

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0055-21_

SPONSOR: Carl Slater

TITLE: An Act Relating to Resources and Development, Budget and Finance, and Naabik'iyáti' Committees, and the Navajo Nation Council; Allocating \$833,333.00 in Síhasin Funds to the Navajo Division of Transportation for the Route 8070 Road Improvement Project; Approving and Adopting the Route 8070 Road Improvement Project Expenditure Plan Pursuant to 12 N.N.C §§ 2501 - 2508

Date posted: March 25, 2021 at 7:50PM

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LEGISLATIVE SUMMARY SHEET

Tracking No. 0055-21

DATE: March 25, 2021

TITLE OF RESOLUTION: AN ACT RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND THE NAVAJO NATION COUNCIL; ALLOCATING \$833,333.00 IN SÍHASIN FUNDS TO THE NAVAJO DIVISION OF TRANSPORTATION FOR THE ROUTE 8070 ROAD IMPROVEMENT PROJECT; APPROVING AND ADOPTING THE ROUTE 8070 ROAD IMPROVEMENT PROJECT EXPENDITURE PLAN PURSUANT TO 12 N.N.C §§ 2501 – 2508

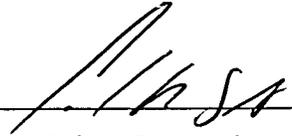
PURPOSE: The purpose of this resolution is for the Navajo Nation to allocate \$833,333.00 in Sihasin funds to the Navajo Division of Transportation for the Route 8070 Road Improvement Project.

5-DAY BILL HOLD PERIOD: YSPredhorse
Website Posting Time/Date:
Posting End Date: 03-30-2021
Eligible for Action: 03-31-2021

Resources & Development Committee
Thence
Budget & Finance Committee
Thence
Naabik'iyáti' Committee
Thence
Navajo Nation Council

1 PROPOSED NAVAJO NATION COUNCIL RESOLUTION
2 24th NAVAJO NATION COUNCIL – Third Year, 2021

3 INTRODUCED BY

4 
5 _____
6 (Prime Sponsor)

7
8 TRACKING NO. 0055-21

9
10 AN ACT

11 RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE,
12 AND NAABIK'ÍYÁTI' COMMITTEES, AND THE NAVAJO NATION COUNCIL;
13 ALLOCATING \$833,333.00 IN SÍHASIN FUNDS TO THE NAVAJO DIVISION OF
14 TRANSPORTATION FOR THE ROUTE 8070 ROAD IMPROVEMENT PROJECT;
15 APPROVING AND ADOPTING THE ROUTE 8070 ROAD IMPROVEMENT
16 PROJECT EXPENDITURE PLAN PURSUANT TO 12 N.N.C §§ 2501 – 2508

17
18 BE IT ENACTED:

19
20 SECTION ONE. AUTHORITY

- 21 A. The Resources and Development Committee is the oversight committee for the Navajo
22 Nation Division of Transportation. 2 N.N.C. §501 (C)(1).
23 B. The Budget and Finance Committee is empowered to “appropriate, allocate, cancel, re-
24 appropriate and review the use of Navajo Nation funds received including but not limited
25 to all grants, contracts, gifts and other funds from all sources. 2 N.N.C. § 301(B)(3).
26 C. The Naabik'iyáti' Committee is a standing committee of the Navajo Nation Council with
27 the responsibility to hear proposed resolution(s) that require final action by the Navajo
28 Nation Council. 2 N.N.C. § 164(A)(9).
29 D. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. §
30 102(A).

1 E. The Navajo Nation Code, at 12 N.N.C. § 2502, as amended by CJA-03-18, provides the
2 purpose of the Navajo Nation Síhasin Fund (“Síhasin Fund”) is as follows:

3 § 2502 Purpose

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

- 6 1. The planning and development of economic development and regional
7 infrastructure supporting economic development and community
8 development, including such infrastructure as, but not limited to, housing,
9 commercial and government buildings, waterline, solid waste management
10 development, powerline projects, and transportation and communication
11 systems, within the Navajo Nation; and
12 2. Education opportunities for members of the Navajo Nation.

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

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

19 F. The Síhasin Fund provides that “Fund Principal” shall consist of all deposits made to the
20 Síhasin Fund and that “Fund Income” shall consist of all earnings (interest, dividends,
21 etc.) generated and realized by the Fund Principal, and that Fund Income shall be
22 deposited in and added to Fund Principal until such time as a Fund Expenditure Plan is
23 duly adopted. 12 N.N.C. §§ 2504 and 2505 (C).

24 G. The Síhasin Fund provides that “Fund Principal and Income shall not be expended except
25 pursuant to a Fund Expenditure Plan consistent with the purposes set forth in § 2502 of
26 this Chapter and adopted by a two-thirds (2/3) vote of all members of the Navajo Nation
27 Council.” 12 N.N.C. § 2505(A).

1 **SECTION TWO. FINDINGS**

- 2 A. The Route 8070 Road Improvement Project (“Project”) is a \$1,495,960 project, as
3 detailed in the Project Abstract provided by the Navajo Division of Transportation,
4 attached as **Exhibit A**.
- 5 B. The Rock Point Chapter originally applied for Sihasin funds on March 8, 2018,
6 requesting the total amount of \$1,495,960 for the Project. The Rock Point Chapter’s
7 application for services and proposal for the Project are attached as **Exhibit B**.
- 8 C. On April 17, 2018 the Navajo Nation Council adopted Resolution No. CAP-35-18,
9 approving \$833,333.00 in Sihasin funding for the Project. The Project was designated
10 Project No. D-42 in Exhibit D to Resolution No. CAP-35-18, as shown in the attached
11 **Exhibit C**. Resolution No. CAP-35-18 is incorporated herein by reference.
- 12 D. On May 7, 2018 Navajo Nation President Russell Begaye line-item vetoed Project No.
13 D-42, thereby negating the Council’s approval of \$833,333.00 in Sihasin funds for the
14 Project. **Exhibit D**.
- 15 E. On February 9, 2021, the Rock Point Chapter adopted Resolution No. RPC-2021-09,
16 requesting that the Navajo Nation restore the \$833,333.00 in Sihasin funding for the
17 Project. **Exhibit E**.
- 18 F. In Resolution No. RPC-2018-17, dated April 16, 2018, the Rock Point Chapter
19 approved an allocation of \$30,000 in Chapter funds for environmental assessment work
20 for the Project. **Exhibit F**. As of March 23, 2021, the \$30,000 amount remains in the
21 appropriate Chapter account, for expenditure on this Project. **Exhibit G**.
- 22 G. The Rock Point Community School, the Rock Point Senior Center, the Navajo
23 Lutheran Mission, and the Red Mesa Unified School District No. 27, all have indicated
24 their support for the Project. **Exhibit H**.
- 25 H. The Navajo Division of Transportation (“NDOT”) will complete the design plans,
26 environmental clearances, permitting, and construction procurement for the Project.
27 NDOT will also provide construction management for the Project.
- 28 I. The allocation of the \$833,333.00 for this Project meets the criteria for Sihasin
29 expenditures because this Project involves “infrastructure” such as “transportation” as
30 mentioned in 12 N.N.C. § 2502(A)(1).

1 J. The allocation of the \$833,333.00 for this Project meets the preference for leveraging
2 Sihasin funds, as mentioned in 12 N.N.C. § 2502(C), because \$30,000 in Chapter funds
3 have been allocated for this Project.
4

5 **SECTION THREE. APPROVAL AND ADOPTION OF EXPENDITURE PLAN**

- 6 A. The Navajo Nation hereby approves and adopts the Route 8070 Road Improvement
7 Project Expenditure Plan, as shown in **Exhibit A**.
- 8 B. The Navajo Nation hereby approves and adopts funding for the Route 8070 Road
9 Improvement Project Expenditure Plan in the amount of \$833,333.00 from the Navajo
10 Nation Sihasin Fund, in accordance with 12 N.N.C. § 2505(A).
- 11 C. The Sihasin Funds allocated for the Route 8070 Road Improvement Project
12 Expenditure Plan may be further leveraged by bond or loan financing pursuant to the
13 Navajo Nation Bond Financing Act, 12 N.N.C. § 1300 *et seq.*, as amended, using
14 Sihasin Fund earnings for repayment and financing costs upon the recommendation of
15 the Budget and Finance Committee and approval by a two-thirds (2/3) vote of all
16 members of the Navajo Nation Council.
17

18 **SECTION FOUR. APPROVAL AND ADOPTION OF EXPENDITURE PLAN**
19 **ADMINISTRATION**

20 The Navajo Nation Council hereby approves administration of the Route 8070 Road
21 Improvement Project Expenditure Plan as follows:

- 22 A. The Navajo Nation Controller shall determine whether the source of the annual
23 allocations from the total allocation of \$833,333.00 will be Sihasin Fund Principal or
24 Income or a combination of both.
- 25 B. The Sihasin funding for the Route 8070 Road Improvement Project will be distributed
26 to the Navajo Division of Transportation within ten (10) days after the effective date of
27 this legislation. The Navajo Division of Transportation shall be responsible for
28 administering the Project, in accordance with the Route 8070 Road Improvement
29 Project Expenditure Plan described in **Exhibit A**.
30

1 C. The Síhasin funds allocated for the Route 8070 Road Improvement Project shall be
2 used solely to design, plan, and/or construct the Project as described in **Exhibit A**. Any
3 and all cost-savings shall be returned to the Síhasin Fund once the project is completed.

4 D. The funds allocated for the Project shall not lapse on an annual basis pursuant to 12
5 N.N.C. §820(N), however, any funds not spent or encumbered within thirty-six (36)
6 months of the date funds are made available to the Navajo Division of Transportation
7 shall revert to the Síhasin Fund principal, unless recommended otherwise by the
8 Resources and Development Committee of the Navajo Nation Council and approved
9 by the Naabik'íyáti' Committee.

10 E. The Project shall be carried out by the Navajo Division of Transportation, and
11 maintenance and repairs for the Project shall be performed by the Bureau of Indian
12 Affairs and/or the Navajo Division of Transportation.

13
14 **SECTION FIVE. DIRECTIVES**

15 The Navajo Division of Transportation shall report the status of the Route 8070 Road
16 Improvement Project to the Resources and Development Committee, and to the
17 Naabik'íyáti' Committee, on a quarterly basis.

18
19 **SECTION SIX. EFFECTIVE DATE**

20 This legislation and the Route 8070 Road Improvement Project Expenditure Plan, as set
21 forth above, shall become effective pursuant to 12 N.N.C. § 2505.

22
23 **SECTION SEVEN. SAVING CLAUSE**

24 Should any provision(s) of this Act be determined invalid by the Navajo Nation Supreme
25 Court or the District Courts of the Navajo Nation, without appeal to the Navajo Nation
26 Supreme Court, the remainder of the Act shall remain the law of the Navajo Nation.