LEGISLATIVE SUMMARY SHEET

Tracking No. 0065-21

DATE: April 6, 2021

TITLE OF RESOLUTION: AN ACTION RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND THE NAVAJO NATION COUNCIL; ALLOCATING $58,225,000 IN SÍHASIN FUNDS TO THE NAVAJO NATION WATER MANAGEMENT BRANCH FOR THE WESTERN NAVAJO PIPELINE PHASE 1 PROJECT; APPROVING AND ADOPTING THE WESTERN NAVAJO PIPELINE PHASE 1 PROJECT EXPENDITURE PLAN PURSUANT TO 12 N.N.C §§ 2501 – 2508

PURPOSE: The purpose of this resolution is for the Navajo Nation to allocate $58,225,000 in Sihasin Funds to the Navajo Nation Water Management Branch for the Western Navajo Pipeline Phase 1 Project (in the Antelope Canyon Development Area), and to approve the Project Expenditure Plan.

5-DAY BILL HOLD PERIOD: Vandyke
Website Posting Time/Date: 04-06-21 2:32 pm
Posting End Date: April 11, 2021
Eligible for Action: April 12, 2021

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

PROPOSED NAVAJO NATION COUNCIL RESOLUTION

24th NAVAJO NATION COUNCIL – Third Year, 2021

INTRODUCED BY

(Prime Sponsor)

TRACKING NO. 0065-21

AN ACTION

RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND THE NAVAJO NATION COUNCIL; ALLOCATING $58,225,000 IN SÍHASIN FUNDS TO THE NAVAJO NATION WATER MANAGEMENT BRANCH FOR THE WESTERN NAVAJO PIPELINE PHASE 1 PROJECT; APPROVING AND ADOPTING THE WESTERN NAVAJO PIPELINE PHASE 1 PROJECT EXPENDITURE PLAN PURSUANT TO 12 N.N.C §§ 2501 – 2508

BE IT ENACTED:

SECTION ONE. AUTHORITY

A. The Resources and Development Committee is empowered to exercise oversight of matters involving water, land, environment, economic and community development, and public utilities, among others. 2 N.N.C. §500(C).

B. The Budget and Finance Committee is empowered to "appropriate, allocate, cancel, re-appropriate and review the use of Navajo Nation funds received including but not limited to all grants, contracts, gifts and other funds from all sources." 2 N.N.C. § 301(B)(3).

C. The Naabik'íyáti' Committee is a standing committee of the Navajo Nation Council with the responsibility to hear proposed resolution(s) that require final action by the Navajo Nation Council. 2 N.N.C. § 164(A)(9).

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

E. The Navajo Nation Code (at 12 N.N.C. § 2502, as amended by CJA-03-18) provides that the purpose of the Navajo Nation Síhasin Fund ("Síhasin Fund") is 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
2. Education opportunities for members of the Navajo Nation.

B. For the Purpose in § 2502(A)(1), Fund expenditures for infrastructure shall not be limited by 12 NNC § 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 Fund Income shall be deposited in and added to Fund Principal until such time as a Fund Expenditure Plan is duly adopted. 12 N.N.C. §§ 2504 and 2505 (C).

G. The Síhasin Fund 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).

SECTION TWO. FINDINGS

A. The Western Navajo Pipeline Phase 1 Project ("Project") is a $84,265,000 project planned for the Antelope Canyon Development Area, as detailed in the ten separate Project Descriptions attached as **Exhibit A**.

B. As shown in **Exhibit A**, a portion of the funds necessary for the Project, the total amount of $26,040,000, has been approved as follows:

$3,000,000 in prior Síhasin funding;

$21,309,000 from the Permanent Trust Fund;

$1,500,000 from the Navajo Nation Parks and Recreation Department;

$150,000 from the Bureau of Indian Affairs (documents attached as **Exhibit B**).

C. Because the Project is estimated to cost $84,265,000 in total, the amount of $58,225,000 is needed to complete the Project, as shown in **Exhibit A**.

D. The Navajo Nation Water Management Branch ("NNWMB") will perform or provide planning and design, engineering and technical services, construction work, and overall project management for the Project. The Navajo Tribal Utility Authority ("NTUA") will perform operation and maintenance for the Project. The cooperation on this Project between NNWMB and NTUA will be governed by a Memorandum of Agreement, to be approved by both entities. A draft of the MOA between NNWMB and NTUA is attached as **Exhibit C**.

E. The allocation of the $58,225,000 for this Project meets the statutory criteria for Síhasin expenditures because this Project involves "infrastructure supporting economic development and community development" and "waterline" projects, as mentioned in 12 N.N.C. § 2502(A)(1).

F. The allocation of the $58,225,000 for this Project meets the statutory preference for leveraging Síhasin funds, as mentioned in 12 N.N.C. § 2502(C), because $26,040,000 from other funding sources has been approved or designated for this Project.

SECTION THREE. APPROVAL OF SÍHASIN FUNDING AND ADOPTION OF EXPENDITURE PLAN

A. The Navajo Nation hereby approves and adopts funding for the Western Navajo Pipeline Phase 1 Project Expenditure Plan in the amount of $58,225,000 from the Navajo Nation Síhasin Fund, in accordance with 12 N.N.C. § 2505(A).

B. The Navajo Nation hereby approves and adopts the Western Navajo Pipeline Phase 1 Project Expenditure Plan, attached as **Exhibit A**.

C. The Síhasin Funds allocated for the Western Navajo Pipeline Phase 1 Project Expenditure Plan may be further leveraged by bond or loan financing pursuant to the Navajo Nation Bond Financing Act, 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.

SECTION FOUR. APPROVAL AND ADOPTION OF EXPENDITURE PLAN ADMINISTRATION

The Navajo Nation Council hereby approves administration of the Western Navajo Pipeline Phase 1 Project Expenditure Plan as follows:

A. The Navajo Nation Controller shall determine whether the source of the annual allocations from the total allocation of $58,225,000 will be Síhasin Fund Principal or Income or a combination of both.

B. The Síhasin funding for the Western Navajo Pipeline Phase 1 Project will be distributed to the Navajo Nation Water Management Branch within ten (10) days after the effective date of this legislation. The NNWMB shall be responsible for carrying out the Project, in accordance with the Western Navajo Pipeline Phase 1 Project described in **Exhibit A**.

C. The Síhasin funds allocated for the Western Navajo Pipeline Phase 1 Project shall be used solely to design, plan, and/or construct the Western Navajo Pipeline Phase 1 Project described in **Exhibit A**. Any and all cost-savings shall be returned to the Síhasin Fund once the project is completed.

D. The funds allocated for the Western Navajo Pipeline Phase 1 Project shall not lapse on an annual basis pursuant to 12 N.N.C. §820(N), however, any funds not spent or encumbered within thirty-six (36) months of the date funds are made available to the NNWMB shall revert to the Síhasin Fund principal, unless otherwise recommended by the Resources and Development Committee of the Navajo Nation Council and approved by the Naabik'íyáti' Committee.

E. The Western Navajo Pipeline Phase 1 Project shall be constructed by the NNWMB, and operation, maintenance and repairs for the Project shall be performed by the NTUA.

SECTION FIVE. DIRECTIVES

The Navajo Nation Water Management Branch shall report the status of the Western Navajo Pipeline Phase 1 Project to the Resources and Development Committee, and to the Naabik'íyáti' Committee, on a quarterly basis.

SECTION SIX. EFFECTIVE DATE

This legislation and the Western Navajo Pipeline Phase 1 Project Expenditure Plan, as set forth above, shall become effective pursuant to 12 N.N.C. § 2505.

SECTION SEVEN. SAVING CLAUSE

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

EXHIBIT
tabbies
A

Western Navajo Pipeline Phase 1 & Antelope Canyon Development Area

Project Descriptions

The projects include the design and construction of:

- **LeChee Water Treatment Plant:** Design and construction of a Navajo Nation 1 MGD Water Treatment Plant for the LeChee Chapter and the Antelope Canyon Economic Development corridor. Project includes a 200,000 – gallon finished water storage tank.
- **LeChee Pipeline & Booster Pump Station:** Design and construction of approximately 19,400 linear feet of 12-inch raw water transmission pipeline from the existing Navajo Generating Station (NGS) Lake Powell Intake to the proposed Water Treatment Plant and approximately 24,400 linear feet 12-inch finished water transmission pipeline from the plant to the LeChee existing Storage Tanks 1 and 2. Design includes a Booster Pump Station to convey finished water from the proposed water treatment plant to the LeChee Storage Tanks.
- **NGS Lake Powel Intake Modifications:** Design of the Lake Powell Intake to provide water to the proposed LeChee Water Treatment Plant. Includes modifications of the Lake Powell Intake facilities to include new pump and piping design and construction.
- **Bodaway-Gap Supply Well, Pipeline, and Storage Tank:** Design & construction of a new water supply well; design & construction of approximately 33,600 linear feet of 10-inch transmission pipe from Coppermine proposed wellfield to Bodaway-Gap water system existing Tank. Design includes an 80,000 – gallon storage tank that will provide water storage for the Gap Water System, a proposed health clinic, and the IHS Koko pipeline extending water to 32 existing homes.
- **Cedar Ridge Booster Pump Stations & Pipeline:** Design and construction of approximately 40,000 linear feet of 10-inch distribution pipe, replacement of existing Bodaway-Gap Booster Pump Station 1 at a lower elevation (510 gpm booster pump station), and replacement of the existing Bodaway Gap Booster Pump Station 2 (500 gpm booster pump station).
- **Cameron Booster Pump Stations:** Design and construction of a booster pump station with a capacity of 200 gpm to increase the capacity of the existing pipeline connecting Bodaway-Gap and Cameron water systems. Two small 30 gpm booster pump stations are also included to boost water pressure for a few home sites west of US 89 between Gap and Cameron.
- **Antelope Canyon Water Infrastructure:** Design and construction of a booster pump with a capacity of 70 gpm, 250,000-gallon storage tank and approximately 22,400 linear feet of 12-inch distribution piping to serve proposed development.
- **Antelope Canyon Wastewater Infrastructure:** Design and construction of approximately 23,000 linear feet of 8-inch gravity collection system, two sewer lift stations, 12,800 linear feet of 4-inch sewer force main, and a new 1 MGD wastewater lagoon treatment system.
- **Antelope Marina Water Infrastructure:** Design and construction of approximately 22,270 linear feet of 12-inch distribution pipe.
- **Antelope Marina Wastewater Infrastructure:** Design and construction of approximately 17,610 linear feet of 6-inch sanitary sewer force main and sewer lift station.

Timeline

2017 - 2024

Funding & Cost Estimate

Total Funding: $26,040,000

(Sihasin: $3,000,000)

(PTF: $21,390,000)

(NN Parks Dept.: $1,500,000)

(BIA: $150,000)

Western Navajo Pipeline

Cost Est.: $44,991,000

(Engineering: $7,394,000)

(WTP 10YR OB: $2,500,000)

(Construction: $35,097,000)

Antelope Canyon Developers

Cost Est.: $30,734,000

(Engineering: $5,636,000)

(Construction: $25,098,000)

Antelope Marina

Cost Est.: $8,540,000

(Engineering: $1,449,000)

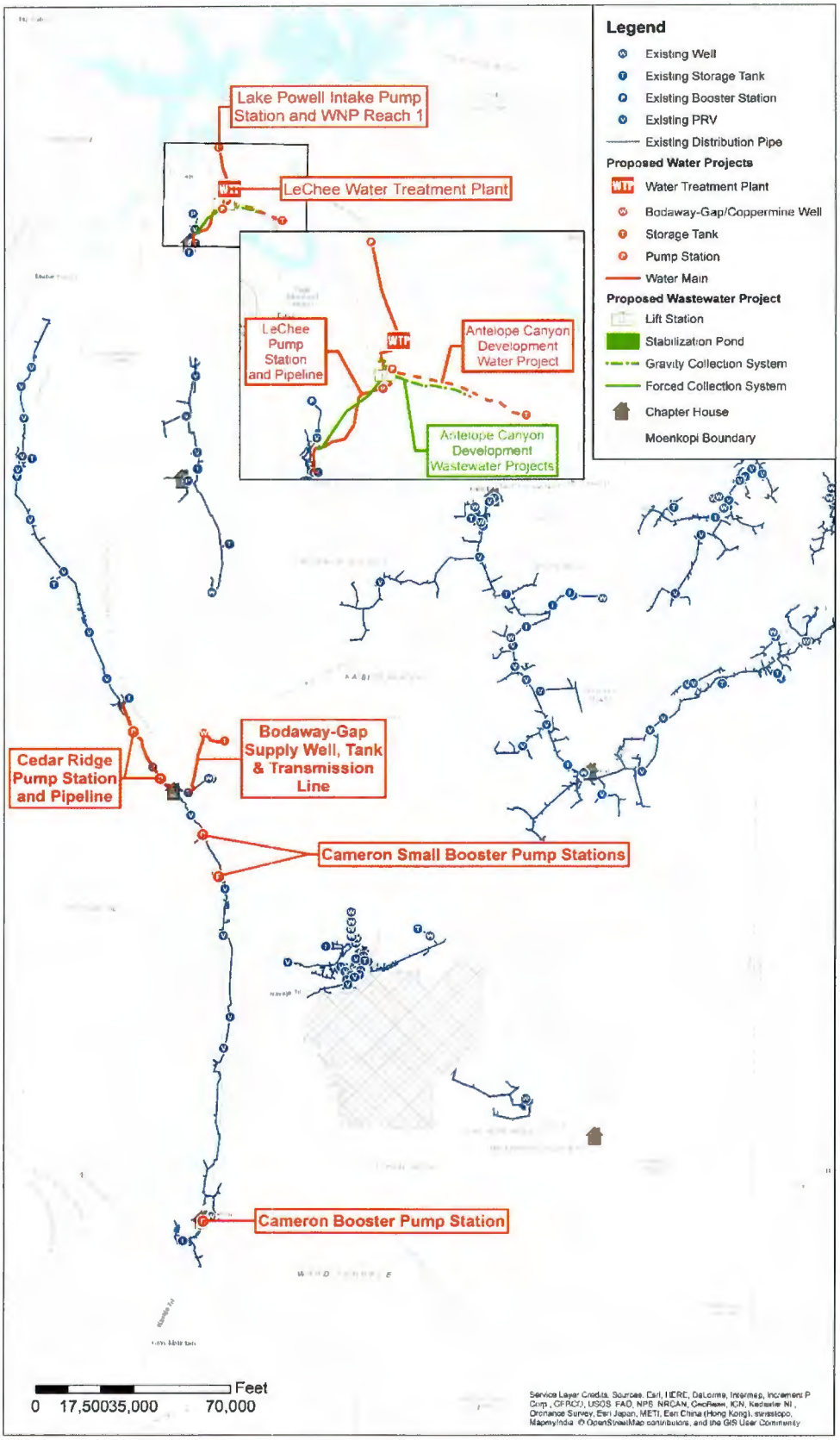
(Construction: $7,091,000)

Total Cost Estimate:

$84,265,000

Funding Shortfall:

($58,225,000)


Legend
Existing Well
Existing Storage Tank
Existing Booster Station
Existing PRV
Existing Distribution Pipe
Proposed Water Projects
Water Treatment Plant
Bodaway-Gap/Coppermine Well
Storage Tank
Pump Station
Water Main
Proposed Wastewater Project
Lift Station
Stabilization Pond
Gravity Collection System
Forced Collection System
Chapter House
Moenkopi Boundary
Lake Powell Intake Pump Station and WNP Reach 1
LeChee Water Treatment Plant
LeChee Pump Station and Pipeline
Antelope Canyon Development Water Project
Antelope Canyon Development Wastewater Projects
Cedar Ridge Pump Station and Pipeline
Bodaway-Gap Supply Well, Tank & Transmission Line
Cameron Small Booster Pump Stations
Cameron Booster Pump Station
Feet
0 17,50035,000 70,000

Department of Water Resources
Update - 12/18/2020

EXHIBIT A OF SIHASIN FUND LEGISLATION (CJA-12-16)
EXHIBIT B OF PERMANENT TRUST FUND LEGISLATION (CAP-19-16)
EXHIBIT C OF SIHASIN FUND LEGISLATION (CJA-12-16) - FUNDING SUMMARY ONLY

Sihasin Water and Wastewater Development Projects

Report Reference	Program	Project Description		Total Requested Amount	Annual Allocation Year 1 - 2016 Sihasin	Year 1 - 2016 PTF	Year 2 - 2017 Sihasin	Year 2 - 2017 PTF	Year 3 - 2018 Sihasin	Year 3 - 2018 PTF	Year 4 - 2019 Sihasin	Year 4 - 2019 PTF	Year 5 - 2020 Sihasin	Year 5 - 2020 PTF	Year 6 - 2021 Sihasin
	NTUA	Lower Greasewood Water Treatment Plant ($7,220,000)		$1,220,000	$1,220,000										
	NTUA	Aneth Water Treatment Plant ($800,000)		$800,000	$200,000		$600,000								
	NTUA	Montezuma Creek Treatment Plant ($1,300,000)		$450,000			$450,000								
	NTUA	Navajo Wastewater Treatment Plant ($1,830,215)		$250,000			$250,000								
	NTUA	Tuba City Wastewater Treatment Plant ($19,878,691)		$19,878,691	$1,000,000		$4,000,000		$6,878,691		$4,000,000		$4,000,000		
	NTUA	Kayenta Wastewater Treatment Plant ($18,497,281)		$18,497,281	$1,000,000		$4,000,000		$5,497,281		$4,000,000		$4,000,000		
	NTUA	NTUA Emergency Reserve and Replacement Fund		$10,000,000	$2,000,000		$2,000,000		$2,000,000		$4,000,000				
1	WMB'	Smith Lake Well Repl. Ph1, Marsino Booster ($351,000)		$175,500				$175,500							
		Business Unit for above project													
2	WMB'	Smith Lake Well Repl. Ph2, Casamero Well ($1,783,000)		$891,500				$891,500							
		Business Unit for above project													
	NTUA	Telemetry and Controls		$900,000	$900,000										
	NTUA	Pitless Booster Station Upgrades		$1,100,000	$1,100,000										
	NTUA	Lift Station Upgrades		$2,500,000	$500,000		$500,000		$500,000		$500,000		$500,000		
	NTUA	Pipeline Upgrades		$800,000	$200,000		$200,000		$200,000		$200,000				
	NTUA	PRVs Upgrades		$1,500,000	$300,000		$300,000		$300,000		$300,000		$300,000		
	NTUA	Valve Replacement		$1,250,000	$250,000		$250,000		$250,000		$250,000		$250,000		
	NTUA	Non-pitless Well Upgrades		$1,200,000	$300,000		$300,000		$300,000		$300,000				
	NTUA	Hatchets Upgrades		$300,000	$300,000										
3	WMB	Cutter Lateral/ Eastern Navajo Water Pipeline		$5,400,000		$175,500		$1,924,500		$3,300,000					
		Business Unit for above project				N01341		N01341		N01430					
	NTUA	Chinle WTP Phase 1 ($8,430,000)		$4,000,000	$2,000,000		$2,000,000				$0		$0		
	NTUA	Shiprock WWTP Ph1 (all phases- $19,151,210)		$8,300,000			$1,000,000		$2,300,000		$3,000,000		$3,000,000		
4	WMB	Chapter Water CIP Plans - 2017a		$609,000				$609,000							
		Business Unit for above project						N01353							
5	WMB	Chapter Water CIP Plans - 2017b		$609,000				$609,000							
		Business Unit for above project						N01354							
6	WMB	Chapter Water CIP Plans - 2018		$500,000						$500,000					
		Business Unit for above project								N01431					
7	WMB	Chapter Wastewater CIP Plans - 2018		$500,000						$500,000					
		Business Unit for above project								N01432					
8	WMB	Chapter Water CIP Plans - 2019		$600,000								$470,000			
												EB W 1-QMB1 Pending			
9	WMB	Chapter Water CIP Plans - 2020		$500,000										$500,000	
		Indian Health Service SDS Projects - 2016												Not submitted yet	
10	WMB'	Pinon Additional Well	$1,082,000					$1,082,000							
		Business Unit for above project													
11	WMB'	Ramah Penahli Area	$405,000					$405,000							
		Business Unit for above project													
12	WMB'	Rock Point West WI Ext	$2,000,000			$2,000,000									
		Business Unit for above project				N01342									
13	WMB	Bodaway Booster Station Upgrade	$184,000			$184,000									
		Business Unit for above project				N01342									
	WMB		Subtotal	$3,661,000											
14	WMB	Smith Lake Well Completion ($1.3M)		$800,000		$778,500		$21,500							
		Business Unit for above project													
15	WMB	Tohajiilee - Albuquerque Water Line Design		$1,500,000		$400,000		$1,100,000							
		Business Unit for above project													
16	WMB	Sweetwater Extension Phase 5 and 7		$8,000,000	$1,200,000		$3,400,000			$3,400,000					
		Business Unit for above project			N01338		N01338								
17	WMB	Lake Powell Intake (Part of Western Navajo Pipeline)		$7,950,000	$500,000		$500,000			$2,000,000		$1,950,000		$3,000,000	
		Business Unit for above project			N01340		N01340			N01434		EB W 1-QMB1 Pending		Not submitted yet	
18	WMB	Western Navajo Pipeline Ph1		$16,400,000	$1,000,000		$1,000,000			$2,000,000		$5,400,000		$8,700,000	
		Business Unit for above project			N01435		N01435			N01435		EB W 1-QMB1 Pending		Not submitted yet	
19	WMB'	Southwest Navajo Pipeline		$20,500,000	$1,500,000		$3,400,000		$1,700,000	$3,550,000		$1,000,000		$5,350,000	
		Business Unit for above project			N01338		N01338		N01338			EB1 & 2-QMB1 Pending		Not submitted yet	
20	WMB	Thoreau Baca Haystack Well		$1,400,000				$1,400,000							
		Business Unit for above project						N01356							
	NTUA	NTUA O&M Fund		$10,000,000	$2,000,000		$2,000,000		$2,000,000		$2,000,000		$2,000,000		
		Indian Health Service SDS Projects - 2018 to 2020													
21	WMB'	Dennehotso - Baby Rocks	$2,900,000									$1,500,000		$1,400,000	
												EB W 1-QMB1 Pending		Not submitted yet	
22	WMB'	Tuba City Well and Connection	$635,000					$635,000							
		Business Unit for above project													
23	WMB'	Jeddito Goldwater Loop Phase 1	$2,419,000			$113,000		$2,306,000							
		Business Unit for above project				N01342		N01342							
24	WMB'	Cousins Radio Tower Phase 1	$900,000					$900,000							
		Business Unit for above project													
25	WMB'	Cousins Radio Tower Phase 2	$1,200,000									$1,200,000			
		Business Unit for above project										EB W 1-QMB1 Pending			
26	WMB'	Cousins Radio Tower Phase 3	$1,900,000					$100,000						$1,800,000	
		Business Unit for above project												Not submitted yet	
	WMB'		Subtotal	$9,954,000											
27	WMB	Project Management		$1,500,000	$300,000		$300,000		$300,000		$300,000		$300,000		
		Business Unit for above project			N01338		N01338		N01338		N01338		Not submitted yet		
	NTUA	Project Management		$1,500,000	$300,000		$300,000		$300,000		$300,000		$300,000		
28	WMB	San Juan Lateral Chapter Connection Plan		$500,000		$500,000									
		Business Unit for above project				N01345									
29	WMB	Cutter Lateral O&M fund		$2,000,000				$500,000		$500,000		$500,000		$500,000	
		Business Unit for above project								N01436		EB1 & 2-QMB1 Pending		Not submitted yet	
Exhibit C of CJA-12-16	WMB'	Exhibit C Sihasin SDS Projects		$78,029,952			$20,000,000		$15,000,000		$1,000,000		$15,000,000		$14,029,952
							N01357		N01429		EB W 1 Pending NABHS list		NEW 6- Pending NABHS list		
		Business Unit for above project													
		Totals		$246,425,924	$18,070,000	$4,161,000	$46,750,000	$12,639,000	$37,525,972	$15,750,000	$34,150,000	$18,450,000	$29,950,000	$19,250,000	$14,029,952

ACCOUNT BALANCES: January 23, 2020

FUNDING SOURCE	STAFF	PERSONNEL BUDGET	ACTUAL EXPENSE	BALANCE	% SPENT	OPERATING BUDGET	ACTUAL EXPENSE	BALANCE	% SPENT	TOTAL FMIS Budget	Total Expected Budget Entry through 2019	Difference = Expected - Entered
Sihasin Funds												
N01338				0	0%	11,200,000	6,991,500	4,208,500	62%	$11,200,000	$11,200,000	$0
N01339				0	0%	2,000,000	2,000,000	0	100%	$2,000,000	$2,000,000	$0
N01340		0	0	0	0%	1,000,000	274,191	725,809	27%	$1,000,000	$1,000,000	$0
N01358	2	508,561	161,435	346,126	32%	691,439	244,408	447,031	35%	$1,200,000	$1,200,000	$0
N01357				0	0%	20,000,000	0	20,000,000	0%	$20,000,000	$20,000,000	$0
N01429				0	0%	15,000,000	545,000	14,455,000	4%	$15,000,000	$15,000,000	$0
NEW-NABHS 2019 SDS Projects										$0	$15,000,000	$15,000,000
Subtotal						49,891,439	10,055,100	39,836,339	20%			
Permanent Trust Funds												
N01341					0%	2,100,000	1,068,479	1,031,521	51%	$2,100,000	$2,100,000	$0
N01342					0%	4,613,000	2,116,758	2,496,242	46%	$4,613,000	$4,613,000	$0
N01343					0%	800,000	613,869	186,131	77%	$800,000	$800,000	$0
N01344					0%	1,500,000	183,050	1,316,950	12%	$1,500,000	$1,500,000	$0
N01345					0%	500,000	500,000	0	100%	$500,000	$500,000	$0
N01353					0%	609,000	39,750	569,250	7%	$609,000	$609,000	$0
N01354					0%	609,000	595,990	13,010	98%	$609,000	$609,000	$0
N01355					0%	500,000	0	500,000	0%	$500,000	$500,000	$0
N01356					0%	1,400,000	423,612	976,388	30%	$1,400,000	$1,400,000	$0
N01359					0%	4,169,000	2,267,500	1,901,500	54%	$4,169,000	$4,169,000	$0
N01430					0%	3,300,000	1,174,126	2,125,874	36%	$3,300,000	$3,300,000	$0
N01431					0%	500,000	0	500,000	0%	$500,000	$500,000	$0
N01432					0%	500,000	14,819	485,181	3%	$500,000	$500,000	$0
N01433					0%	6,950,000	0	6,950,000	0%	$6,950,000	$11,950,000	$5,000,000
N01434					0%	2,000,000	0	2,000,000	0%	$2,000,000	$3,950,000	$1,950,000
N01435					0%	2,000,000	96,304	1,903,696	5%	$2,000,000	$7,700,000	$5,700,000
N01436					0%	500,000	0	500,000	0%	$500,000	$500,000	$0
Chapter Water CIP Plans - 2019											$600,000	$600,000
Dennehotso - Baby Rocks											$1,500,000	$1,500,000
Cousins Radio Tower Phase 2											$1,200,000	$1,200,000
Cutter Lateral O&M fund											$500,000	$500,000
		0.00		0.00	0%	32,550,000	9,094,258	23,455,742	28%			
Overall Total						82,441,439	19,149,358	63,292,082	23%			

EXHIBIT
tabbies
B

United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
Navajo Regional Office
P.O. Box 1060
Gallup, New Mexico 87305

IN REPLY REFER TO:
N303 – Branch of Indian Self-Determination

SEP 20 2019

Honorable Jonathan Nez
President, Navajo Nation
P.O. Box 7440
Window Rock, Arizona 86515

Dear President Nez:

Enclosed is a fully executed Modification No. 35 for Pub. L. 93-638 Contract No. A15AV00083, Water Monitoring & Inventory Program.

This modification is issued to increase the Contract amount $150,000, which represents the distribution of ONE-TIME funds to develop a preliminary and 60 percent design report as outline under Attachment A - Lake Powell Preliminary and 60 Percent Design Reports Proposal. The Water Monitoring & Inventory Program's approved Calendar Year 2019 Scope of Work supports the one-time funding activity.

The deliverables for each task is identified as follows:

- Task 1 (Preliminary Design). Engineer will prepare a 60% final set of plans and 60% specifications. The Engineer will provide two reproducible electronic files (pdf on CDs/thumb drive) of the 60% plans and 60% specifications.
- Task 2 (Final Design) 60% Final Plans and 60% Specifications (2 sets) and cost estimate.

The schedule for each task is identified as:

- Task 1 (Preliminary Design)
  *Pre-Design Analysis & Report: Begins September 20, 2019 and ends on March 31, 2020
  *Pre-Design Report Review: Begins April 1, 2020 to June 1, 2020
- Task 2 (Final Design)
  *Intake 60% Design: Begin April 2, 2020 to October 1, 2020
  *60% Design Submit & Review: Begin October 2, 2020 to December 31, 2020

This one-time funded project's performance measure and expenditures will be included in the annual narrative and federal financial reports and thereafter for the life of the project.

All other contract terms and conditions remain the same and in full force and effect.

The funds are obligated and available for draw down through the Automated Standard Application for Payment system.

Should you have any questions, please contact Michelle Begaye, Awarding Official's Technical Representative (AOTR), at (505) 863-8347 or contact me at (505) 863-8401.

Sincerely,

Awarding Official
BIA-2017-L2-000039

Enclosures

cc: Michelle Begaye AOTR
Jason John, NN Water Management Branch

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE OF PAGES
	1 2

2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
0035	09/20/2019	0020194202	WATER MONITORIN

6. ISSUED BY CODE A09

BIA NAVAJO 00009
301 WEST HILL ROOM 346
Contracting Office
Gallup NM 87301

7. ADMINISTERED BY (If other than Item 6) CODE

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)

NAVAJO NATION TRIBAL GOVERNMENT, THE
Attn: Contracting Officer
2 MILES N OF HWY 264
WINDOW ROCK AZ 86515-1480

CODE 0070120067 FACILITY CODE

(X) 9A. AMENDMENT OF SOLICITATION NO.

9B. DATED (SEE ITEM 11)

x 10A. MODIFICATION OF CONTRACT/ORDER NO. A15AV00083

10B. DATED (SEE ITEM 13) 01/06/2015

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended. ☐ is not extended.
Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)
01 Net Increase: $150,000.00

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	
	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
X	D. OTHER (Specify type of modification and authority) P.L. 93-638, as amended and 25 CFR Part 900

E. IMPORTANT: Contractor ☒ is not. ☐ is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

CFDA Number: 15.037
DUNS Number: 009001702+0000
Contract No. A15AV00083, Water Monitoring & Inventory Program, is hereby modified as follows:

1. To increase the Contract amount by $150,000.00 from $4,593,793.12 to $4,743,793.12, which represents the distribution of ONE-TIME funds to develop a preliminary and 60 percent design report as outline under Attachment A - Lake Powell Preliminary and 60 Percent Design Reports Proposal. The Water Monitoring & Inventory Program's approved Calendar Year 2019 Scope of Work supports the one-time funding activity.

Continued ...

Except as provided herein, all terms and conditions of the document referenced in Item 9 A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)
Authorized Unilateral Modification by letter dated 02/14/2019, to the Navajo Nation.	Jeanette Quintero Awarding Official BIA-2017-L2-000039
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)	15C. DATE SIGNED
16B. UNITED STATES OF AMERICA Jeanette Quintero (Signature of Contracting Officer)	16C. DATE SIGNED 9-20-2019

NSN 7540-01-152-8070
Previous edition unusable

STANDARD FORM 30 (REV. 10-83)
Prescribed by GSA
FAR (48 CFR) 53.243

NAME OF OFFEROR OR CONTRACTOR
NAVAJO NATION TRIBAL GOVERNMENT, THE

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	2. The deliverables for each task is identified as follows: Task 1 (Preliminary Design). Engineer will prepare a 60% final set of plans and 60% specifications. The Engineer will provide two reproducible electronic files (pdf on CDs/thumb drive) of the 60% plans and 60% specifications. is and Task 2 (Final Design)in the proposal. Task 2 (Final Design) 60% Final Plans and 60% Specifications (2 sets) and cost estimate. 3. The schedule for each task is identified as: Task 1 (Preliminary Design) *Pre-Design Analysis & Report: Begins September 20, 2019 and ends on March 31, 2020 *Pre-Design Report Review: Begins April 1, 2020 to June 1, 2020 Task 2 (Final Design) *Intake 60% Design: Begin April 2, 2020 to October 1, 2020 *60% Design Submit & Review: Begin October 2, 2020 to December 31, 2020 4. The one-time project performance measure and expenditures will be include in the annual narrative and federal financial reports and thereafter for the life of the project. 5. All other contract terms and conditions remain the same and in full force and effect. Account Assignm: K G/L Account: 6100.252I0 Business Area: A000 Commitment Item: 252I00 Cost Center: AANN00780T Functional Area: A0N9A0505.999900 Fund: 189A2100DD Fund Center: AANN00780T PR Acct Assign: 01 Period of Performance: 01/01/2015 to 12/31/2019				
00540	One Time Funds NGS Lake Powell Intake Prelim. & 60% Des Obligated Amount: $150,000.00				150,000.00

CONTINUATION SHEET	Contract No. A15AV00083	Page 3
NAME OF CONTRACTOR THE NAVAJO NATION - Water Monitoring & Inventory Program	Modification No.35	

FINANCIAL INFORMATION FOR OBLIGATION

L/I	APPROPRIATION DATA	CONTRACT BALANCE		INCREASE DECREASE	NEW TOTAL
001	AANN00780T 156A2100DD A0N9D4040 252I00 TPA	$ 245,362.00		$ -	$ 245,362.00
	AANN00780T 156A2100DD A0T937070 252I00 DCSC	$ 16,678.00		$ -	$ 16,678.00
	AANN00780T 156A2100DD A0R312020 252I00 ONE TIME	$ 208,000.00		$ -	$ 208,000.00
	AANN00780T 156A2100DD A0N342020 252I00 ONE TIME	$ 84,000.00		$ -	$ 84,000.00
	CY 2015 CONTRACT TOTAL	$ 554,040.00		$ -	$ 554,040.00
	AANN00780T 167A2100DD A0N9D4040 252I00 TPA#1	$ 246,935.00		$ -	$ 246,935.00
	AANN00780T 167A2240DD A3T937070.999900 252I DCSC	$ 43,123.00		$ -	$ 43,123.00
	AANN00780T 167A2100DD A3N42020.999900 252I ONE TIME	$ 286,750.00		$ -	$ 286,750.00
	AANN00780T 167A2100DD A0R312020.999900 252I ONE TIME	$ 541,433.98		$ -	$ 541,433.98
	CY 2016 CONTRACT TOTAL	$ 1,118,241.98		$ -	$ 1,118,241.98
	AANN00780T 178A2100DD A0N9D4040 252I00	$ 246,934.00		$ -	$ 246,934.00
	AANN00780T 178A2100DD A0N9D4040 252I00 Paycost	$ 210.00		$ -	$ 210.00
	AANN00780T 178A2100DD A0N342020.999900 252I	$ 225,000.00		$ -	$ 225,000.00
	AANN00780T 178A2240DD A3T937070.999900 252I DCSC	$ 20,206.00		$ -	$ 20,206.00
	AANN00780T 178A2240DD A3T957575.999900 252I DCSC	$ 322.00		$ -	$ 322.00
	CY 2017 CONTRACT TOTAL	$ 492,672.00		$ -	$ 492,672.00
	AANN00780T 189A2100DD A0N9D4040.999900 252I00 TPA	$ 249,721.00		$ -	$ 249,721.00
	AANN00780T 178A2100DD A0N342020.999900 252I One-Time	$ 75,000.00		$ -	$ 75,000.00
	AANN00780T 178A2100DD A0R312020.999900 252I One-Time	$ 651,000.00		$ -	$ 651,000.00
	AANN00780T 178A2100DD A0R312020.999900 252I One-Time	$ 175,000.00		$ -	$ 175,000.00
	AANN00780T 178A2100DD A0R312020.999900 252I One-Time	$ 30,000.00		$ -	$ 30,000.00
	AANN00780T 178A2100DD A0R312020.999900 252I One-Time	$ 4,992.12		$ -	$ 4,992.12
	AANN00780T 189A2100DD A0N342020.999900 252I One-Time	$ 275,000.00		$ -	$ 275,000.00
	AANN00780T 189A2100DD A0R312020.999900 252I One-Time	$ 639,000.00		$ -	$ 639,000.00
	AANN00780T 189A2240DD A3T937070.999900 252I DCSC	$ 30,254.00		$ -	$ 30,254.00
	AANN00780T 189A2240DD A3T947575.999900 252I DCSC	$ 20,379.00		$ -	$ 20,379.00
	CY 2018 CONTRACT TOTAL	$ 2,150,346.12		$ -	$ 2,150,346.12
	AANN00780T 190A2100DD A0N9D4040.999900 252I00 TPA	$ 250,612.00		$ -	$ 250,612.00
	AANN00780T 189A2100DD A0N342020.999900 252I One-Time	$ 3,017.73		$ -	$ 3,017.73
	AANN00780T 189A2100DD A0R312020.999900 252I One-Time	$ 969.29		$ -	$ 969.29
	~~AANN00780T 190A2240DD A3T937070.999900 252I DCSC~~	~~$ 23,894.00~~		~~$ -~~	~~$ 23,894.00~~
	AANN00780T 189A2100DD A0N9A0505.999900 252I One-Time	$ -	(+)	$ 150,000.00	$ 150,000.00
	~~CY 2019 CONTRACT TOTAL~~	~~$ 278,493.02~~	~~(+)~~	~~$ 150,000.00~~	~~$ 428,493.02~~
	TOTAL CONTRACT AMOUNT	$ 4,593,793.12	(+)	$ 150,000.00	$ 4,743,793.12

Lake Powell Intake Preliminary and 60 Percent Design Reports Proposal
Water Management Branch of
Navajo Department of Water Resource
September 18, 2019

Background and Needs Statement

The Lake Powell Intake Project needs design reports developed for modifications to the current Lake Powell NGS Intake which will provide water to the proposed LeChee Water Treatment Plant, and the LeChee Pipeline & Booster Pump Station. The Lake Powell Intake, LeChee Water Treatment Plant, and LeChee Pipeline, Booster Pump Station projects help create solutions for current and near-term domestic, municipal, commercial and livestock water demands for the growing community of LeChee, AZ, the Antelope Canyon Development area and surrounding Navajo residents. These improvements are a part of a larger project, the Western Navajo Pipeline Project, Phase 1, which will deliver water to communities on the western side of the Navajo Nation. Western Navajo communities are potential recipients for receiving water from Lake Powell contingent upon agreements between the Navajo Nation, State of Arizona, and federal agencies.

In 1955, the LeChee Chapter was formed. Since then, the population has grown over the years with the development of the Glen Canyon Dam and Navajo Generating Station, and increased tourism interests. The population is projected to increase to 1,981 by 2020 and to 3,321 in 2060, according to at 1.3 percent annual growth rate since 2010 population of 1,741 (LeChee Chapter Water Plan 2016; US Census 2010). According to Census 2010, the total number of housing units was 479 with an average household size of 4.1 persons per household. Data to evaluate the increase in total number of households for 2020 and 2060 was not available; however, there is an expected increase in the total number of houses projected with population increases. Two sites located in the northern and southern portions of LeChee have been selected for future residential development; along Navajo Route 20, the LeChee community has proposed future commercial development (LeChee Chapter Water Plan 2016). In addition to housing and commercial developments, the LeChee Chapter would like to develop a public safety facility, preschool and nursery/daycare facilities. Another proposed development is a renewable energy facility, LeChee Solar Energy Project.

With the current and future water demands, there is a need for water infrastructure projects, including the Lake Powell Intake, LeChee Water Treatment Plan, and the LeChee Pipeline, Booster Pump Station or agriculture uses. The closure of the Navajo Generating Station (NGS) provides a unique opportunity to repurpose the Lake Powell NGS Intake with modifications to change from industrial to municipal water use.

Task 1., Preliminary Design.

Engineer will develop a preliminary design for modifications to the Lake Powell Intake to pump water from the Intake to the proposed Water Treatment Plant. Preliminary design will build on the Lake Powell Intake Plan Formulation report. A detailed preliminary design analysis will be conducted to determine the recommend modifications to include pump sizing/recommended options, piping, electrical, site modifications. The water is planned to be used for current and future domestic, municipal, commercial and livestock purposes.

Preliminary Operational Strategy, Pump Selection and Hydraulic Analysis.

From this analysis preliminary selection and sizing will be developed for critical components of the system such as: pump selection/sizing, operation levels/controls, back-up power requirements, and initial control valve settings.

Coordination with Stakeholder Agencies and confirmation of available infrastructure.

Engineer will coordinate with the Navajo Nation and Salt River Project (SRP) on the availability of infrastructure for the project. Engineer will coordinate the work with other stakeholder's including Navajo Tribal Utility Authority (NTUA) for items such as operational information and design criteria, companion projects, system interconnections, tie-ins, required shutdowns, and overall project schedule. This sub-task will confirm the availability of specific infrastructure, e.g. the tubes that can be used for the Western Navajo Pipeline diversion.

Predesign Report and Cost Estimate. The Engineer will summarize findings from preliminary design into a predesign report. The predesign report will include system design criteria, preliminary drawings, a budget-level cost estimate, and proposed construction schedule for the Lake Powell Intake. The predesign report will set design and operational criteria for final design.

Deliverables:

- Preliminary Design Report & Cost Estimate

Task 2. 60% Design Documents.

The Engineer will prepare final plans and specifications for the project. Two (2) sets of printed documents shall be submitted to Water Management Branch (WMB) at the approximate 60% design level for review. Electronic versions will also be available for viewing and downloading from the Engineer's file sharing site. The design task is broken down into sub-tasks shown in Table 1.

Table 1 Lake Powell Intake Design Tasks

Subtask	Location	Design Task Descriptions
2.1	Lake Powell Intake Pump Design	• Design a new pump system to convey water from the Lake Powell Intake to the proposed Water Treatment Plant. A single set of submersible pumps in parallel is assumed to convey water from the Intake to the Water Treatment Plant.
2.2	Lake Powell Intake Site Modifications	• Site modifications to NGS intake (building interior piping, building modifications, yard piping modifications, etc.) will be developed as needed for connection to proposed pipeline that will extend to the proposed Water Treatment Plant.
2.3	Electrical/I&C	• Electrical (including Telemetry/Controls), Mechanical, Structural Sheets. Separate electrical, mechanical, and structural sheets will be prepared to the extent needed. The Telemetry system will be consistent with what is preferred by NTUA.
2.4	Quagga Mussel Mitigation	• The Improvements will address the control of quagga mussels.

Methodology
The WMB works with consultant engineers to assist in completing the tasks.

Meetings and Coordination.
The Engineer will meet at the 60% design level with WMB, NTUA, and NGS to review progress on the project. Monthly progress meetings will be held between the Engineer's and WMB's project manager as needed.

Cost Estimate.
The Engineer will prepare a detailed engineer's cost estimate for the Lake Powell Intake improvements.

Quality Assurance/Quality Control. In-house QA/QC activities will be completed and tracked through the use of the Engineer's Project Delivery System (PDS). Senior QA/QC leads will be identified at the beginning of the project for reviewing project documents. Time and budget will

be allocated for performing the reviews. Constructability reviews will be held to evaluate sequencing, scheduling, and any cost saving methods that may be employed for the project.

Deliverables. The Engineer will prepare a 60% final set of plans and 60% specifications. The Engineer will provide two (2) reproducible electronic files (pdf on CDs/thumb drive) of the 60% plans and 60% specifications.

Design Assumptions:

- 60% Drawings will be provided using Engineer's Design Production Standard CAD standards and 60% presentation.
- Electrical, telemetry, and control modifications will be coordinated with NGS/SRP.
- Pumps and motor starters or VFDs will be provided as a package from the equipment supplier.
- Pump electrical design to include a single-line diagram, panel schedule, and site plan only. Schematic Diagrams by pumping equipment supplier.
- Pump Telemetry PLC and touchscreen programming will be provided by NTUA.
- No lighting modifications or additions.
- Design does not include motorized gates, video surveillance, security systems, fire alarm or control systems, site or equipment access control systems, telephone system, Internet service, or cathodic-protection systems, additions, or modifications.
- Power source will be provided by existing equipment by others.
- Arc-flash hazard and short-circuit studies, overcurrent protection device settings, and arc-flash hazard labeling are not included as we are adding electrical equipment loads to an existing power distribution system owned by others. Preliminary evaluation will be made only as required to determine ratings for new equipment.
- Intake Telemetry PLC and touchscreen programming will be provided by NTUA.
- Standby power is not required, source from NGS is evidently redundant or otherwise backed up.
- Existing NGS Intake electrical equipment has space to add a circuit breaker to power the new pumps.
- No new buildings or additions to existing buildings.
- No upgrades of existing buildings for Fire or other Codes.
- Space will be provided in the existing NGS Intake buildings to add new electrical power distribution and motor starter equipment, and radio Telemetry.
- Radio telemetry antenna will be provided on a pole attached to or adjacent to the NGS Intake.

Deliverables:

- 60% Final Plans and 60% Specifications (2 Sets)
- Cost Estimate

Lake Powell Intake Preliminary and 60 Percent Design Fee:

Task 1 Preliminary Design:	$70,000
Task 2 60% Design:	$80,000
Total	**$150,000**

Schedule:

Task	Preliminary Design	Start	Finish
1	Pre-Design Analysis & Report	9-20-19	31-March-20
1	Pre-Design Report Review	1-April-20	30-June-20
	Final Design	**Start**	**Finish**
2	Intake 60% Design	2-April-20	1-Oct-20
2	60% Design Submit & Review	2-Oct-20	31-Dec-20

References

Brown and Caldwell. (2016). LeChee Chapter Water Plan. Prepared for LeChee Chapter and Navajo Nation Department of Water Resources.

US Census. (2010). http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_135YR_DP02&prodType=table (accessed February 19, 2015).

Navajo Nation
Summary of Proposed Budget
FY 2019 - P. L. 93-638 BIA Contract

Part 1. - Program Information:

A. Program / Division: Water Resources/Natural Resources

B. Contract No.: A15AV00083

Part II. - Budget Information:

A	B	C	D
Cost Type	**Title of Cost Type**	**Description on the purpose of the budget.**	**Budget Amount**
2001	Personnel Salary		
2900	Fringe Benefit		
3000	Travel		
3500	Meeting		
4000	Supplies		
5000	Lease & Rental		
5500	Communication & Utilities		
6000	Repairs & Maintenance		
6500	Contractual Service	Lake Powell Intake Preliminary and Design Work	$150,000.00
7000	Special Transactions		
8000	Assistance		
9000	Capital Outlay		
9720	Indirect Cost		
		Total Budget	$150,000.00

Part III. - Signatures:

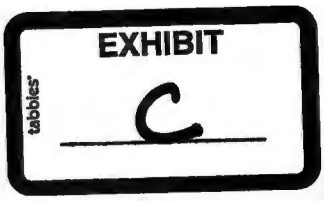
9/19/19
Program Manager / Date

9/19/19
Division Director / Date

6

RECD BIA-NRO-ABQ
2019 SEP 20 PM 12

15DO ap 9/19/19



DRAFT
MEMORANDUM OF AGREEMENT
BETWEEN
THE NAVAJO NATION
AND
THE NAVAJO TRIBAL UTILITY AUTHORITY

FOR THE PROCESS TO BE FOLLOWED FOR THE

PLANNING, DESIGN, CONSTRUCTION AND OPERATION OF

WATER SYSTEM INFRASTRUCTURE RELATED TO PHASE I OF THE
WESTERN NAVAJO PIPELINE PROJECT

THIS AGREEMENT is between the Navajo Nation (Nation) acting through the President of the Nation; and the Navajo Tribal Utility Authority (NTUA), an enterprise of the Nation acting through its General Manager.

WHEREAS, the Nation desires satisfactory sanitation facilities for members of the Nation; and

WHEREAS, the Nation has appropriated funding for planning, design, and construction of Phase 1 of the Western Navajo Pipeline Project (Project) which will be administered by the Navajo Nation Water Management Branch (Branch); and

WHEREAS, the parties mutually agree to the Project as described in the attached Project Summary; and

WHEREAS, the Branch will be responsible for planning, design, and construction of the Project(s).

NOW THEREFORE, to plan, design, construct, and to subsequently own, operate, and maintain the Project, NTUA and the Nation agree that:

1. The Nation will provide:

   A. A project manager designated by the Branch Manager.

   B. The necessary engineering services to lay out the Project facilities.

   C. All the technical direction, plans, and specifications for all construction activities of the Project, including approval of materials, quality control testing, and final acceptance of all work.

   D. All necessary labor, tools, and equipment to construct the Project, and to procure and install materials, equipment, and supplies necessary for the proper installation of Project facilities.

   E. The necessary transportation to deliver materials, supplies, and equipment to the Project site.

   F. Resident Project Representative(s) who will observe construction to confirm compliance with design specifications for the Project.

2. The Nation shall notify NTUA and provide an opportunity of mutually agreed upon duration for review and comment by NTUA of the Project Summary and any changes made to the Project Summary during the duration of the Project. Upon resolution of any comments made, NTUA will issue a letter indicating concurrence with the Project Summary.

3. Prior to construction, the Nation will submit environmental compliance documents, rights-of-way, designs, construction plans, and specifications to the NTUA representative designated by the General Manager for approval. NTUA will review and provide comments, if any, within 30 days of receipt to the Nation. Upon resolution of any comments made, NTUA will issue a design approval letter indicating concurrence with the design.

4. The Nation will require and confirm that construction by the Contractor will be in accordance with applicable laws, regulations, codes, plans, and specifications approved by the Nation.

5. The Nation will ensure that the construction contract makes clear that Contractor will be responsible for job-site safety and for compliance with all applicable health and safety requirements.

6. The Nation grants permission for NTUA to enter upon rights-of-way held by the Nation to inspect construction, operate, and maintain the Project and the Nation agrees to waive all claims which may arise by reason of such entry upon the Nation's rights-of-way.

7. The Nation will obtain rights-of-way for the Project based upon the following.

   A. The Branch Manager is authorized to sign (as the applicant/grantee) the applications, agreements, or other supporting documents necessary to obtain Rights-of-Way across all lands as may be required to implement the Project.

   B. The Branch Manager may designate an authorized agent to prepare and escort right-of-way and permit applications.

8. When the Project (or operational parts thereof) as agreed upon by the Nation and the NTUA is substantially complete, the Nation will provide to NTUA a final inspection package including elements outlined in the Navajo Area Indian Health Service Guideline 19.1 unless otherwise specified in the contract documents. The Project (or operational parts thereof) will be inspected by representatives of the Nation and the NTUA to detect possible construction deficiencies. The NTUA representative to attend the inspection will be designated by the General Manager of the NTUA. A punch list of these deficiencies, if any, will be compiled and agreed on by the Nation and the NTUA. These deficiencies will be corrected by the Nation.

9. Once the deficiencies are corrected and such corrections are verified by the Nation and NTUA, the Nation will prepare a Verification of Field Punch List Completion form to be signed by a quality assurance officer assigned by NTUA headquarters. Upon signature by the NTUA quality assurance officer, the Nation will issue a Certificate of Punch List Completion (CPLC) to the NTUA General Manager's representative. The NTUA General Manager's representative will then issue an Affidavit of Punch List Completion (APLC) or provide list of persisting deficiencies.

10. Upon issuance of the APLC, the operation, maintenance, and repair responsibilities for the community facilities or operational unit will be assigned to the NTUA through a Beneficial Use Permit issued by the Nation, and the facilities or operational unit will be started so as to provide

services to the consumers. When started, the operation and maintenance of the facilities will become the responsibility of the NTUA. Before NTUA agrees to accept transfer of ownership of the Facilities, NTUA shall provide final acceptance of all work performed. The final acceptance of all work performed shall be acknowledged by NTUA's quality assurance officer in a signed writing.

11. The Nation will provide a one-year warranty on workmanship and materials for all construction performed by the Contractor. The one-year warranty period begins upon issuance of the APLC by the NTUA. On or about the 11th month of the one-year warranty period, an inspection will be held by representatives of the Nation and NTUA to identify deficiencies to be remedied per the warranty.

12. Ownership of the Project constructed pursuant to this Agreement (including equipment, land, and supplies purchased) resides with the Nation until transferred to NTUA. The Nation will provide to NTUA a transfer package to include a facility ownership transfer agreement for signature, as-built ROW transmittal letters with assignment to NTUA, electronic copies of as-constructed drawings, GIS coverage files of the installed facilities, and any other documents necessary for transfer of ownership to NTUA.

13. After the transfer, NTUA will properly and efficiently operate, maintain, and repair the Project, so as to keep the Project in an effective and operating condition.

14. The Nation shall designate the Branch to manage the planning, design and construction of the Project on behalf of the Nation. The Branch may hire a consultant as its project manager and authorized ROW agent.

15. Should disputes regarding the provisions of this Agreement occur, the Nation and NTUA will first attempt to resolve those disputes through administrative procedures.

16. Either party to this Agreement may terminate its relationship with the other party prior to Project completion upon 90 days' notice in writing to the other party.

IN WITNESS WHEREOF, the parties hereto have subscribed their names.

FOR THE NAVAJO NATION

_____ _____

Date President

FOR THE NAVAJO TRIBAL UTILITY AUTHORITY

_____ _____

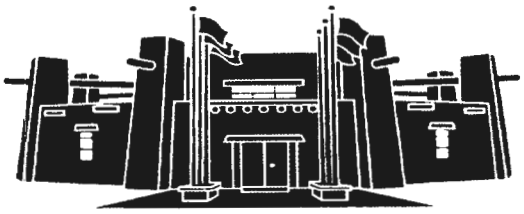
Date General Manager

Attachments:

1. Project Summary(s) - including scope of project and schedule for design and construction
2. Map(s) - showing location and extent of proposed construction.

DRAFT

Office of Legislative Counsel
Telephone: (928) 871-7166
Fax # (928) 871-7576



Honorable Seth Damon
Speaker
24th Navajo Nation Council

MEMORANDUM

TO : Honorable Paul Begay, Delegate
24th Navajo Nation Council

FROM : Luralene D. Tapahe
Luralene D. Tapahe, Principle Advocate
Office of Legislative Counsel

DATE : April 6, 2021

SUBJECT : AN ACTION RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, AND NAABIK'ÍYÁTI' COMMITTEES, AND THE NAVAJO NATION COUNCIL; ALLOCATING $58,225,000 IN SÍHASIN FUNDS TO THE NAVAJO NATION WATER MANAGEMENT BRANCH FOR THE WESTERN NAVAJO PIPELINE PHASE 1 PROJECT; APPROVING AND ADOPTING THE WESTERN NAVAJO PIPELINE PHASE 1 PROJECT EXPENDITURE PLAN PURSUANT TO 12 N.N.C §§ 2501 – 2508

I have prepared the above referenced proposed resolution and associated legislative summary sheet pursuant to your request for legislative drafting. The resolution drafted is legally sufficient. However, as with any legislation, it can be subject to review by the courts in the event of a proper challenge. Also, please understand that the Speaker is authorized to refer this proposed resolution to other committees than those stated in the title.

You are advised and encouraged to review the proposed resolution to ensure it is drafted to your satisfaction. If you are satisfied with the proposed resolution, please sign it as "sponsor" and submit it to the Office of Legislative Services where it will be given a tracking number and sent to the Office of the Speaker for assignment.

If the proposed legislation is unacceptable to you, please contact me at the Office of Legislative Counsel and advise me of the changes you would like made to the proposed resolution. Ahe'he'.

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION

LEGISLATION NO: _0065-21__ **SPONSOR: Paul Begay**

TITLE: An Action Relating to Resources and Development, Budget and Finance, and Naabik'íyáti' Committees, and the Navajo Nation Council; Allocating $58,225,000 in Síhasin Funds to the Navajo Nation Water Management Branch for the Western Navajo Pipeline Phase I project; Approving and Adopting the Western Navajo Pipeline Phase I Project Expenditure Plan Pursuant to 12 N.N.C §§ 2501 – 2508

***Date posted*: April 6, 2021 at 2:32PM**

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) 871-7586

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*.