LEGISLATIVE SUMMARY SHEET

DATE: December 21, 2020

TITLE OF RESOLUTION: AN ACTION RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, NAABIK'ÍYÁTI' COMMITTEES, AND NAVAJO NATION COUNCIL; ALLOCATING \$19,500,000 IN SIHASIN FUNDS TO THE NAVAJO DIVISION OF TRANSPORATION FOR THE N8031/N4 ROAD PROJECT; APPROVING AND ADOPTING THE N8031/N4 ROAD PROJECT EXPENDITURE PLAN PURSUANT TO 12 N.N.C §§ 2501 – 2508

PURPOSE: The purpose of this resolution is to allocate \$19,500,000 in Sihasin funds to the Navajo Division of Transportation for the N8031/N4 Road Project and to approve and adopt the Expenditure Plan for the Project.

20-406-1

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Eligible for Act	tion: <u>12-27-20</u> Thence	
1	PROPOSED NAVAJO NATION COUNCIL RESOLUTION Naabik'iyati' Committee	
2	24 th NAVAJO NATION COUNCIL – Second Year, 2020 Navajo Nation Counc	
3	INTRODUCED BY	
4	$Q \cap QQ$	
5	X. proka Jellandran	
6	(Prime Sponsor)	
7		
8	TRACKING NO. $03/3 - 20$	
9		
10	AN ACTION	
11	RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE,	
12	NAABIK'ÍYÁTI' COMMITTEES, AND NAVAJO NATION COUNCIL;	
13	ALLOCATING \$19,500,000 IN SIHASIN FUNDS TO THE NAVAJO DIVISION OF	
14	TRANSPORATION FOR THE N8031/N4 ROAD PROJECT; APPROVING AND	
15	ADOPTING THE N8031/N4 ROAD PROJECT EXPENDITURE PLAN PURSUANT	
16	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	
22	Navajo Nation Division of Transportation. 2 N.N.C. §501 (C)(1).	
23	B. The Budget and Finance Committee is empowered to "appropriate, allocate, cancel,	
24	re-appropriate and review the use of Navajo Nation funds received including but not	
25	limited to all grants, contracts, gifts and other funds from all sources. 2 N.N.C. §	
26	301(B)(3).	
27	C. The Naabik'íyáti' Committee is a standing committee of the Navajo Nation Council	
28	with the responsibility to hear proposed resolution(s) that require final action by the	
29	Navajo Nation Council. 2 N.N.C. § 164(A)(9).	
30		
	Page 1 of 5	

D. The Navajo Nation Council is the governing body of the Navajo Nation. 2 N.N.C. 1 2 § 102(A). E. The Navajo Nation Code provides the purpose of the Navajo Nation Síhasin Fund 3 ("Síhasin Fund") is as follows: 4 § 2502 Purpose 5 A. The purposes of this Fund are to provide financial support and/or financing 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 12 N.N.C. § 2502, as amended by CJA-03-18. 20 F. The Síhasin Fund provides that "Fund Principal" shall consist of all deposits made 21 to the Síhasin Fund and that "Fund Income" shall consist of all earnings (interest, 22 dividends, etc.) generated and realized by the Fund Principal, and that Fund Income 23 shall be deposited in and added to Fund Principal until such time as a Fund 24 Expenditure Plan is duly adopted. 12 N.N.C. §§ 2504 and 2505 (C). 25 G. The Síhasin Fund provides that "Fund Principal and Income shall not be expended 26 except pursuant to a Fund Expenditure Plan consistent with the purposes set forth 27 in § 2502 of this Chapter and adopted by a two-thirds (2/3) vote of all members of 28 the Navajo Nation Council." 12 N.N.C. § 2505(A). 29 30

SECTION TWO. FINDINGS

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- A. The N8031/N4 Road Project is a \$41,800,000 project, as detailed in the "N4/N8031– Hardrock Pinon Project Summary and Recommendations" attached as Exhibit A.
- B. The Resources and Development Committee approved the N8031/N4 project within the Navajo Nation's Tribal Transportation Improvement Program and the project was awarded \$22,300,000 in federal funds. See Resolution No. RDCMY-46-18. Because the project is estimated to cost a total of \$41,800,000 the amount of \$19,500,000 is needed for the project. Exhibit B.
- C. The Navajo Division of Transportation ("NDOT") will complete design plans, environmental clearances, permitting, and construction procurement. NDOT will provide construction management for the project, and is working with the Bureau of Indian Affairs/Navajo Region Division of Transportation for BIA/NRDOT to obtain the necessary right-of-way for the project on both Navajo Nation and Hopi tribal lands. BIA/NRDOT will hold the right-of-way and will be responsible for operation, maintenance, and repair of the road and bridge improvements once the project is completed. **Exhibit C**.

D. The Hardrock Chapter has adopted a resolution supporting this Project. Exhibit D.

- E. The allocation of the \$19,500,000 for this Project meets the criteria for Sihasin expenditures because this Project involves "infrastructure" such as "transportation" as mentioned in 12 N.N.C. § 2502(A)(1).
- F. The allocation of the \$19,500,000 for this Project meets the preference for leveraging Sihasin funds, as mentioned in 12 N.N.C. § 2502(C), because \$22,300,00 in federal funding has already been awarded for this Project.

SECTION THREE. APPROVAL AND ADOPTION OF EXPENDITURE PLAN

- A. The Navajo Nation hereby approves and adopts the N8031/N4 Road Project Expenditure Plan, attached as **Exhibit A**.
- B. The Navajo Nation hereby approves and adopts funding for the N8031/N4 Road Project Expenditure Plan in the amount of \$19,500,000 from the Navajo Nation Sihasin Fund, in accordance with 12 N.N.C. § 2505(A).

Page 3 of 5

C. The Síhasin Funds allocated for the N8031/N4 Road Project 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.

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SECTION FOUR. APPROVAL AND ADOPTION OF EXPENDITURE PLAN ADMINISTRATION

The Navajo Nation Council hereby approves administration of the N8031/N4 Road Project Expenditure Plan as follows:

- 1. The Navajo Nation Controller shall determine whether the source of the annual allocations from the total allocation of \$19,500,000 will be Síhasin Fund Principal or Income or a combination of both.
- 2. The funding for the N8031/N4 Road Project Expenditure Plan will be distributed to the Navajo Division of Transportation within ten (10) days after the effective date of this legislation. The Navajo Division of Transportation shall be responsible for administering the Project, in accordance with the N8031/N4 Road Project Expenditure Plan described in **Exhibit A**.
- 3. The funds allocated for the N8031/N4 Road Project Expenditure Plan shall be used solely to design, plan, and/or construct the N8031/N4 Road Project described in Exhibit A. Any and all cost-savings shall be returned to the Síhasin Fund once the project is completed.
- 4. The funds allocated for the N8031/N4 Road Project Expenditure Plan 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 Navajo Division of Transportation shall revert to the Síhasin Fund principal, unless recommended otherwise by the Resources and Development Committee of the Navajo Nation Council and approved by the Naabik'íyáti' Committee.

5. The N8031/N4 Road Project shall be operated by the BIA/NRDOT, and maintenance and repairs for the Project shall be performed by the BIA/NRDOT.

SECTION FIVE. EFFECTIVE DATE

This legislation and the N8031/N4 Road Project Expenditure Plan, as set forth above, shall become effective pursuant to 12 N.N.C. § 2505.

SECTION SIX. DIRECTIVES

The Navajo Division of Transportation shall report the status of the N8031/N4 Road Project to the Resources and Development Committee, and to the Naabik'íyáti' Committee, on a quarterly basis.

Exhibit A

EXHIBIT Phoenix

7878 North 16

P 602.957.1155 F 602.957.2838

N4/N8031 – Hardrock Pinon Project Summary & Recommendations

Project Description:

Dipple

Engineering

The project is located in Navajo County, Arizona, approximately 2 miles southwest of Pinon, AZ. It lies within the Hardrock and Pinon Chapters and within the BIA Chinle Agency Jurisdiction. The roadway improvements extend on N8031 from H4 to N4, 14.7 miles (2.8 miles on Hopi Lands), and on N4 for 0.31 miles. There is one major crossing of Oraibi Wash located on Hopi Land at Station 4+400. The TTIP programmed amount is \$22,300,000.

The project consists of one major structure, several box culverts, grading, drainage, treated aggregate base, and fencing. Much of the existing dirt road will be realigned to avoid flooding issues, home sites, utilities and archaeological sites. The Bureau of Indian Affairs (BIA) prepared initial plans for this project. The route has been realigned since the BIA plans to avoid three archeological sites. The Navajo Division of Transportation (NDOT) is now preparing final plans.

Estimated Cost:

An Engineer's Opinion of Probable Construction Cost has been developed. The following is a breakdown of the current estimate.

	Segment or New Item	Cost	
1	N8031: H4 to Sta 15+060	\$	22,100,000.00
2	N8031: Sta 15+060 to N4; and N4	\$	13,600,000.00
3	Cultural Site Remediation	\$	1,800,000.00
4	AC Pavement	\$	3,300,000.00
	Total (1-4)	\$	40,800,000.00
	Programmed Amount	\$	22,300,000.00
	Shortfall	\$	(19,500,000.00)
Recomm	endations:	add #1 for a	,000,000 construction contingency

Recommendations:

It is recommended the existing dirt road be realigned to avoid flooding issues, home sites, utilities and archaeological sites. The current road is not sufficiently safe and does not meet AASHTO criteria. The drainage culverts are routinely overtopped, the roadway surface is muddy and slick when wet, and impassable in heavy rains. When the wash is flowing, school children are unable to get to school and Chapter members on the west side of Oraibi Wash are unable to get to the Chapter, school, or other areas within the Hardrock Chapter. The detour is almost one hour. The improvements are needed for safety and operational efficiency. An additional \$18,500,000 is needed in order to construct everything that is in the scope of work. Within the current programmed amount on \$22,400,000, it is recommended to construct 9.0 mile on N8031 from H4 to station 15+060 including the Oriabi Wash Bridge. This would create a passable route during storm events because Oriabi Wash would be a bridge crossing. The surface would be a chip seal pavement which would last approximately 7 years. A future project should be programmed to pave the chip seal with an asphalt hot mix surface course within 7 years.

Dibble Engineering

7878 North 16th Street, Suite 300 Phoenix, Arizona 85020 P 602.957.1155 F 602.957.2838

Exhibit:

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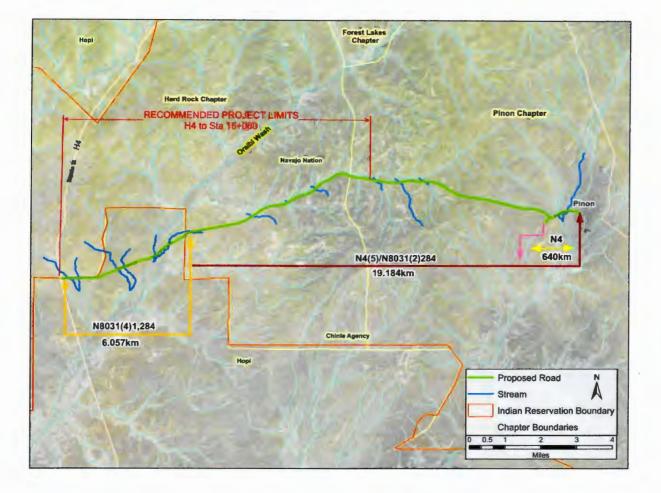


Exhibit B

RDCMY-46-18

RESOLUTION OF THE RESOURCES AND DEVELOPMENT COMMITTEE 23rd Navajo Nation Council --- Fourth Year, 2018

Г	EXHIBIT
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AN ACTION

RELATING TO RESOURCES AND DEVELOPMENT COMMITTEE; APPROVING THE FY 2018 NAVAJO NATION TRIBAL TRANSPORTATION IMPROVEMENT PROGRAM

BE IT ENACTED:

Section One. Authority

- A. The Resources and Development Committee has oversight authority over roads and transportation to oversee planning and coordination of all roads and transportation activities of the Navajo Nation. 2 N.N.C. § 500 (C)(6).
- B. The Resources and Development Committee has oversight authority over the Navajo Division of Transportation. 2 N.N.C. § 501 (C)(1).

Section Two. Findings

- A. Pursuant to 25 C.F.R. Part 170, Subpart D of the Tribal Transportation Program, the Navajo Division of Transportation is charged with performing the critical functions in collaboration with the Bureau of Indian Affairs, local, state and federal agencies to develop a tribal transportation priority listing.
- B. The Navajo Division of Transportation prepared the FY2018 Navajo Nation Tribal Transportation Improvement Program (TTIP), **Exhibit A**, which includes projects for preliminary study which are cultural, environmental impact studies, rights-of-way, centerline surveys and design; construction engineering funds for construction administration; and, construction funds to construct roadway improvements.
- C. The Resources and Development Committee approved Tribal Transportation Improvement Program (TTIP) is to be submitted to the Federal Highway Administration.
- D. Approving the FY2018 Navajo Nation Tribal Transportation Improvement Program is in the Navajo Nation's best interest.

Section Three. Approval

The Navajo Nation hereby approves the FY2018 Navajo Nation Tribal Transportation Improvement Program as found at **Exhibit A**.

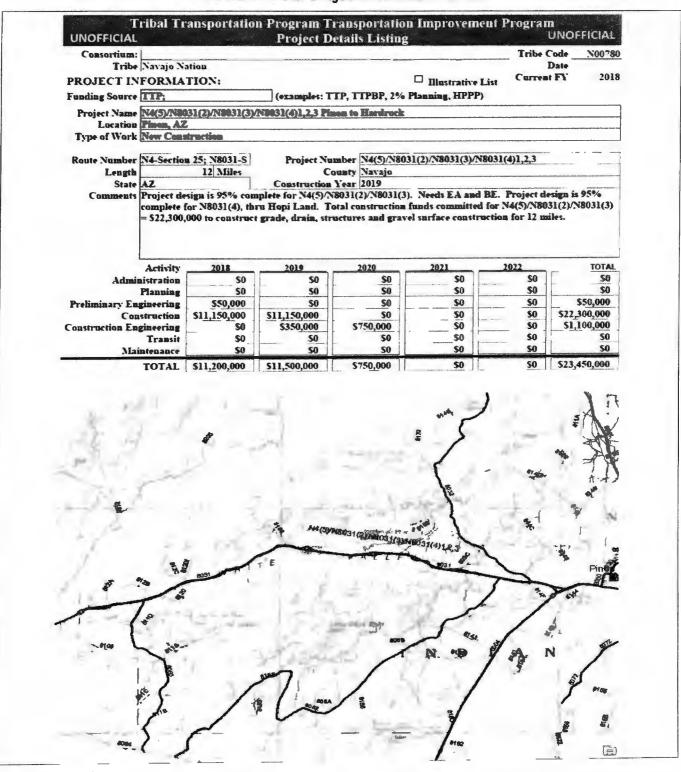
CERTIFICATION

I, hereby, certify that the following resolution was duly considered by the Resources and Development Committee of the 23rd Navajo Nation Council at a duly called meeting at the Navajo Nation Council Chambers, Window Rock, Navajo Nation (Arizona), at which a quorum was present and that same was passed by a vote of 4 in favor, 1 opposed, 1 abstained on this 23rd day of May 2018.

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Alton Joe Shepherd, Chairperson Resources and Development Committee of the 23rd Navajo Nation Council

Motion:	Honorable	Leonard Pete
Second:	Honorable	Jonathan Perry



FY 2018 TTIP Project Information Sheet

FY 2018 TTIP Information Sheet | Navajo Division of Transportation

Page 43

Exhibit C



NAVAJO DIVISION OF TRANSPORTATIO

 POST OFFICE BOX 4620
 TEL:
 505.371-8300

 WINDOW ROCK, ARIZONA 86515
 FAX:
 505.371-8399

Jonathan Nez, President

Myron Lizer, Vice President

EXHIBIT

December 15, 2020

Luralene Tapahe, Principal Advocate Navajo Nation Office of Legislative Counsel P.O. Box 3390 Window Rock, AZ 86515

RE: N8031/N4 Hardrock-Pinon, AZ Road Project OLC#20-406-1

Dear Ms. Tapahe:

The Navajo Division of Transportation (NDOT) is working with the BIA Navajo Region Division of Transportation (NRDOT) and Hardrock and Pinon Chapters to construct 14.7 miles of road and bridge improvements along BIA Route N8031 from Hopi Route 4 to BIA Route N4 within the Hardrock and Pinon Chapters. Approximately 2.8 miles of N8031 crosses Hopi Tribal Lands with one major bridge crossing over Oraibi Wash. The current dirt road is not sufficiently safe, drainage culverts are routinely overtopped, the road surface is muddy and slick when wet, and impassable during heavy rains. When Oraibi Wash is flowing, school children are unable to get to school and Chapter members on either side of Oraibi Wash are unable to get the Chapter, community school or other areas within Hardrock and Pinon Chapters. The detour is almost one hour.

The Resources and Development Committee approved the N8031/N4 project on the Navajo Nation's Tribal Transportation Improvement Program and the project was awarded Tribal Transportation Program (TTP) federal funds for Preliminary Engineering, Construction, and Construction Engineering activities. The project was awarded \$22.3 million in construction funds.

NDOT will complete design plans, environmental clearance, 404/404 permitting, construction procurement and construction management for the project. These activities are fully funded using TTP federal funds. The NDOT is working with the BIA NRDOT to obtain right-of-way (ROW) for the project for both Navajo Nation and Hopi Tribal Lands. The BIA NRDOT is the ROW applicant and the BIA NRDOT will be responsible for operation and maintenance of the road and bridge improvements once construction is completed.

The NDOT prepared an Engineer's Opinion of Probable Construction Cost to construct 14.7 miles of N8031/N4 road and bridge improvements and cultural resources site remediation and the total cost is \$41,800,000 (see next page for cost breakdown). As mentioned above, the N8031/N4 project has received \$22.3 million in TTP federal funds for construction. An additional \$19,500,000 is needed in order to construct everything that is in the scope of work. At the request

of the Hardrock and Pinon Chapter leadership and community members, Delegate Jimmy Yellowhair is requesting approval of \$19,500,000 of Sihasin Funds to supplement the existing TTP federal funds of \$22.3 million to construct the full scope of work for N8031/N4 project.

N8031/N4 Engineer's Opinion of Probable Construction Cost

	Item	Cost
1	N8031: Hopi Route 4 to Sta 15+060	\$22,100,000
2	N8031: Sta 15+060 to BIA Route N4; and N4	\$13,600,000
3	Cultural Site Remediation	\$1,800,000
4	Asphaltic Concrete Pavement	\$3,300,000
5	Construction Contingencies	\$1,000,000
	TOTAL with Paving, Cultural Site Remediation & Contingencies	\$41,800,000
	Federal Funds Available	\$22,300,000
	Additional Funds Needed	\$19,500,000

If additional information is needed regarding the N8031/N4 project, please feel free to call me at (505) 371-8397. Thank you for your assistance.

Sincerely,

Darryl Bradley, Principal Civil Engineer Navajo Division of Transportation

Exhibit D

EXHIBIT	
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	EXHIBIT D

Resolution of the Hardrock Chapter

Resolution # <u>HRC_ 68/20-06</u>

Requesting the Navajo Nation to Provide Sufficient Resources to provide the Necessary completion in the amount of \$19,500,000.00 for the Construction of NR 8031 and for Completion of NR 8031 Road with Asphalt Blacktop Using the Federal CARES Act Fund.

Whereas:

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- The Resources and Development Committee, Navajo Nation Council approved and certified the Hardrock Chapter to represent and act on behalf of the region on issues affecting the region and threatening the health and welfare of the communities; and
- 2. The BIA and Navajo Department of Transportation, Services submitted a Preliminary Design Plan related to the Navajo Nation Council for consideration and the Hardrock Chapter reviewed the plan and responded with their comments and additional recommendations; and
- 3. In the Preliminary Design Plan, it shows \$22.3 million Programmed in the TTIP. This amount will cover only 9.3 miles on 8031. The remaining 6.4 miles of N8031 and N4 will need an additional \$19.5 million to complete construction. The region requested the Navajo Nation to seriously consider the completion of the entire 14.7 miles of N8031(2.8 miles on Hopi Lands) and 0.31 on N4 with asphalt blacktop; and
- 4. All paved roads within the region do not connect to another paved road, all pave road comes to a dead end. The current transportation system does not adequately meet the safety standard and it's not safe for school, public safety, emergency and the general public; and
- 5. In early April, 2020 the Navajo Nation received over \$640 million from the federal CARES Act to address and fight the deadly coronavirus diseases and providing safe transportation will eliminate much of the health issues now facing the Dzil Yijiin Region; and
- 6. It would be in the best safety interest to provided efficient resources from the federal CARES Act and other federal funds to provide construction and completion of NR 8031.

Now therefore be it resolved that:

The Hardrock Chapter hereby request the Navajo Nation to provide sufficient Funds to offset the shortfall of additional \$19,500,000.00 as needed in order to construct everything that is in the scope of work and finding the resources for the construction of NR 8031 and for the completion of NR 8031 with asphalt blacktop using the federal CARES Act fund.

Certification

We the undersigned hereby certify that the foregoing resolution was duly considered by the Hardrock Chapter teleconference call meeting on Aug 20, 2020 and the same was discussed and passed by a vote of _____ in favor, _____ opposed and ______ abstained.

Tim Johnson

President

Byron Wesley

Vice – President

Jay Begay Jr.

Secretary/Treasure

Jimmy Yellowhair

Council Delegate



Honorable Seth Damon Speaker 24th Navajo Nation Council

MEMORANDUM

- **TO** : Honorable Jimmy Yellowhair, Delegate 24th Navajo Nation Council
- FROM : <u>Luralene D. Tapahe</u> Luralene D. Tapahe, Principle Advocate Office of Legislative Counsel
- **DATE :** December 21, 2020
- SUBJECT ACTION RELATING AN TO RESOURCES : AND DEVELOPMENT, BUDGET AND FINANCE, NAABIK'ÍYÁTI' COMMITTEES, AND NAVAJO NATION **COUNCIL**; ALLOCATING \$19,500,000 IN SIHASIN FUNDS TO THE NAVAJO DIVISION OF TRANSPORATION FOR THE N8031/N4 **ROAD PROJECT; APPROVING AND ADOPTING THE N8031/N4 ROAD 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: _0313-20_

SPONSOR: Jimmy Yellowhair

TITLE: An Action Relating to Resources and Development, Budget and Finance, Naabik'íyáti' Committees, and Navajo Nation Council; Allocating \$19,500,000 in Síhasin Funds to the Navajo Division of Transportation for the N8031/N4 Road Project; Approving and Adopting the N8031/N4 Road Project Expenditure Plan Pursuant to 12 N.N.C. §§ 2501 - 2508

Date posted: December 21, 2020 at 4:18PM

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.*

THE NAVAJO NATION LEGISLATIVE BRANCH INTERNET PUBLIC REVIEW SUMMARY

LEGISLATION NO.: 0313-20

SPONSOR: <u>Honorable Jimmy Yellowhair</u>

TITLE: <u>An Action Relating to Resources and Development, Budget and Finance,</u> Naabik'íyáti' Committees, and Navajo Nation Council; Allocating \$19,500,000 in Síhasin Funds to the Navajo Division of Transportation for the N8031/N4 <u>Road Project; Approving and Adopting the N8031/N4 Road Project</u> Expenditure Plan Pursuant to 12 N.N.C. <u>§§</u> 2501–2508

Posted: December 21, 2020 at 4:18 PM

5 DAY Comment Period Ended: December 26, 2020

Digital Comments received:

Comments Supporting	None
Comments Opposing	None
Comments/Recommendations	None

Abhurson

Legislative/Tracking Secretary Office of Legislative Services

12:00 PM 12/28/20

Date/Time