

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0308-19_____

SPONSOR: Nathaniel Brown

TITLE: An Action Relating to Law and Order Committee, Resources and Development Committee, Budget and Finance Committee, Naabik'iyati Committee and Navajo Nation Council; Allocating \$12,000,00.00 from the Síhasin Fund to the Kayenta Judicial Complex and approving and adopting the Kayenta Judicial Complex fund expenditure Plan pursuant to 12 N.N.C. §§ 2501-2508

Date posted: October 7, 2019 at 5:42pm

Digital comments may be e-mailed to comments@navajo-nsn.gov

Written comments may be mailed to:

**Executive Director
Office of Legislative Services
P.O. Box 3390
Window Rock, AZ 86515
(928) 871-7590**

Comments may be made in the form of chapter resolutions, letters, position papers, etc. Please include your name, position title, address for written comments; a valid e-mail address is required. Anonymous comments will not be included in the Legislation packet.

Please note: This digital copy is being provided for the benefit of the Navajo Nation chapters and public use. Any political use is prohibited. All written comments received become the property of the Navajo Nation and will be forwarded to the assigned Navajo Nation Council standing committee(s) and/or the Navajo Nation Council for review. Any tampering with public records are punishable by Navajo Nation law pursuant to 17 N.N.C. §374 *et. seq.*

LEGISLATIVE SUMMARY SHEET
Tracking No. 0308-19

DATE: October 1, 2019

TITLE OF RESOLUTION: AN ACTION RELATING TO LAW AND ORDER COMMITTEE, RESOURCES AND DEVELOPMENT COMMITTEE, BUDGET AND FINANCE COMMITTEE, NAABIK'ÍYÁII' COMMITTEE AND NAVAJO NATION COUNCIL; ALLOCATING \$12,000,000.00 FROM THE SIHASIN FUND TO THE KAYENTA JUDICIAL COMPLEX AND APPROVING AND ADOPTING THE KAYENTA JUDICIAL COMPLEX FUND EXPENDITURE PLAN PURSUANT TO 12 N.N.C §§ 2501 – 2508

NOTE: The Navajo Nation Department of Justice provide a memorandum that Exhibit 2 of this legislation is confidential.

PURPOSE: The purpose of this legislation is to approve and adopt funding for the Kayenta Judicial Complex from the Sihasin Fund.

This written summary does not address recommended amendments as may be provided by the standing committees. The Office of Legislative Counsel requests each Council Delegate to review each proposed resolution in detail.

5-DAY BILL HOLD PERIOD: 2800

Website Posting Time/Date: _____

Posting End Date: 10/12/19

Eligible for Action: 10/13/19

Law & Order Committee

Thence

Resources & Development Committee

Thence

Budget & Finance Committee

Thence

Naabik'iyati Committee

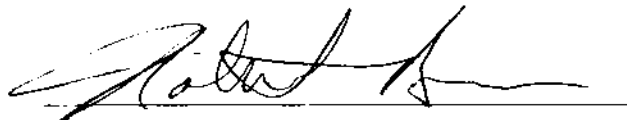
Thence

Navajo Nation Council

PROPOSED NAVAJO NATION COUNCIL RESOLUTION

24th NAVAJO NATION COUNCIL – First Year, 2019

INTRODUCED BY



(Prime Sponsor)

TRACKING NO. 0308-19

AN ACTION

RELATING TO LAW AND ORDER COMMITTEE, RESOURCES AND DEVELOPMENT COMMITTEE, BUDGET AND FINANCE COMMITTEE, NAABIK'ÍYÁTI' COMMITTEE AND NAVAJO NATION COUNCIL; ALLOCATING \$12,000,000.00 FROM THE SÍHASIN FUND TO THE KAYENTA JUDICIAL COMPLEX AND APPROVING AND ADOPTING THE KAYENTA JUDICIAL COMPLEX FUND EXPENDITURE PLAN PURSUANT TO 12 N.N.C §§ 2501 – 2508

BE IT ENACTED:

Section One. Authority

A. The Law and Order Committee of the Navajo Nation Council is empowered to serve as the oversight authority for the Division of Public Safety and the Judicial Branch Navajo Nation. 2 N.N.C. § 600 (C)(6).

B. The Budget and Finance Committee of the Navajo Nation Council is empowered to review and recommend to the Navajo Nation Council the budgeting, appropriation, investment, and management of all funds. 2 N.N.C. § 301(B)(2).

C. The Naabik'iyati' Committee of the Navajo Nation Council is empowered to review all proposed legislation which requires final action by the Navajo Nation Council. 2 N.N.C. §164(A)(9).

1 D. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. §
2 102 (A).

3 E. The Navajo Nation Code provides the purpose of the Navajo Nation Sihasin Fund
4 ("Sihasin Fund") is as follows:

5 § 2502 Purpose

6 A. The purposes of this Fund are to provide financial support and/or
7 financing for:

8 1. The planning and development of economic development
9 and regional infrastructure supporting economic
10 development, and community development, including such
11 infrastructure as, but not limited to, housing, commercial
12 and government buildings, waterline, solid waste
13 management development, powerline projects, and
14 transportation and communication systems, within the
15 Navajo Nation; and

16 2. Education opportunities for members of the Navajo
17 Nation.

18 B. For the Purpose in § 2502(A)(1), Fund expenditures for
19 infrastructure shall not be limited by 12 NNC § 1310(F) or
20 TCDCJY-77-99.

21 C. Leveraging the Fund by way of guaranteeing loans, match
22 funding, direct funding in part, and other weighted uses of the
23 Fund, including loan financing from the Fund, for the purposes
24 in § 2502(A)(1), shall be favored over direct funding in whole.

25 12 N.N.C. § 2502, as amended by CJA-03-18.

26 F. The Sihasin Fund provides that "Fund Principal" shall consist of all deposits made
27 to the Sihasin Fund and that "Fund Income" shall consist of all earnings (interest,
28 dividends, etc.) generated and realized by the Fund Principal, and that Fund
29 Income shall be deposited in and added to Fund Principal until such time as a
30 Fund Expenditure Plan is duly adopted. 12 N.N.C. §§ 2504 and 2505 (C).

1
2 **Section Two. Findings**

- 3 A. The Kayenta Township ("Township") was permanently made a home rule
4 municipality of the Navajo Nation by Navajo Nation Council Resolution CAU-
5 47-03 (August 29, 2003).
- 6 B. The Kayenta Township Commission ("KTC"), the Township's governing body,
7 was given broad authority to perform all functions necessary for local self-
8 government consistent with generally applicable laws of the Navajo Nation and the
9 federal government. 2 N.N.C. §§ 4081 and 4084.
- 10 C. The Kayenta Judicial District (the "District") covers approximately 2,439,395
11 acres with a population of over 19,240 residents. Growth and economic
12 development initiatives within the Kayenta Judicial District, has created the need
13 to enhance and expand the availability and delivery of judicial service, including
14 the need for a new public safety and judicial facility in the District.
- 15 D. Since 2001, the KTC, Kayenta Chapter Administration, the Kayenta Judicial
16 District, and Kayenta Public Safety personnel have been working on a four phase
17 master plan for the construction of a new public safety and judicial complex (the
18 "Project") for the District. These entities have obtained community support from
19 the seven chapters in the district for the Project and secured the necessary land use
20 clearances, including an archeological survey and an environmental assessment.
- 21 E. The first two phases of the Project were funded through the use of an
22 appropriation from the United States Congress (ARRA or "stimulus" funds"),
23 which were accepted by the Navajo Nation on September 23, 2009. The new
24 Department of Corrections and Public Safety facilities had their grand opening on
25 June 04, 2015. However, the last two phases of the Project for the Juvenile
26 Detention and Judicial Facilities remain to be completed.
- 27 F. The Kayenta District Court provides court services, peacemaking, probation and
28 parole services for the Kayenta, Chilchimbeto, Dennehotso, Oljato, Tsa'ah bii Kin,
29 Naatsis'aan, and Shonto Chapters of the Navajo Nation. The current 26-year-old
30 court facility is cramped, aged and inadequate to provide the necessary judicial

1 services, which are a critical component of public safety for the Township and
2 surrounding communities.

3 G. A new 17,000 square foot Kayenta Judicial Complex will provide a safe and
4 permanent building for courts services, judicial program personnel, the
5 prosecutor's office, probation and parole services, the public defender's office,
6 the peacekeeping program, offices, meeting rooms, and hearing rooms that are
7 culturally-based, and expand and improve the availability and delivery of judicial
8 services.

9 H. The Law and Order Committee of the Navajo Nation, on the recommendation of
10 the Judicial Branch and the Division of Public Safety, by Committee Resolution
11 LOCJN-04-17 (June 2, 2017), attached as **Exhibit 1**, identified construction of the
12 Kayenta Judicial Complex as the third priority for construction of judicial/public
13 safety facilities on the Navajo Nation.

14 I. KTC approved an appropriation to the Navajo Nation Judicial Branch by
15 Resolution No. KTCAU-38-18, for the Kayenta Judicial Complex in the amount
16 of \$650,000.00.

17 J. At the request of the various stakeholder agencies of the Navajo Nation, including
18 the Judicial Branch, the Kayenta District Court, the Department of Corrections,
19 and the Office of the Prosecutor, by Resolution No. KTCD-58-18 (Dec. 10,
20 2018), KTC authorized the Township to serve as Fiscal Agent for the Kayenta
21 Judicial Complex, whereby the Township would hold all of the funding for the
22 Complex from whatever source, assist in the procurement of the contractor for the
23 Complex, and directly disburse payments for the Complex, which would be
24 owned by the Navajo Nation under the primary custody of the Judicial Branch.

25 K. The land for the Kayenta Judicial Complex is located within the Township and
26 KTC has already approved a withdrawal of the land for the exclusive use of the
27 Kayenta Judicial Complex. The Township will not charge rent or other fees for
28 the use of the land. The land on which the Kayenta Judicial Complex will be
29 located is estimated to be valued at \$247,771.55, which is an additional in-kind
30

1 contribution by KTC for the Complex, for a total contribution by KTC of
2 \$897,771.55.

- 3 L. An additional \$12,000,000.00 in funding is needed to complete the design and
4 construction of the Kayenta Judicial and Public Safety Complex, as set forth in
5 the Kayenta District Conceptual Project Budget/Expenditure Plan, attached and
6 incorporated herein as **Exhibit 2**.

7
8 **Section Three. Approval and Adoption of the Kayenta Judicial Complex**
9 **Expenditure Plan**

- 10 A. The Navajo Nation hereby allocates to Kayenta Township the total amount of
11 \$12,000,000.00 to construct the Kayenta Judicial Complex as detailed in **Exhibit 2**.
12 B. The Navajo Nation hereby approves and adopts the Kayenta Judicial Complex
13 Expenditure Plan, attached and incorporated herein as **Exhibit 2**.
14 C. The Sihasin Funds allocated for the Kayenta Judicial Complex Expenditure Plan
15 may be further leveraged by bond or loan financing pursuant to the Navajo Nation
16 Bond Financing Act, 12 N.N.C. § 1300 *et seq.*, as amended, using Sihasin Fund
17 earnings for repayment and financing costs upon the recommendation of the Budget
18 and Finance Committee and approval by a two-thirds (2/3) vote of all members of
19 the Navajo Nation Council.

20
21 **Section Four. Approval and Adoption of Expenditure Plan Administration**

22 The Navajo Nation hereby approves administration of the Sihasin Fund Kayenta
23 Judicial Complex Expenditure Plan as follows:

- 24 A. The Navajo Nation Controller shall determine whether the source of the annual
25 allocations from the total allocation of \$12,000,000.00 will be Sihasin Fund
26 Principal or Income or a combination of both;
27 B. The funding to the Kayenta Judicial Complex shall be distributed promptly to the
28 Kayenta Township after the approval of this legislation. The Township shall
29 serve as the fiscal agent and procuring party for the design and construction of
30 the Kayenta Judicial Complex, in coordination with the Navajo Nation

1 stakeholders. Upon completion of the Project, the Navajo Nation shall own the
2 Complex, which shall be under the primary custody of the Judicial Branch:

3 C. The funds allocated for the Kayenta Judicial Complex shall be used solely to
4 design, plan, and construct the Kayenta Judicial Complex as described in
5 **Exhibit 2**. Any and all cost-savings shall be returned to the to the Sihasin Fund
6 once the Kayenta Judicial Complex is completed; and

7 D. The funds allocated for the Kayenta Judicial Complex shall not lapse on an
8 annual basis pursuant to 12 N.N.C. §820 (N), however, any funds not spent or
9 encumbered within twenty-four (24) months of the date funds are made
10 available to the Kayenta Judicial Complex shall revert to the Sihasin Fund
11 principal, unless recommended otherwise by the Law and Order Committee and
12 approved by the Naabik'iyáti' Committee.

13
14 **Section Five. Effective Date**

15 The Sihasin Fund Kayenta Judicial Complex Expenditure Plan, as set forth above, shall
16 become effective pursuant to 12 N.N.C. § 2505.

17
18 **Section Six. Directives**

19 The Township and the Kayenta Judicial District shall jointly report the status of the
20 Kayenta Judicial Complex project to the Naabik'iyáti Committee on a quarterly basis,
21 after the initial disbursement of funds, until such time as the Complex is fully
22 functional and all funds are expended or otherwise reverted as provided herein.