and homesteads.

Commercial scale renewable energy has been plagued by many challenges in attempting to sell wholesale electricity to a faraway market, but this technology may be able to save the cost of running transmission lines into remote areas for housing development that could provide a cost effective micro-grid system for housing development in the Former Bennett Freeze Area.

The Office of the Speaker has reached out to Navajo Tribal Utility Authority to begin a collaborative discussion on the challenges and opportunities of bringing both water and electricity to existing and proposed development. NTUA stands ready to work with the Council in bringing this reality to our people. We have also reached out to APS, who covers the southern half of the Former Bennett Freeze area and they are equally excited to collaborate with the Navajo Nation in providing services to our people.

Staff has also reached out to the Navajo Housing Authority to coordinate development plans with the local communities. Although housing funds are abundant, there are many obstacles in developing in an area that has not seen any improvements in over 40 years. It will take a great amount of collaboration between the local communities, our Navajo enterprises, departments and national agencies, as well as creative thinking to navigate through the complex regulatory framework.

During the past several weeks, the Council was able to hear directly from the national housing agencies who are working through our local Navajo Housing Authority to meet the Navajo Nations housing needs. In addition to these agencies, the Office of the Speaker is reaching out to the U.S. Department of Energy to invite them to the Navajo Nation to witness the harsh living conditions that many of our people endure daily. We will also work with them to match our energy needs with their program dollars to bring energy jobs and revenues to our Nation.

Too many times our discussions turn into studies and those studies remain on our shelves collecting dust. The Navajo Nation has the resources, capabilities and partners to bring real development to our people and it is my commitment to work with each of you to make this a reality for our people.

## **THE FUTURE OF COAL**

MIT completed a study concerning the future of coal, considering the current and future carbon regulations

imposed by the U.S. Environmental Protection Agency, and the need to reduce the emission of CO2 and other greenhouse gases.

The purpose of this study is to identify measures that would support current technologies capable of mitigating the release of carbon emissions, while maintaining our economics and securing our supply of electricity.

As a result of policy change, we experienced the shutdown of McKinley Mine, Black Mesa Mine and pipeline, the shutdown of three of our five units at the Four Corners Power Plant, and the anticipated shutdown of one additional unit at our Navajo Generating Station.

So we look to considering alternative solutions to address the shortfalls to continue to meet the needs of the Navajo Nation, and will strive to develop its economy as it relates to the energy needs of the growing population within Navajo.

The Navajo Energy Policy serves as one of the several guides to continue to contribute to the growth of the Nation. While we may receive much of our annual revenue from coal resources, the Council fully acknowledges the need to diversify our energy portfolio by expanding into the renewable energy field as well.