

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0008-24_

SPONSOR: Vince R. James

TITLE: An Action Relating to Budget and Finance, the Resources and Development Committee, the Naabik'iyáti' Committee, and the Navajo Nation Council; Approving \$1,386,000 from the Síhasin Fund to the NTUA for the Construction of Approximately Two Miles of Waterline Extensions for 16 Families in the Kin Dah Lichii Chapter; Approving the Related Expenditure Plan

Date posted: January 10, 2024 at 5:50PM

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SUMMARY OF PROPOSED LEGISLATION

Tracking No. 0008-24

DATE: January 10, 2024

RE: AN ACTION RELATING TO THE BUDGET AND FINANCE COMMITTEE, THE RESOURCES AND DEVELOPMENT COMMITTEE, THE NAABIK'ÍYÁTI' COMMITTEE, AND THE NAVAJO NATION COUNCIL; APPROVING \$1,386,000 FROM THE SÍHASIN FUND TO NTUA FOR THE CONSTRUCTION OF APPROXIMATELY TWO MILES OF WATERLINE EXTENSIONS FOR 16 FAMILIES IN THE KIN DAH LICHII CHAPTER; APPROVING THE RELATED EXPENDITURE PLAN

Purpose of this Legislation:

to approve \$1,386,000 from the Sihasin Fund for NTUA waterline extensions to 16 families in the Kin Dah Lichii Chapter; approving the related Expenditure Plan.

OLC No. 23-534-1

5-DAY BILL HOLD PERIOD Alfred Mike
Website Posting Time/Date _____
Posting End Date: 01/15/24
Eligible for Action: 01/16/24

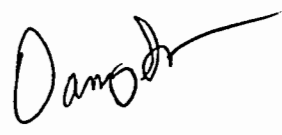
Budget & Finance Committee
Thence
Resources & Development Committee
Thence
Committee
Thence
Navajo Nation Council

1 PROPOSED NAVAJO NATION COUNCIL RESOLUTION
2 25th NAVAJO NATION COUNCIL - Second Year, 2024

3 Introduced by:

4 _____
5
6 (Prime Sponsor)

7
8 Tracking No. 0008-24



9
10 AN ACTION

11 RELATING TO THE BUDGET AND FINANCE COMMITTEE, THE RESOURCES
12 AND DEVELOPMENT COMMITTEE, THE NAABIK'ÍYÁTI' COMMITTEE, AND
13 THE NAVAJO NATION COUNCIL; APPROVING \$1,386,000 FROM THE SÍHASIN
14 FUND TO NTUA FOR THE CONSTRUCTION OF APPROXIMATELY TWO MILES
15 OF WATERLINE EXTENSIONS FOR 16 FAMILIES IN THE KIN DAH LICHII
16 CHAPTER; APPROVING THE RELATED EXPENDITURE PLAN

17
18 BE IT ENACTED:

19
20 SECTION ONE. AUTHORITY

- 21 A. The Budget and Finance Committee is a standing committee of the Navajo Nation Council
22 with the responsibility to “review and recommend to the Navajo Nation Council the
23 budgeting, appropriation, investment and management of all funds.” 2 N.N.C. §301(B)(2).
24 B. The Resources and Development Committee is a standing committee of the Navajo Nation
25 Council with oversight authority over all 110 Navajo Nation Chapters, as well as community
26 development matters and utilities. 2 N.N.C. §500(C) and 26 N.N.C. §102.
27 C. The Naabik'íyáti' Committee is a standing committee of the Navajo Nation Council that
28 considers all proposed final actions by the Navajo 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. §102(A).
30 As such, the Council may approve appropriations from the Navajo Nation's Síhasin Fund.

1 E. 12 N.N.C. §2502, as amended by CJA-03-18, states the purpose of the Navajo Nation Sihasin
2 Fund (“Sihasin Fund”) as follows:

3 §2502 Purpose

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

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

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

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

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

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

26
27 **SECTION TWO. FINDINGS**

28 A. The Kin Dah Lichii Chapter is requesting \$1,386,000 from the Sihasin Fund for the
29 construction of approximately two miles of new residential waterline extensions that will
30 serve 16 families in the Chapter. Resolution No. KDLC 08-066-2023 and KDLC 2024-01

1 are attached hereto as **EXHIBIT A.**

2 B. The Chapter has provided a description and detailed price estimate for this project.
3 **EXHIBIT B.**

4 C. Approving the \$1,386,000 for the Chapter's request satisfies the purpose of the Síhasin Fund
5 because such purchase pertains to "community development" and "infrastructure" at the Kin
6 Dah Lichii Chapter, as mentioned in 12 N.N.C. §2502(A)(1).

7 D. Approving the \$1,386,000 for this project satisfies the preference for leveraging of funds in
8 12 N.N.C. §2502(C), because the Chapter states that it received federal funding through the
9 Navajo Nation Division of Community Development for waterline extensions at the Summit
10 area.

11 E. These new residential waterline extensions will bring running water to 16 families in the Kin
12 Dah Lichii Chapter who have waited decades for potable water in their homes.

13 F. The Navajo Nation therefore finds the approval of the requested Síhasin funds to be in the
14 best interests of the Navajo Nation and the Navajo People.

15
16 **SECTION THREE. APPROVING \$1,386,000 FROM THE SÍHASIN FUND FOR THE**
17 **CONSTRUCTION OF APPROXIMATELY TWO MILES OF**
18 **WATERLINE EXTENSIONS FOR 16 FAMILIES IN THE KIN**
19 **DAH LICHII CHAPTER; APPROVING THE RELATED**
20 **EXPENDITURE PLAN**

21 A. Pursuant to 12 N.N.C. §2505(A), the Navajo Nation hereby approves \$1,386,000 from the
22 Síhasin Fund for the Navajo Tribal Utility Authority ("NTUA") to construct approximately
23 two miles of new residential waterline extensions to serve 16 families in the Kin Dah Lichii
24 Chapter.

25 B. The Navajo Nation hereby approves the Expenditure Plan for the above-described project,
26 as shown in the attached **EXHIBIT B.**

27 C. The Navajo Nation Controller shall determine whether the source of the approved Síhasin
28 funds will be from Fund Principal or Fund Income or a combination of both.

29 D. The Síhasin funds allocated for the Expenditure Plan approved herein may be further
30 leveraged by bond or loan financing pursuant to the Navajo Nation Bond Financing Act, at

1 12 N.N.C. §1300 *et seq.*, as amended, using Síhasin Fund earnings for repayment and
2 financing costs upon the recommendation of the Budget and Finance Committee and
3 approval by a two-thirds (2/3) vote of all members of the Navajo Nation Council.

4 E. The Síhasin funds approved herein shall be provided to the Division of Community
5 Development (“DCD”) within fifteen (15) business days following the effective date of this
6 Action. The funds will thereafter be made available for use by the Navajo Tribal Utility
7 Authority (“NTUA”) for the waterline extensions project on a drawdown basis. Upon first
8 receipt of any amount of funds, NTUA shall promptly implement the Expenditure Plan
9 approved herein.

10 F. Drawdown of the approved Síhasin funds shall be governed by an appropriate grant
11 agreement, memorandum of agreement, or other legal document executed by NTUA and the
12 Navajo Nation. Said agreement shall be binding upon the parties, shall be approved by the
13 Controller and the Department of Justice, and shall establish a project schedule, payment or
14 drawdown plan, fund management plan, or other relevant procedures governing the project.

15 G. DCD shall have administrative oversight authority over the expenditure of the Síhasin funds
16 approved herein, and shall monitor NTUA’s implementation of the approved Expenditure
17 Plan.

18 H. The approved Síhasin funds shall not be comingled with any other funds, and shall be used
19 by strictly for the Expenditure Plan approved herein. NTUA shall be responsible for ensuring
20 that all expenditures comply with the approved Expenditure Plan, and with all provisions of
21 the legal agreement described in Section Three (F) above.

22 I. As a condition of receiving the approved Síhasin funds, NTUA shall allow the Navajo Nation
23 full access to its financial records related to the Síhasin funds it has received, for the purpose
24 of the Navajo Nation’s review and audit of NTUA’s expenditures of the Síhasin funds.

25 J. Unspent and unencumbered Síhasin funds shall not lapse at the end of any Navajo Nation
26 Fiscal Year, as might otherwise occur under 12 N.N.C. §820(N), so long as all Síhasin funds
27 are accounted for as of September 30th of every year, starting with September 30, 2024.
28

29 **SECTION FOUR. DIRECTIVE**

30 As a condition of receiving the Síhasin funds approved herein, NTUA shall submit written

1 reports, and verbal reports if so requested, explaining the ongoing status of the Expenditure Plan
2 approved herein and its expenditures of the approved \$1,386,000. Said reports shall be provided
3 to the Budget and Finance Committee, the Resources and Development Committee, and the
4 Naabik'iyáti' Committee by the end of each Fiscal Year Quarter until all approved Sihasin funds
5 are exhausted.

6
7 **SECTION FIVE. EFFECTIVE DATE**

8 This Action and the related Expenditure Plan shall become effective pursuant to 12 N.N.C.
9 §2505(A) and 2 N.N.C. §221(B).

10
11 **SECTION SIX. SAVING CLAUSE**

12 If any part of this Action is invalidated by the Supreme Court of the Navajo Nation, or by any
13 Navajo Nation District Court without appeal to the Navajo Nation Supreme Court, the
14 remainder of this Action shall be the law of the Navajo Nation.