THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0009-24__ SPONSOR: <u>Vince R. James</u>

TITLE: An Action Relating to the Resources and Development Committee, the Budget and Finance Committee, Naabik'íyáti' Committee, and the Navajo Nation Council; Approving \$17,628 from the Síhasin Fund to NTUA for the Construction of a Gas Service Line Extension for Glady's Jones' Residence in Ganado, Arizona; Approving the Related Expenditure Plan

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SUMMARY OF PROPOSED LEGISLATION

DATE: January 9, 2024

RE: AN ACTION RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE, THE BUDGET AND FINANCE COMMITTEE, THE NAABIK'ÍYÁTI' COMMITTEE, AND THE NAVAJO NATION COUNCIL; APPROVING \$17,628 FROM THE SÍHASIN FUND TO NTUA FOR THE CONSTRUCTION OF A GAS SERVICE LINE EXTENSION FOR GLADYS JONES' RESIDENCE IN GANADO, ARIZONA; APPROVING THE RELATED EXPENDITURE PLAN

Purpose of this Legislation:

to approve \$17,628 from the Sihasin Fund for a new gas service line extension project for Gladys Jones' residence in Ganado, Arizona; approving the related Expenditure Plan.

5-DAY BILL H	
Website Post Posting End I	Ing Time/Date Thence Committee
Eligible for A	Blinner & Finance Commine
1	PROPOSED NAVAJO NATION COUNCIL RESOLUTION Naabik'íyáti' Committe
2	25 th NAVAJO NATION COUNCIL - Second Year, 2024 Thence
3	Introduced by:
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6	(Prime Sponsor)
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8	Tracking No. <u>6009-24</u>
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10	AN ACTION
11	RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE,
12	THE BUDGET AND FINANCE COMMITTEE, THE NAABIK'ÍYÁTI'
. 13	COMMITTEE, AND THE NAVAJO NATION COUNCIL; APPROVING
14	\$17,628 FROM THE SÍHASIN FUND TO NTUA FOR THE CONSTRUCTION
15	OF A GAS SERVICE LINE EXTENSION FOR GLADYS JONES' RESIDENCE IN
16	GANADO, ARIZONA; APPROVING THE RELATED EXPENDITURE PLAN
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18	BE IT ENACTED:
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20	SECTION ONE. AUTHORITY
21	A. The Resources and Development Committee is a standing committee of the Navajo Nation
22	Council with oversight authority over utilities and land disturbances. 2 N.N.C. §500(C).
23	B. The Budget and Finance Committee is a standing committee of the Navajo Nation Council
24	with the responsibility to "review and recommend to the Navajo Nation Council the
25	budgeting, appropriation, investment and management of all funds." 2 N.N.C. §301(B)(2).
26	C. The Naabik'íyáti' Committee is a standing committee of the Navajo Nation Council that
27	considers all proposed final actions by the Navajo Nation Council. 2 N.N.C. §164(A)(9).
28	D. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. §102(A).
29	As such, the Council may approve appropriations from the Navajo Nation's Síhasin Fund.
30	E. 12 N.N.C. §2502, as amended by CJA-03-18, states the purpose of the Navajo Nation Síhasin

SECTION TWO. FINDINGS

Fund ("Síhasin Fund") as follows:

§2502 Purpose

- A. The purposes of this Fund are to provide financial support and/or financing for:
 - 1. The planning and development of economic development and regional infrastructure supporting economic development and community development, including such infrastructure as, but not limited to, housing, commercial and government buildings, waterline, solid waste management development, powerline Projects, and transportation and communication systems, within the Navajo Nation; and . . .
- B. For the Purpose in §2502(A)(1), Fund expenditures for infrastructure shall not be limited by 12 N.N.C. §1310(F) or TCDCJY-77-99.
- C. Leveraging the Fund by way of guaranteeing loans, match funding, direct funding in part, and other weighted uses of the Fund, including loan financing from the Fund, for the purposes in §2502(A)(1), shall be favored over direct funding in whole.
- F. The Síhasin Fund provides that "Fund Principal" shall consist of all deposits made to the Síhasin Fund and that "Fund Income" shall consist of all earnings (interest, dividends, etc.) generated and realized by the Fund Principal, and that Síhasin Fund Income shall be deposited in, and added to, the Fund Principal until such time as a Fund Expenditure Plan is duly approved. 12 N.N.C. §2504 and §2505(C).
- G. The Síhasin Fund also provides that "Fund Principal and Income shall not be expended except pursuant to a Fund Expenditure Plan consistent with the purposes set forth in §2502 of this Chapter and adopted by a two-thirds (2/3) vote of all members of the Navajo Nation Council." 12 N.N.C. §2505(A).

A. The Navajo Tribal Utility Authority ("NTUA") has provided a letter to Gladys Jones, a

Navajo resident in Ganado, Arizona. This letter, dated July 13, 2023, explains the new gas service line extension project that will be constructed to serve her residence. The letter explains that the Owner, namely Gladys Jones, will be responsible for the total cost of construction for this project, which is estimated to be approximately \$17,628. See the attached **EXHIBIT A**.

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- Síhasin Fund for the Navajo Tribal Utility Authority to construct a new gas service line
- B. The Navajo Nation hereby approves the Expenditure Plan for the approved Síhasin Funds, as shown in the attached EXHIBITS A-B.
- C. The Navajo Nation Controller shall determine whether the source of the approved Síhasin funds will be from Fund Principal or Fund Income or a combination of both.
- D. The Síhasin funds allocated for the Expenditure Plan approved herein may be further leveraged by bond or loan financing pursuant to the Navajo Nation Bond Financing Act, at 12 N.N.C. §1300 et seq., as amended, using Síhasin Fund earnings for repayment and financing costs upon the recommendation of the Budget and Finance Committee and approval by a two-thirds (2/3) vote of all members of the Navajo Nation Council.
- E. The Síhasin funds approved herein shall be provided to the Division of Community Development ("DCD") within thirty (30) calendar days following the effective date of this Action. All Sihasin funds shall be used strictly for the Expenditure Plan approved herein.
- F. Disbursement of the approved Síhasin funds by DCD to NTUA shall be in accordance with an appropriate grant agreement, memorandum of agreement, or other legal document executed by NTUA and the Navajo Nation. Said agreement shall be binding upon the parties,

- shall be approved by the Controller and the Navajo Nation Department of Justice, and shall establish a project schedule, payment or drawdown plan, fund management plan, or other relevant procedures governing NTUA's implementation of the project.
- G. DCD shall have administrative oversight authority over the expenditure of the Síhasin funds approved herein, and DCD shall be responsible for ensuring compliance with the Expenditure Plan, as well as all mandates set forth in this Action.
- H. As a condition of receiving the approved Síhasin funds, NTUA shall allow the Navajo Nation full access to its financial records related to the Síhasin funds it has received, for the purpose of the Navajo Nation's review and audit of NTUA's expenditures of the Síhasin funds.
- I. The approved Síhasin funds shall not be comingled with any other funds, and shall be used by NTUA strictly for the Expenditure Plan approved herein. NTUA shall also ensure that all expenditures comply with the approved Expenditure Plan, and with all provisions of the legal agreement described in Section Three (E) above.
- J. Unspent and unencumbered Síhasin funds shall not lapse at the end of any Navajo Nation Fiscal Year, as might otherwise occur under 12 N.N.C. §820(N), so long as all Síhasin funds are accounted for as of September 30th of every fiscal year, starting with September 30, 2024.

SECTION FOUR. EFFECTIVE DATE

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

SECTION FIVE. SAVING CLAUSE

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