



STATE OF THE NATION

PRESIDENT BUU NYGREN
VICE PRESIDENT RICHELLE MONTOYA



25TH NAVAJO NATION COUNCIL

Spring Session 2024



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APRIL 15, 2024

Madam Speaker Crystalyne Curley, Madam Chief Justice JoAnn Jayne, Madam Vice President Richelle Montoya, members of the 25th Navajo Nation Council, visiting dignitaries and guests, my Navajo people, *Yá'át'ééh!*

Let me first welcome the 176 electrical workers and linemen from 26 utilities from around the country. They arrived April 6 for “Light Up Navajo 5.” Since this generous mutual-aid program began in 2019, hundreds of Navajo homes have been wired and are receiving electricity for the first time. This year’s goal is to electrify 300 more homes.

To all of you and your companies, the NTUA Management Board and General Manager Wally Haase – I extend my heartfelt appreciation and say, *Thank you!*

One year ago, I reopened the Navajo Nation after nearly three years of economic slowdown because of COVID. Our employees and chapter workers returned to work to provide much-needed services to our people and our businesses fully reopened.

By the end of 2021, because our Nation had been closed to visitors and our non-essential employees had to work from home, our tax revenue fell to \$108 million. As the pandemic eased and our government reopened, we saw our tax revenue rise by 42% to \$143.2 million in 2023.

With our nine taxes, Tax Commission Director Effie Edsitty reports we’ve collected \$66.7 million this fiscal year which is 59% of our fiscal year projected revenue. This is good considering we haven’t entered the high-spending summer season. In the second quarter of FY24, we collected \$28,399,648 in tax revenue.



I remain optimistic that with more Americans traveling again, our sales tax will outperform FY2023.

On April 23, we will close on the acquisition of Goulding's Lodge. The project is expected to bring an annual net income of over \$7.3 million to the Nation.

With Monument Valley as its backdrop, Goulding's is a world-class property with 152 guest rooms, RV grounds, campsites and a restaurant. This purchase ensures the retention of 280 local jobs and local purchasing from the area artists. It is my hope this major property will grow to take advantage of the ever-expanding tourism industry in the Southwest and Navajo Nation. Thank you, members of the Council, for your foresight and dedication for revenue generation that ensures a strong Navajo Nation.

We are working to complete construction of the Shonto La Quinta Hotel this summer. The hotel is located at the U.S. 160 and Arizona Route 98 junction, between Tuba City, Page and Kayenta where thousands of tourists pass through. Earlier this month, I approved \$3.4 million in ARPA funding to finish phase 3 construction of the 82-room hotel.

Guiding its development is Michael Carnel, CEO of Medallion Hospitality, who was born in Ganado and raised in Keams Canyon. I appreciate his knowledge of the Navajo Nation and his employment of Navajos at his other award-winning hotels in Gallup and Durango. The Navajo Nation is always open to working with people who will increase our revenue, work with our people, and are dedicated to strengthening our great Nation.

We continue to make progress serving our Navajo Nation veterans. Soon many of our veterans won't need to travel long distances to Albuquerque, Phoenix or Prescott to receive primary VA health care. They can receive it here at home.

In January, the Northern Arizona Veterans Administration Health Care opened its first clinic at the Chinle IHS Hospital. On March 20, it opened its second VA Clinic at the Kayenta IHS Hospital.

These primary care clinics provide face-to-face health care to our Navajo veterans, save them and their families money, travel time and wear-and-tear on their vehicles. Soon, two more clinics will open later this year.

For this, I thank CEO Steve Sample of the Northern Arizona Veterans Administration Health Care and Chief Medical Officer Kevin Gaines of the Navajo Area Indian Health



Care Services Office. Working with our Navajo Veterans Administration, their concern for our Navajo veterans is making this possible.

We are working to get our veteran payments out quicker. With guidance from HEHSC and B&F, Navajo Nation Veterans Administration Director Bobbie Ann Baldwin identified the company Eagle Sun to help us issue veterans' checks much like the process of the TANF Program.

All of us want to do what we can to make life better for the Navajo veterans in our families, those we know and those we work alongside. Many continue to struggle with the internal wounds and memories from their service. Our veteran's office has been conducting Talking Circles with our vets in Fort Defiance, Central Navajo Agency and in Tuba City. This provides a safe space for our veterans come together, talk, heal and process their wartime experiences with those who have had similar experiences. Between eight to 30 veterans usually attend the Talking Circles.

We need to do more to support our veterans. I ask everyone here to join me, Director Baldwin and our veterans on Memorial Day, Monday, May 27, as we rededicate the Navajo Nation Veterans Memorial Park in their honor.

Those most vulnerable are our elderly veterans. My administration will continue our advocacy to seek funding for the next phase of the Chinle Warriors Nursing Home. I will pursue grants like the one we applied for through the U.S. Veterans Administration last Thursday for \$54.2 million.

This is the first time any tribal nation applied for this funding that will help us get the Warriors Home built. I am proud to work on this on our Navajo veterans' behalf. I want to continue the ongoing collaboration with the Navajo Nation Council's appropriation for the first phases of construction of the Warriors Home.

The Division of Natural Resources made a significant hire, one that addresses the long-standing need for veterinarians on the Navajo Nation. On February 26, it was my pleasure to welcome Dr. David Manuelito as the new director of the Navajo Veterinary Management Program.

His hiring ended a two-year vacancy in the program. Dr. Manuelito brings 15 years' experience with Cedar Animal Medical Center in Gallup and training from Thal Equine Regional Equine Hospital of Santa Fe. He is a graduate of Tohatchi High School, New Mexico State University and Colorado State University.



Under Dr. Manuelito's leadership, and with our MOU with the University of Arizona College of Veterinary Medicine, I look forward to young veterinarians returning home for their first two or three years after graduation to hone their veterinary skills.

Regarding the care of animals, I'd like to express special thanks to New Mexico Congresswomen Teresa Leger Fernandez for securing \$1 million for the Navajo Nation through a Congressional Direct Spending Request that will revitalize an animal shelter in Crownpoint.

With an estimated total cost of \$2 million, the new animal shelter will serve as a model facility for animal control and veterinarians. The 24th Navajo Nation Council allocated \$250,000 for the shelter's design and construction. With this 25th Council's assistance to fund the shortfall, we can have it built as soon as possible.

After decades of asking and waiting, the federal EPA has at last declared the Navajo Nation a Superfund site for uranium mine cleanup.

On March 14 and 15, federal officials from U.S. EPA Region 9 and Washington visited Cove Chapter to announce it would be the first National Priority Listed Superfund site on Navajo Nation land. Its purpose is to clean up that community's abandoned uranium mines. I thank our honorable Delegates Amber Crotty and Brenda Jesus for their attendance at this important meeting.

On March 7, the EPA added Lukachukai Mountain Mining District to its National Priorities List. After decades, Cove, Lukachukai and Round Rock chapters will finally see the mines throughout the Lukachukai and Carrizo mountains sealed. This will give our people the protection against radiation exposure they have begged for over the decades with little response until now.

Our Navajo Nation Washington Office is addressing radiation exposure among our people through advocacy in Congress. It has led to the bipartisan passage of the Radiation Exposure Compensation Reauthorization Act in the U.S. Senate. We honor the key contributions of Navajo advocates like Leslie Begay and Phil Harrison, Jr., and urge support as the bill moves to the House.

I ask that the Council work with my office to develop two Navajo Nation position statements - (1) one to address the cleanup of abandoned uranium mines on the Navajo Nation and (2) another to address renewed uranium mining near the Navajo Nation south of Grand Canyon.



My concern is the transport of uranium ore on public highways across the Navajo Nation. Navajo EPA is working with the Coconino County Board of Supervisors and the U.S. Forest Service to receive advanced warning of any uranium ore shipments from the mine.

I ask the Resources and Development Committee to pass uranium transport regulations that Navajo EPA and DOJ will have ready for approval within the next month. These regulations would allow us to restrict uranium transport on the Nation by requiring a notice and comment period, licensing fees, bonding requirements in the case of any accidents, route restrictions and curfews on transport hours. We are assessing the viability of litigation and different advocacy strategies at the state and federal level.

In the last several weeks, my office has been working with the Budget and Finance Committee, the Office of Speaker, and several offices within the Executive Branch. We are developing a plan to ensure we optimize the ARPA Fiscal Recovery Funds that were provided to the Navajo Nation in 2021.

On Friday, many delegates and the Speaker dedicated more than six hours to learn about the plan to optimize ARPA Fiscal Recovery Funds to make the funds go further than we originally imagined.

To be clear, we are not taking away money from Delegate Region Plans; the \$8.8 million per delegate will stay intact. This plan identifies which ARPA projects will stay as ARPA-funded projects to meet the December 2026 deadline. Unspent ARPA funds will be reallocated and placed into a new fund. The new fund will provide flexibility and relieve the pressure of the federal deadlines.

My ask to Council is that the new fund be leveraged to borrow up to a billion dollars so that we can do all the ARPA-envisioned projects and much more. This is a bold and new approach. Let's be bold and approve this concept to optimize opportunities. I ask you to support the plan and deliver legislation to my desk within a few weeks.

In coming months, I will seek your support for a pivotal step to modernize our financial operations. We will implement a new Enterprise Resource Planning system that will require legislative approval for the ERP contract.

The current system is so old that it has become a bottleneck with inefficiencies and delays in payments, some of which have led to critical services being interrupted.

Stories of unpaid invoices and missed signatures are all too common and highlight the need to modernize. With the ERP system, we expect to streamline our financial and



operational processes, making them easier to use and, for the first time, have the ability to communicate across programs instantly and automatically.

Under the leadership of Division of Human Resources Director Debbie Nez-Manuel and Controller Sean McCabe, with the collaboration of key departments, we've chosen a firm to transition from our dated Financial Management Information System, FMIS, to a robust and fully integrated ERP system. After nearly a year of work, a vendor was selected and notified last Thursday.

I will need your support to approve the ERP contract so we can begin a new era of transparency, efficiency and effectiveness to serve the Navajo people. Together, let's eliminate the financial system inefficiencies that have impeded our progress for years.

Road projects and improvements to our roads has been my priority since coming into office. To arrive here today and to get anywhere, we all use roads and highways and the worst thing about our roads in our communities are those potholes. I've asked Navajo Department of Transportation Director Tom Platero to come up with a plan to fix potholes and he is. In addition to building roads, NDOT is creating a systematic, statistical documentation method for pothole repairs by next quarter.

This last quarter, NDOT road maintenance filled 545 potholes on N12 going north, 600 potholes on N12 going south, and 955 potholes on N15. Its conservative estimate is that 2,500 potholes were filled in the last two months. Additionally, Navajo DOT donated four pallets of pothole materials to the BIA in Fort Defiance to assist with their efforts.

In collaboration with NECA, last quarter NDOT completed the Birdsprings N71 project. Six other projects are underway. These include (1) N-35 in Sweetwater, which is 18% completed, (2) N-36 in San Juan County which will be completed in mid-May, (3) N-7054 in Pinedale which will be completed by July, (4) N-6461 in Dennehotso which will begin construction in July, (5) N-12 in Wheatfields, which will begin construction in October, and (6) N-5001 in Toadlena/Two Grey Hills, with construction to begin in October.

Getting roads built is detailed and expensive. Director Platero is working to streamline the process to get road projects from the planning to construction phases by reexamining its processes and isolating its Navajo Nation EPA compliance by outsourcing that work. This is costly. So NDOT is rebuilding its internal department with department managers so that it has the capacity to meet the needs of our communities. Within the coming months, NDOT will provide a proposal to the



Council requesting for road maintenance yards similar to our county and state counterparts.

Lastly, ladies and gentlemen of the Council, our water rights teams are nearing completion on two water rights settlements. One is for our rights in Arizona and the other is for our rights to the Rio San Jose and Rio Puerco Basins in New Mexico. When legislations are before this honorable body for consideration, I humbly ask for unity through your unanimous approval of these historic agreements. Securing water is not for us but it is for the generations of Navajos yet to be born.

Thank you, members of the 25th Navajo Nation Council. May you have a productive Spring Session. I look forward to our continued collaboration and partnership to build a Navajo Nation we can all be proud of. *Ahe'hee!*

CONTACT THE PRESIDENT & VICE PRESIDENT

