



Speaker's Report

2016 Summer Council Session

LoRenzo Bates

23rd Navajo Nation Council

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23rd Navajo Nation Council
Summer Council Session
July 2016



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Message from Speaker LoRenzo Bates

Yá'át'ééh and welcome my colleagues of the 23rd Navajo Nation Council, President Russell Begaye, Vice President Jonathan Nez, chapter officials, federal, state, and county officials, legislative staff, and most importantly, to our Diné Citizens. Thank you for joining us as we welcome you to the opening of the 2016 Summer Council Session.

On behalf of the 23rd Navajo Nation Council, I extend my sincere appreciation to the many horse and bike riders who traveled many miles over the last several days to join us for the opening of the Summer Session. I recognize that each of these groups brings with them a very important cause, and each one is reflective of the conditions and needs of their respective communities and agencies.

Each year, the horse and bike riders set out on a journey that not only brings awareness to important issues such as domestic violence, healthy living, and many others, but the riders also honor and remember our past leaders who served our Nation proudly.

Our past leaders would make the long and difficult journey on horseback from their respective communities to the Council Chamber for each regular session. Along the way, each would pay visits to various homes and communities to listen to the needs and concerns of individuals and families. By the time they reached the Council sessions, they were well informed and knowledgeable and were able to speak on behalf of the needs and concerns of their people and communities.

With that same notion in mind, the 23rd Navajo Nation Council gathers during this session to deliberate and to consider many issues and legislations that have developed from our local chapters and communities.

As we move forward with the many initiatives of this Council, I would like to thank my colleagues on the 23rd Navajo Nation Council for your dedication and hard work in helping your communities and our Nation.

In the following report, I provide our Diné Citizens an overview of the progress and accomplishments of this Council. On behalf of the 23rd Navajo Nation Council, I again thank our Diné Citizens and many others for your contributions and support.



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A handwritten signature in black ink, appearing to read "LoRenzo Bates".

LoRenzo Bates, *Speaker*
23rd Navajo Nation Council



Síhasin Fund Phase I Expenditure Plan

In January, the 23rd Navajo Nation Council unanimously approved legislation to use a portion of the Navajo Nation's \$554 million settlement award from the federal government to fund a plan that would use approximately \$101 million for over 60 water projects and an additional \$79 million for nearly 50 sanitation system projects in communities across the Navajo Nation. Since then, the Síhasin Fund Subcommittee has worked aggressively with various entities to move the plan forward to initiate the water and sanitation projects.

Phase I

The Síhasin Fund Bulk Water and Wastewater Development Expenditure Plan resolution is to address the water needs of the Navajo Nation. The Expenditure Plan was based on the existing need to deliver water to communities, the conveyance of bulk water supplies, to fund ongoing construction and shovel-ready projects, to leverage funds from other agencies and seek a balance with existing and proposed water settlements in New Mexico and Utah.

Through the Water Management Branch (WMB) and Navajo Tribal Utility Authority (NTUA), these entities will build a foundation that is essential in getting the bulk water main transmission to fix, repair, and intertie some of the existing systems to move water across the Navajo Nation. The Office of the Speaker has worked closely with engineers and technical support from the Water Management Branch, Navajo Tribal Utility Authority, and Indian Health Service (IHS) Sanitation Facilities Construction to develop a strategic plan. In addition, the first phase of funding will contribute to the IHS-SDS list to serve homes that have not been connected to a waterline system.

Implementation

Upon the approval of the Síhasin Bulk Water/Wastewater and SDS Projects legislation, a team of experts from the Navajo Tribal Utility Authority (NTUA), Indian Health Services (IHS), Water Management Branch (WMB), Office of the Controller (OOC), Office of Management and Budget (OMB), the Department of Justice (DOJ), and Síhasin Subcommittee, formed a working group to complete the preliminary steps for the implementation of the Water Projects Expenditure Plan (Expenditure Plan).

A. Water Projects Expenditure Plan

The Water Projects Expenditure Plan (Expenditure Plan) was created by the Water Management Branch and was designed to meet the intent of the required Fund Management Plan (FMP). The purpose of the Expenditure Plan was to provide the required structure for the administration of water related project funds to provide and be served through the Water Management Branch.

The Expenditure Plan includes a template Memorandum of Agreement (MOA) between IHS and WMB, which will meet the intent of the legislation's required FMP. The Water Management Branch teamed up with the In-

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dian Health Services-DSFC to establish accounts for each of their operations. Water Management Branch will administer and implement projects and operations under their account. Navajo Area Indian Health Services will implement their project and their accounts will be administered under an MOA with Water Management Branch.

On June 13, upon the approval of all members of the working group, WMB submitted the Expenditure Plan through the SAS 164-review process. During the SAS 164 review process, OOC requested changes in the Expenditure Plan. OOC and WMB will meet to address the concerns of the Controller. Upon the completion of the 164-review process, the Expenditure Plan will be introduced through legislation and will be considered for approval by the Budget and Finance Committee (BFC).

On June 29, Sihasin Subcommittee legal counsel provided a draft of the BFC legislation to adopt the Expenditure Plan to the Office of Legislative Counsel. The legislation is ready to be introduced immediately following the completion of the Expenditure Plan's 164-review process and will be attached to the proposed legislation. The preliminary steps are necessary to ensure the funds are used in the most efficient manner and accountability is met.

B. Navajo Tribal Utility Authority - Loan Agreement

The working group, specifically OOC and NTUA have made progress in developing NTUA's Loan Agreement in the legislation. The Bulk Water and Wastewater Development Expenditure Plan legislation calls for the funds designated for NTUA to be dispersed pursuant to a Loan Agreement consistent with terms set forth in the legislation. The legislation also requires NTUA to develop a Fund Management Plan ("FMP") to administer and account for the funds it receives. The FMP can be attached to or incorporated into the Loan Agreement.

As of June 29, the NTUA Loan Agreement was at DOJ for review. The NTUA Loan Agreement has been submitted to the Controllers Office who is working with DOJ for further review and negotiation. When an agreement has been reached between Controllers Office and NTUA, the Loan Agreement will also be introduced through legislation and considered for review by the Budget and Finance Committee (BFC) as final authority.

Permanent Trust Fund Income Five-Year Expenditure Plan

The Permanent Trust Fund (PTF) income has been available for use since 2005. After 31 years since the initial investment, a five-year plan was established to address major waterline projects and economic development projects in regional centers across the Navajo Nation.

In April, the 23rd Navajo Nation Council approved the Navajo Nation Permanent Fund Income 5-Year Plan. The resolution is a part of the largest comprehensive Bulk Water and Wastewater Project that will benefit the Navajo Nation.

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The five-year plan addresses major developments, which include waterline projects, hotel-restaurant, retail center, and agricultural ventures.

The projects have been selected based on design plans and specifications that are 100% complete. Sites have been selected based on market feasibility studies. Some of the benefits to these projects include employment opportunities, rental and sales tax revenue, and provide the surrounding communities with goods and services.

It is important to note that the PTF income funding that was approved will not impact the principle balance, but rather the interest that has accumulated will be utilized for the projects.

The Office of the Speaker has extended an invitation to the Office of the Controller to begin discussing the implementation of the five-year expenditure plan. The initial meeting will involve Budget and Finance Committee chair Seth Damon to discuss the preliminary steps that may involve certain Navajo Nation departments, and funding the several chapters, who will be the primary recipients.

Fiscal Year 2017 Comprehensive Budget

Leadership from the three branches of government including the Budget and Finance Committee, Office of the Speaker, Office of the President and Vice President, Office of the Controller, and Office of Management and Budget have met on several occasions to discuss the process for the Navajo Nation's 2017 Comprehensive Budget.

With the current fiscal year ending at the end of September, the Navajo Nation is required to approve a budget for FY2017 at least 20 days prior to the end of the current fiscal year. The Council is moving forward with establishing the FY2017 General Fund revenue projection, adopting the budget calendar, and allocations for each branch of government.

In April, the Council approved the \$150 million Permanent Trust Fund income expenditure plan, which provides funding for water projects and economic development projects. The expenditure plan also stipulated that any remaining funds each year would be returned to the Nation's General Fund to help offset any potential budget shortfalls – this provides the Nation some assurance. Over the course of the coming weeks, the three branches will continue to meet to discuss options that meet the needs of our Nation's programs, chapters, and communities.

Each of the Standing Committees of the Council will begin holding budget hearings in August for the various programs, divisions, and departments that each oversees. The Council will hold its annual budget session in early September.

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State Task Force

New Mexico Real ID - Drivers License and Identification Cards

In March, New Mexico Governor Susana Martinez signed a bill referred to as the Real ID Act into law. The bill is to bring New Mexico drivers licenses and identification cards into compliance with federal standards. Current New Mexico drivers licenses and identification cards can continue to be used to enter federal facilities and board domestic flights until October 1, 2020. Thereafter, individuals will be required to renew their licenses and identification cards.

In June, a meeting was scheduled with New Mexico Tax and Revenue Secretary Demesia Padilla. A few questions were presented regarding the process for the State of New Mexico to issue a Real ID.

Secretary Padilla and staff are still in the process of developing the guidelines and will be conducting public hearings. The guidelines for the Real ID will be completed in November 2016. Nonetheless, as with current drivers licenses the following three documents will be required:

1. Proof of Identity
2. Proof of Date of Birth
3. Proof of Lawful Status in the U.S. and New Mexico.

The Navajo Identification Card is still under consideration to be an official form of identification, and will be reviewed by the legal department.

The New Mexico Motor Vehicle Department requires two forms of Proof of Lawful status that shows an address or proof of residence in New Mexico. A certified letter from the tribe identifying applicant's residences will continue to be accepted due to the lack of physical addresses within the Navajo Nation. The progress made by the department will continue to be communicated with the State Task Force.

New Mexico Capital Outlay - Tribal Infrastructure

At the beginning of the Legislative Session of the 52nd State Legislature the State Task Force and the Office of the Speaker actively advocated for the New Mexico Capital Outlay Projects for Navajo chapters and communities. The focus of the lobbying efforts included new Capital Outlay Projects, appeals for Capital Outlay reauthorizations, and continued support for Tribal Infrastructure Fund (TIF) Projects.

As of June, the State Task Force was informed that Navajo chapters in New Mexico that have Capital projects that were approved during the latest legislative session are anticipating a grant agreement later this summer. The finalization of the grant agreement is critical for chapters in order to begin their projects due to the fact that most grant agreements expire after three years.

Lastly, the New Mexico Indian Affairs Department is currently accepting guidelines and procedure recom-

mendations from all tribal entities for the Tribal Infrastructure Fund (TIF) process. The Navajo Nation Department of Justice has submitted recommendations to the New Mexico Indian Affairs Department.

Arizona Transportation - Highway 60 Budget Funding

State Task Force chairman Council Delegate Kee Allen Begay, Jr., along with Arizona State Senator Carlyle Begay, Navajo County Supervisor Jesse Thompson, and Arizona Representative Albert Hale worked aggressively to secure funding for Hopi BIA Route 60. I commend their endless efforts and continued support in helping the surrounding communities. The Low Mountain road and Hopi BIA Route 60, is a 13.5-mile road that was once a high priority by both the Navajo Nation and Hopi Tribe.

For Fiscal Year 2016-2017, the Arizona 52nd State Legislature appropriated \$1.5 million from the state general fund to the Department of Transportation for distribution to the Navajo Nation for the route H60 construction project.

In 1984, the Bureau of Indian Affairs of Phoenix and Navajo Area Office established a Road Maintenance Agreement to exchange road maintenance responsibilities. The funding will be used to address a road that connects the Hopi and Navajo landscapes which can become virtually impassable during significant weather conditions.

Navajo Indian Irrigation Project - Navajo Agricultural Products Industry

On behalf of the 23rd Navajo Nation Council, I would like to thank the Congressional Offices that assisted in expediting the repairs of a siphon breach that occurred within the boundary of the Navajo Indian Irrigation Project (NIIP) property, operated by Navajo Agricultural Products Industry (NAPI).

On May 13, NAPI discovered a section of the siphon breached near the Kutz Lift Station. Approximately, 128 acre-feet of water spilled into the wash and forced NAPI to shut down their water delivery system. This severely impacted NAPI's overall farm operations due to the lack of irrigation water for 29 days, and in effect, causing a projected revenue loss of approximately \$12.3 million. This number may increase as NAPI continues to assess crop damages. The final numbers of revenue loss will be determined at the end of harvest season. In response to addressing the breach, NAPI has incurred total expenses of \$1.5 million to repair the siphon pipe.

Employees of NAPI and their selected contractors worked 24/7 to assess the damages and to determine what repairs were necessary. Prior to the breach, NAPI planted a total of 47,108 acres of various crops. According to NAPI management, the list of impacted concerns included the following:

- NAPI estimated over \$17,500,000 in loss crop revenue (does not include contracting crops)

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- Reduction in NAPI labor force (approximately 100 jobs)
- Water access to community livestock needs
- Contracted services to small businesses that rely heavily on crop output
- Direct services provided by the Navajo Nation and its surrounding businesses

On June 10, water was restored to NIIP after repairs and inspections were completed. NAPI has since resumed full operation, however, the full estimated loss of crop revenue is yet to be determined.

According to NAPI officials, it was determined in a preliminary analysis that the cause of the breach was due to distressed pipes. The result of this incident raises additional concerns for the O&M program due to the service life of the NIIP infrastructure. The estimated service life of the infrastructure is 45-50 years and the project is nearing this timeframe.

In addition, NAPI was informed that the Bureau of Indian Affairs (BIA) Regional Office had received \$1.07 million to fund the siphon repairs. These funds have been reimbursed to NAPI.

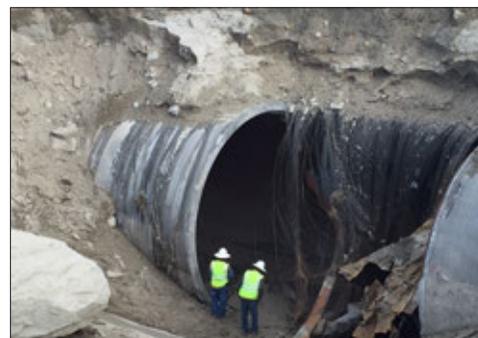


Photo: Workers inspect the siphon breach at Kuts Lift Station on NIIP property near Hwy. 550.



Photo: Workers worked in 24-hour shifts to repair the siphon breach, and was completed on June 10.

The responsibility for O&M for the NIIP infrastructure rests with the Bureau of Indian Affairs. NAPI has a contract with BIA to provide O&M, including replacement services on the NIIP water delivery systems. However, the funding does not include emergency services, which is necessary to operate the NIIP infrastructure due to recent events of the siphon breach.

Aside from the siphon breach, the completion of the NIIP continues to be a priority of the 23rd Navajo Nation Council. The Office of the Speaker and the Resources and Development Committee will continue to collaborate with federal officials and other entities moving forward to advocate for increased NIIP construction funding to seek alternative options to complete NIIP.

Inter-Agency Task Force on Rehabilitating the Former Bennett Freeze Area

The Inter-Agency Task Force continues to meet on a monthly basis on the recovery efforts of the Former Bennett Freeze Area (FBFA). Over the past several months, efforts have gradually developed with information being collected from the nine communities within the FBFA. This information will help guide the task force in developing priorities.

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The leadership of Navajo Housing Authority (NHA), Bureau of Indian Affairs Regional Office (BIA), Navajo Tribal Utility Authority (NTUA) and Indian Health Service (IHS) all play an important role. They have continued collaborating together to determine the best strategy in planning to assure progress continues.

Chapters are receiving additional assistance from the local action team, who has been involved at the local level since the creation of the Inter-Agency Task Force. In addition, NHA has taken the lead in developing a platform using Google Earth Pro to capture data information and upload onto a map. This available resource will help chapters make valid decisions on current and future projects.

The most recent task force meeting was held on June 10, in which part of the discussion focused on the possibility of waiving federal regulations within FBFA to expedite rehabilitation. It was further recommended to the task force to support H.R. 3911, a congressional bill introduced by U.S. Rep. Ann Kirkpatrick. The bill seeks to waive certain federal regulations the task force is seeking. In addition, the Office of the President and Vice President indicated that a formal letter would be sent to congressional delegation in support of this bill.

As progress moves forward, it has been recommended that the task force identify one or two chapters of the nine total affected chapters within the FBFA as pilot projects, and the selection will be based on the current condition and readiness of the areas for the implementation of the proposed rehabilitation projects.

The task force hopes that the pilot project provides other chapters the opportunity to follow the same path. In the future, I will schedule a meeting with all nine impacted chapters and present them an updated progress report.

The task force understands that each chapter will face different challenges, but based on the collected data, entities will have an idea on how to carry out rehabilitation efforts. One of the recent tasks was to rank the nine impacted chapters based on completed requirements related to home site leases, land clearances, community land use plans, housing assessments, boundaries, and other necessary information.

I am pleased to see all the entities come together and work as a team to accomplish one goal in healing the communities who were affected by the Bennett Freeze. I also want to thank Delegates Walter Phelps, Otto Tso, Tuchoney Slim, Jr., and others for their involvement and contributions in coordinating efforts.

Fire and Rescue Services - San Juan County, New Mexico

During the 2016 Spring Council Session, it was reported that discussions and negotiations were ongoing between the Navajo Nation and San Juan County, New Mexico over the transfer of Fire and Rescue Services to the Navajo Nation from San Juan County. The service area includes services for the communities of Newcomb, Shiprock, and Ojo.

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The two sides had agreed that as negotiations moved forward San Juan County would continue to provide services for the three communities. The Navajo Nation would make monthly payments to San Juan County in the amount of \$67,500 through the remainder of the Navajo Nation Fiscal Year 2016, or until such time the Navajo Nation would be ready to assume any or all responsibilities of the fire stations.

The Navajo Nation made an initial payment of \$67,500 for the month of April and is currently working to pay for the months of May and June. This will be a reoccurring cost. The two sides continue to hold discussions on when and how the Navajo Nation would assume all responsibility of the fire stations.

Several discussion items include determining when the two sides would finalize a Memorandum of Agreement and Mutual Aid Agreement document. Other areas of continuing discussion include:

1. Inventory (Stations & Equipment)
2. Leases for Fire Stations
3. Communications (Dispatch Services)
4. Radio Communications (Establishing Frequency & Equipment)
5. Personnel (15 positions budgeted in Navajo Nation FY16, currently 8 positions are filled)
6. Volunteers (Currently recruitment has not yielded any applicants to assist in supporting fire services)
7. Resolving Medical and Pharmacy Direction.

After its recent meeting in early July, both parties will continue to work on addressing all issues. In June, a report from the Navajo Nation Division of Public Safety and Department of Fire and Rescue Services was also provided to the 23rd Navajo Nation Council's Law & Order Committee on the status of the ongoing transfer.

Sacred Sites Task Force

Safeguard Tribal Objects of Patrimony Act

On behalf of my colleagues on the 23rd Navajo Nation Council, I thank U.S. Senator Martin Heinrich (D – N.M.) for introducing the Safeguard Tribal Objects of Patrimony Act (STOP Act), a congressional bill that seeks to prohibit the exporting and sale of Native American sacred cultural items.

I also thank my colleagues on the Sacred Sites Task Force for their strong advocacy in protecting and retrieving sacred items for the Navajo Nation. As you may know, the Navajo Nation has had several items taken from the boundaries of our homelands and transferred overseas for auction. This illegal trafficking of items that are sacred to our people has also victimized other tribes.

For those reasons, Senator Heinrich introduced the bill that would enhance the protections of Native American cultural items under the Native American Graves Protection and Repatriation Act by increasing the sentencing penalty from five years to 10 years for violating NAGPRA and prohibiting the exporting of Native American cultural items obtained in violation of NAGPRA.

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This congressional bill is strongly supported by the Navajo Nation through a resolution sponsored by Council Delegate Jonathan Hale that was unanimously approved by the Naabik'iyáti' Committee on June 23. The legislation approved by the Naabik'iyáti' Committee clearly outlines the challenges the Navajo Nation has been tasked with in retrieving sacred items and I thank my colleagues for their unanimous support.

My colleagues and I look forward to working with our congressional leadership to advocate for the passage of the bill by Congress.

Bluff Elementary School

The San Juan School District in southern Utah acquired and purchased land near Bluff for the construction of a proposed elementary school. According to an independent survey and analysis completed by the Navajo Nation Historic Preservation Department (NNHPD), it was determined there were in fact human remains and historic artifacts present on the land area for the proposed school.

Navajo parents and community members met with the school district to propose solutions to their concerns, however, they have not come to an agreement. The surrounding chapters and community members requested Navajo leadership, the Navajo Nation Human Rights Commission (NNHRC), and the NNHPD to aid them in their efforts.

The Office of the Speaker continues to work with the NNHRC, NNHPD, Navajo Nation Department of Diné Education, San Juan School District, and Navajo parents to develop solutions to the land issue, which is proving to be a lengthy process. An update regarding the elementary school will be provided at a later date.

Bears Ears

The 23rd Navajo Nation Council continues to advocate at the federal level for the designation of the 1.9 million-acres of land known as Bears Ears as a national monument in San Juan County, Utah. The Naabik'iyáti' Committee unanimously supported the designation in March 2015 through legislation sponsored by Council Delegate Walter Phelps.

Since then, Delegate Phelps along with Council Delegates Davis Filfred and Herman Daniels have continued to petition the Obama Administration to designate the area as a national monument.



Photo: Speaker LoRenzo Bates, Council Delegate Walter Phelps, Council Delegate Davis Filfred, Bears Ears Inter-Tribal Coalition members, U.S. Secretary of the Interior Sally Jewell, U.S. Department of Agriculture Under Secretary Robert Bonnie, Senior Advisor to President Obama Brian Deese, Managing Director at the White House Council on Environmental Quality Christy Goldfuss, and staff members with the Obama Administration in Washington D.C. on July 6, 2016.

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On July 6, Delegate Filfred, Delegate Phelps, and I accompanied the Bears Ears Inter-Tribal Coalition delegation to key high-level meetings in Washington D.C. with the Obama administration. We had the pleasure of meeting with U.S. Secretary of the Interior Sally Jewell, U.S. Department of Agriculture Under Secretary Robert Bonnie, Senior Advisor to President Obama Brian Deese, Managing Director at the White House Council on Environmental Quality Christy Goldfuss, and other staff members with the Obama Administration.

The landscape within the national monument proposal is the ancestral home of many southwestern Native American tribes. It is also the birthplace of Navajo Headman Manuelito. Navajo, Ute, Zuni, Hopi, and other Native American people depend on the land within the region to sustain their traditional livelihoods and cultural practices, such as hunting, gathering, and ceremonies.

As the tribal coalition moves forward with this important initiative, we will continue to urge the Obama Administration to designate the Bears Ears area as a national monument through the presidential authorities afforded to President Obama through the Antiquities Act.

Navajo Nation Council Chambers

Upon the completion of the structural investigation conducted by Chavez-Grievés Consulting Engineers, Inc., there were many findings that were conveyed through a report outlining the structural conditions of the roof, floor, and framing of the historic Navajo Nation Council Chamber.

On April 28, the Office of the Speaker met with engineers with Chavez-Grievés to discuss the report. The Navajo Nation Historic Preservation Department (HPD) and Design and Engineering Services (DES) were invited to attend the meeting. HPD's involvement is necessary to assist and provide guidance in ensuring that all protocol is in compliance. DES will continue to be involved to provide technical support. The meeting provided direction to Chavez-Grievés on what the Navajo Nation Council would like to accomplish based on the investigations.

As discussed, the structural investigation is the preliminary step to rehabilitating the Council Chamber and addresses specific concerns regarding the building's safety. As previously reported to the Council, the Council Chamber was well designed and has been deemed safe for continued use.



The Office of the Speaker and Chavez-Grievés agreed to work on the rehabilitation in phases. The first phase will require the repair and replacement of cantilever/beam, the repair of the exterior high wall and roof, and the floor. These items were selected based on the severity of damage and urgency to address.

The next step will involve a bidding process for the construction phase based on the overall cost estimate, experience, and other criteria. We are in the process of researching and seeking external funding from non-profit organizations and other sources to assist with the repair costs.

Sexual Assault Prevention Subcommittee

On May 12, the Naabik'íyáti' Committee established the Sexual Assault Prevention (SAP) Subcommittee in response to the loss of 11-year old Ashlynn Mike, a tragic event that demanded our attention as lawmakers to address this very crucial issue – the protection of our Diné citizens, especially our children.

Council Delegate Amber Kanazbah Crotty serves as chair of the SAP Subcommittee and Delegate Jonathan Perry as vice chair. Subcommittee members include Delegates Jonathan L. Hale, Otto Tso, Leonard Tsosie, and Dwight Witherspoon.



Photo: Sexual Assault Prevention Subcommittee chair Council Delegate Amber Kanazbah Crotty, vice chair Delegate Jonathan Perry, Delegate Jonathan Hale, and Delegate Dwight Witherspoon met with judicial officials and attorneys to discuss issues to begin initiatives to combat sexual assault on the Navajo Nation on July 8, 2016.

The SAP Subcommittee is tasked with strengthening the response to sexual assault victims, exploring data sharing and cross-deputation with outside agencies, developing a coordinated community response to sexual assault, strengthening sexual assault laws, and addressing any other issues relating to sexual assault crimes on the Navajo Nation.

The subcommittee held its first meeting in June and identified areas that need immediate attention, including the following:

1. Coordinate and meet with entities to discuss a Coordinated Community Response; implement by December 2016.
2. Draft data sharing agreements; implement by December 2016.
3. Complete Navajo Nation Division of Public Safety and Judicial/Law Enforcement Capacity analysis regarding sexual assault (re: Adam Walsh Child Protection and Safety Act of 2006 and Violence Against Women Act); implement by August 2016.
4. Implement AMBER ALERT, update communication capacity, look into infrastructure for the AMBER ALERT system, E-911, and rural addressing.
5. Implement Violence Against Women Act on the Navajo Nation including the Tribal Access Program (TAP), and research sustainable funding (i.e. Ramah Settlement or Síhasin Fund); complete by December 2017.

A key area that the subcommittee will focus their attention to is the coordinated community response plan, which will create a series of networks, agreements, processes, and applied principles through collaboration

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of criminal justice agencies, public safety entities (i.e. tribal, state, and federal), and human services programs. It would allow communities to utilize the full extent of the Navajo Nation's legal system to protect victims, as well as to include utilization of our health and social services.

Another important piece of improving response and justice for sexual assault victims is the need to understand and implement the Tribal Law and Order Act, which would allow the Navajo Nation to prevent criminal offenses by imposing harsher and longer sentences to offenders. This is critical to ensuring protections and to alert offenders that our Nation can and will act swiftly in response to crime.

The Office of the Speaker has assigned a policy analyst to the subcommittee to aid with researching current laws and policies that will aid the task force in developing action plans and coordinated efforts to decrease sexually-based offenses on the Navajo Nation.

I commend the subcommittee for quickly defining their goals and establishing a timeline to remain accountable to our Nation to increase protections for our Diné children and people.

Energy

Four Corners

Several environmental groups have filed suit in Arizona's federal district court challenging our 25-year extension for coal operations at Navajo Mine, which is owned by the Navajo Transitional Energy Company. This 25-year extension is necessary for NTEC to continue to meet the coal supply agreement to continue operations of the Four Corners Power Plant.

As you are aware, the Navajo Nation passed several resolutions supporting the purchase and transfer of Navajo Mine and its assets to NTEC, which supports the Four Corners Power Plant. The Navajo Nation's support of this endeavor has always centered on the critical jobs provided to our people, as well as the revenues that contribute to the Nation's General Funds that benefit all of our people.

It is very important that we take this lawsuit seriously and that the Navajo Nation be proactive to ensure our Nation's assets and economic stability. I strongly urge President Russell Begaye and Attorney General Ethel Branch to direct the Navajo Nation Department of Justice to intervene in the lawsuit on the Nation's behalf. A decision not to intervene on the Nation's behalf would be irresponsible and may lead to detrimental impacts to our economy.

Navajo Transitional Energy Company

Near the conclusion of negotiations for the purchase of Navajo Mine, El Paso Electric notified us that they did not intend to sign the agreement due to their planned exit in 2016. This expedited the need to finalize

the deal and protect the interests of the Navajo workforce as well as the Nation's revenues. Now that El Paso has exited the Four Corners partnership, Navajo Transitional Energy Company (NTEC) is in a position to purchase El Paso's seven-percent share.

NTEC will also be finalizing the Navajo Mine purchase agreements this year that will allow the new mine manager, North American Coal Company, to assume management with NTEC in operating the mine. NTEC will be in a position to begin investing at least 10% of its profits in alternative and renewable energy resources as mandated by the Navajo Nation Council during its inception. Although, 10% is the minimum required, NTEC has stated that they intend to invest at a higher percentage in an effort to strategically diversify the Nation's energy portfolio.

Energy Task Force

The Navajo Nation Energy Task Force has met to plan for future energy needs of the Navajo Nation. Two main tasks were given to the task force in its enabling legislation: to work on the creation of a Navajo Nation Department of Energy and to review all energy projects currently being considered.

Additionally, the task force has been working together to share the energy goals and objectives of each Navajo-owned enterprises and departments in order to begin working together collaboratively. Navajo Transitional Energy Company, Navajo Tribal Utility Authority, and Navajo Nation Oil and Gas Company and the Minerals office have also met to identify possible joint ventures and energy projects that could strengthen the overall number of jobs and revenues.

Clean Energy Implementation Plan

In addition to the Energy Task Force, the Navajo Nation has been working specifically on a renewable energy plan with the obvious need to diversify our energy portfolio as well as to take advantage of the renewable energy market.

These discussions have focused on defining renewable energy zones that would be most compatible with renewable energy development such as wind and solar, developing screening criteria that would assist departments and programs in identifying projects that are commercially viable and technologically proven. With the advancement and speed of emerging technologies related to renewable energy, it has been difficult to properly evaluate projects and conduct due diligence without a set of criteria to guide the process.

Additional efforts have been spent educating the group on the various aspects of renewable energy such as the capacity and need for renewable energy within the NTUA system, including residential and commercial off-grid systems coupled with net-metering capabilities as well as the transmission capacity and potential of power purchase agreements for commercial and utility scale renewable energy for export off the Navajo Nation. Each of these renewable energy opportunities have both their strengths and weaknesses and it becomes more and more important that we keep on top of both the challenges and opportunities in this fast moving renewable energy market.

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Third Quarterly Report Program Summaries Fiscal Year 2016

Office of the Auditor General

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The Office of the Auditor General conducts internal audits of Navajo Nation programs, departments, chapters, entities and vendors in conjunction with the "One Nation, One Voice" governance priority of the Navajo Nation.

Accomplishments from 3rd Quarter - Issued seven (7) reports

- Report 16-20 Water Resources Internal Audit
- Report 16-21 Sawmill Chapter Corrective Action Plan 3rd Follow-up Review
- Report 16-22 Administrative Inquiry - Tohajilee Chapter Community Services Coordinator
- Report 16-23 Whitehorse Lake Chapter Corrective Action Plan Follow-up Review
- Report 16-24 Mariano Lake Chapter Corrective Action Plan Follow-up Review
- Report 16-25 Business and Industrial Development Fund Corrective Action Plan Follow-up Review
- Report 16-26 Investigation on Bahastl'ah Chapter Community Services Coordinator

Goals for 4th Quarter (ongoing projects and activities)

- Whitecone Chapter Cash Receipts Special Review
- Upper Fruitland Chapter Special Review
- Many Farms Chapter Corrective Action Plan Follow-up Review
- Accounts Payable Duplicate Payment Special Review
- Contingency Management Fund Special Review - Quality Review
- Tribal Parks Special Review
- FMIS Disaster Recovery Corrective Action Plan Follow-up Review
- Tonalea Chapter LGA Follow-up Review
- Parks and Recreation Department Corrective Action Plan Follow-up Review
- Alamo Chapter Corrective Action Plan Follow-up Review
- Tsaille Wheatfields Chapter Special Review
- Fraud Investigations of Navajo Chapters
- Revisits of sanctioned programs/chapters
- Workforce Development
- Shiprock Chapter

Issues/Recommendations

- Lack of auditors to conduct surprise audit of chapters. Recommend funding for five (5) additional auditors to do surprise audits at each agency.
- Lack of auditors to conduct performance audit of Navajo Nation programs and departments. Recommend funding for five (5) additional auditors to be assigned at the division level.
- Lack of auditors to conduct follow-up reviews of programs and chapters corrective action plan implementation. Recommend funding for three (3) additional auditors to do follow-up reviews.
- Lack of funding to pay for the risk assessment of Executive Branch departments and programs costing approximately \$100,000. The risk assessment will help identify the high risk or non-performing departments/programs that should be scheduled for performance audit.

Black Mesa Review Board

Contact Person: Anna Sullivan, *Board Member*

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Section One: Accomplishments from 3rd Quarter

- Collaborate with Peabody and Community regarding Manymules Waterline Project
- Tour the Reclaim Area, the tank site for Manymules Waterline and visit new home site for relocated residents
- Advocate for local residents to be employed by Navajo Engineering and Construction Authority
- Present resolution for NPL residents at the Chapter and inform Council
- Monthly meetings with Peabody and residents
- Present monthly reports to the Chapter Officials and community
- Construction in progress for Phase 1 Manymules Waterline

Section Two: Goals for 4th Quarter

- Monitor the construction of the Manymules Waterline Project for Phase 1
- Future meeting for Manymules Waterline with OEH, IHS, BIA, 3 Council Delegates and Chapter Officials
- Meet with Evalena Claw, the new Navajo County Road Liaison
- Select a BMRB representative for Kayenta Chapter
- Monitor solar and scattered power line to completion
- Continue to meet with PWCC about community outreach and mining issues

Section Three: Issues/Recommendations

- Grazing, erosions, invasive plants growing, and broken fencing. BMRB will schedule a meeting with Maria Shepherd from PWCC.
- Lacking funds for Many Mules Waterline Project. BMRB will continue looking for Infrastructure funds and try to seek matching funds.
- Wild horses in Reclamation Area. BMRB will assist PWCC, NN ranger and Dept of Agriculture.

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- Lacking a representative from Kayenta Chapter. BMRB will contact the chapter for a representative.
- Office for Environmental Health, Audrey Nelson does not communicate with Forest Lake Chapter House. BMRB will continue to meet with OEH.
- Road Department, Darrel Bradley is not responding to request for a meeting. BMRB will continue to write to Darrel.
- Peabody Funds were forwarded to Natural Resource Department, but it was meant to go to Water Resource Department. BMRB will continue to work closely with Jason John.

Eastern Navajo Land Commission

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Section One: Accomplishments from 3rd Quarter

- Commissions top priorities (1: NELI/NIIP Project; 2: Resolving FWAD; 3: Oversight of Navajo Land Buy-Back Program; 4) New land purchase opportunities).
- The Commission conducted a two-day work session to review land offers by three ranchers and one private entity; the Commission will be touring two of the ranches in July.
- Conducted one Govt-to-Govt (G2G) meeting with USDO in implementing the Navajo LBBP for the final determinations of land values based on mass appraisals and minerals. The treatment of residential leases when the allotment lands are converted to tribal trust will follow tribal home site leasing policies it was determined and those with current leases will have to apply to the Navajo Nation for their leases. These policies would apply only to those allotments which are sold 100%.
- The Federal Land Buy-Back Program has sent offers to 5,500 landowners who have allotments in Alamo, Ramah, Tohajiilee, Arizona, and Utah. As of June 24th approximately 777 landowners have sold their interests at a value of \$10 million, representing about 7% of all interest. Another 20,000 offers are sent dated July 01, 2016 to the landowners of the main ENA. The positive acceptance rate will need to clear 40% in order to fully utilize the \$102 million allocated for the Navajo Nation.

Section Two: Goals for 4th Quarter

- Conduct tour of two ranches northeast of Mount Taylor, the Lobo Ranch and Crawford L-Bar Ranch, combined these ranches have over 92,000 acres.
- Resume dialogue with Farmington and ABQ-BLM District offices to consider best alternative to the Customary Land Users situation of occupying BLM lands.
- Monitor and assess the Navajo Land Buy-Back Program (NavajoBBP) regard offers and sales in ensuring Navajo Program goals are met;
- The NavajoBBP ends September 30th.

Section Three: Issues/Recommendations

- There needs to be positive closure to the Fort Wingate land matter before a meaningful effort of re-initiating the NELI/NIIP Project can be pursued.
- Only an inclusive new land acquisition policy will be beneficial to all of the Navajo Nation.

Navajo Nation Ethics and Rules Office

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Section One: Accomplishments from 3rd Quarter

- Reissued Standard Operating Memorandum to case management to address influx of cases to reduce NNERO cases due to limited resources.
- Initiated amendments of the Ethics in Government Law and Standards of Conduct and the Office of Hearing and Appeals Hearing Rules.

Section Two: Goals for 4th Quarter

- Hire new Executive Director for the Ethics and Rules Office.
- Continue to work with the Office of the Auditor General to file and close out cases referred to the NNERO.
- Shall continue to seek out additional funds to hire additional staff; 2 Presenting Officers, 5 Investigator/Forensic Auditors.
- Set up work session with the Law and Order Committee: Ethics and Rules Administrative Hearing Rules as revised by the Office of Hearings and Appeals and Ethics in Government Laws.

Section Three: Issues/Recommendations

- Set up work sessions and professional staff development for NNERO staff in next quarter including the Law and Order Committee and the Resources and Development Committee to implement transfer of Navajo Nation Prosecutor White Collar Unit under the Navajo Nation Ethics and Rules Office.

Office of Navajo Government Development

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The Office of Navajo Government Development (ONGD) is part of the governance priority of the nine priorities which were set by the Navajo Nation Government. As a part of the governance, the major accomplishments of ONGD are listed as follows:

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Accomplishments

- The ONGD is a part of the Task Force created by the Resources and Development Committee of the Navajo Nation Council to review Title 26, the Local Governance Act for amendments. The Task Force meets weekly with the attendance of chapter officials and staff. The Task Force recommended to implement a proposed major reform to Title 26 that will create a regional form of government.
- Chapters will be consolidated into regions. The ONGD staff is gathering comments on the proposed regional government.
- In this quarter, the ONGD hosted public education sessions at 18 chapters/communities, organizations, tribal departments and high schools (Chinle and Monument Valley).
- ONGD staff also provided technical assistance in community land use plans and pre-LGA and post-LGA certification, Title 26 and alternative forms of government to eight chapters. Chapters requested ONGD services in these areas.

Goals

- Nation building-review all aspects of the existing government structure at the local level through public hearings, listening sessions, etc., to get recommendations from the Navajo people.
- Local government empowerment-provide technical assistance to non-LGA and LGA certified chapters so they can be self-sufficient.
- Public education education of the Navajo people on government development; utilizing educational curricula such as brochures, published reports, and the Internet.

Issues/Recommendations

- The Policy Analyst position has been vacant since March 2016. Department of Personnel Management reviewed the applicants and referred an applicant. The ONGD staff decided to re-advertise and will schedule interviews for qualified applicants. By the end of July 2016, a selection should be made. Currently, the ONGD does not have adequate staff to assist with research projects.
- ONDG has limited funds for program goals and activities. The Office of the Speaker committed to assist with funding for certain activities.

Navajo Nation Human Rights Commission

Contact Person: Leonard Gorman, *Executive Director*

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Section One: Accomplishments from 3rd Quarter

- Navajo Consumer Credit Seminar: Arranged and facilitated a Navajo consumer credit seminar at Leupp Chapter House in April 2016. However, no one participated in the seminar.
- Solicited data from border towns: The commission selected four border towns to assess employment issues. The office continues to probe data from Farmington, New Mexico.
- Work on International Human Rights Issues: Staff accompanied members of the Subcommittee on

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Sacred Sites to meet at the United Nations in New York, NY to address international repatriation of sacred objects.

- Consumer Rights: The office is working with the Federal Trade Commission on assessing Navajo consumer concerns who fall victim to predatory auto lending and possibly bring action against border town automobile dealers and lenders.
- Reviewed Citizen Complaints: The office received new complaints during the third quarter. Intake meetings were conducted and majority of the complaints were staffed for investigations. Majority of issues include predatory auto sales and employment issues. In addition, the office continues to work with the City of Winslow regarding conciliation measures after the death of Loreal Tsingine.
- Ensure San Juan County Utah voting rights is addressed: The office continues to work on redistricting issues for the State of Utah San Juan County. Currently, the Commission is a complaining party in the matter of *Navajo Nation Human Rights Commission et al v. San Juan County et al.* and *Navajo Nation v. San Juan County*. Both cases surround redistricting the county and school board, and the mail-in ballot issue.

Section Two: Goals for 4th Quarter

- Consumer Credit Seminar: Navajo citizens continue to request seminar on consumer credit and predatory auto sales and small loans. The next credit seminar will be held in Shiprock, New Mexico in September 2016.
- Conduct Seminar on LGBTQ: Anticipating the final report to be adopted by the Commission on violence against Navajo women and gender violence. The Diné Life Way principles will be incorporated into the final report and will serve as a guide to addressing gender violence and discrimination at the seminar.
- Conduct Public Hearing: Conduct the third public hearing on assessing employment issues in the border towns. The third public hearing will be held in Farmington, New Mexico at the Farmington Civic Center.
- Continue Assessment Data: Continue to collect data from the City of Farmington in preparation for the Farmington public hearing on employment issues.
- Continue to Receive Complaints: Navajo citizens file complaints about discrimination and human rights violations. Will continue to assess and investigate filed complaints.

Section Three: Issues/Recommendations

- Subcommittee on Sacred Sites: Several internal Navajo sacred site issues come to the commission. While the office is required to coordinate with other Navajo government programs, it continues to be a concern that Navajo individuals raise concerns on sacred sites with the commission while the Navajo Historic Preservation Department ("HPD") statutorily protects all Navajo cultural resources. It is necessary to streamline how the commission and HPD would respond to cultural properties issues.
- Consumer Advocacy: The Navajo people significantly depend on the goods and services provided in the border towns. Many Navajos also move to the border towns for better education and jobs while they continue to maintain strong connection with their traditions, culture and values. It is essential that Navajo Nation advocate for advancement in assuring that these Navajo individuals have an opportunity to become leaders in these border towns, too.

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Navajo Nation Labor Commission

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Section One: Accomplishments from 3rd Quarter:

- Efficient use of allocated funds, NNLC held fifteen (19) evidentiary hearings
- NNLC and program timely processed two (2) appealed NNLC cases to Navajo Nation Supreme Court
- NNLC program timely processed one (13) formally filed complaint
- NNLC timely adjudicated fifteen (18) NPEA cases
- NNLC and program timely closed and issued eight (11) orders
- NNLC & program timely issued and mailed eight hundred (800) subpoenas and notice of hearings by first class, facsimile and email to counsels of record or parties
- NNLC will continue to adjudicate one hundred thirty five (75) pending NPEA cases
- NNLC program made five (4) audio copies at parties' request

Section Two: Goals for 4th Quarter:

- Efficient use of allocated funds and timely processed appealed NNLC case(s)
- NNLC & program will timely adjudicate NPEA cases
- NNLC & program will timely process formally filed NPEA complaint(s) and/or petition(s)
- NNLC & program will timely issue and close out NPEA cases
- NNLC & program will continue review and amend NNLC Ruled of Procedure
- NNLC & program will continue to preserve substantial rights of all employees and employers in accordance to Navajo Law

Section Three: Issues/Recommendation(s):

- NNLC only received funding for 62 hearings for FY 2016. Additional funds will be needed to adjudicate pending NPEA cases during FY2016. In FY 2015, NNLC conducted 121 evidentiary hearings. Additional funds were provided by Office of the Speaker.

Navajo Nation Election Administration

Contact Person: Edison J. Wauneka, *Executive Director*

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Section One: Accomplishments from 3rd Quarter

- Election Board members conducted six regular meetings and one work session

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- Election Board approved five resolutions during their regular meetings
- Election Administration finished candidate filing period for 2016 Chapter Election
- Election Administration working with Navajo County to combine poll workers
- Election Administration working on questions and concerns from February 23 Arizona Presidential Preference Election
- Established sub-office for Cibola County Voting Rights Coordinator in Ramah, NM
- Prepare for 2016 State Elections with Arizona and New Mexico counties
- Assisting Counties and States with interpretation and translation of ballot questions/election materials
- Conducted special election to fill the vacant District 14 Navajo Nation Council position
- Recommended three amendments to the Navajo Nation Council to Title 11 – Navajo Nation Election Code

Section Two: Goals for 4th Quarter

- 2016 Navajo Nation Chapter Primary Election
- Begin the Cycle 1 of Navajo Nation Council Reapportionment
- Public Education for 2016 Navajo Nation and State Elections
- Enforce Election Laws and Policies
- Amend Election Laws
- Fill Existing Elected Position Vacancies within Navajo Nation
- Conduct voter registration drives at all Navajo Nation Fairs
- Continue working on next phase of Voter Registration Database for Navajo Nation Elections
- Increase and maintain Annual Funding
- Enforcement of Policies
- Secure Office Buildings/Equipment

Section Three: Issues/Recommendations

- Election Administration needs Office and Storage Space
- Obtain Independent Legal Counsel
- Establish Board and Administration as Independent Entity
- Navajo Nation Election Need New Voting Equipment

Navajo Utah Commission

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Section One: Accomplishments from 3rd Quarter

- The Navajo Utah Commission and in particular, the Utah chapter representatives appointed to the Utah Dine' Advisory Committee (DAC) made substantial progress in rule-making regarding manage-

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ment of the re-activated Utah Navajo Trust Fund (UNTF). Chapter driven policies and procedures were enacted into law by Utah legislative standing committees. Appropriations and services from the UNTF will finally be made available again during FY2017 after an absence of nine years.

- The Navajo Utah Commission's active support of H.B. 33 resulted in passage of this educational legislation during the 2015 Utah Legislature. State of Utah education funds are being made available to address the educational achievement gap for low-performing Native American concentrated schools. The San Juan School District (SJSJSD) submitted a funding application for three of the five SJSJSD schools serving Navajo students.
- The Navajo Utah Commission assisted the Red Mesa Chapter in preparing a funding application seeking \$400,000 from the Utah Navajo Trust Fund (UNTF) FY2017 budget for the Red Mesa Chapter Administration Building Project.
- The Navajo Utah Commission assisted the Teec Nos Pos Chapter in preparing a funding application requesting \$200,000 from the UNTF 2017 capital outlay budget for the Teec Nos Pos Chapter Renovation Project.
- The Navajo Utah Commission assisted the Aneth Chapter in preparing a funding application seeking \$300,000 from the UNTF 2017 capital outlay budget for the Aneth Chapter Phase I Scattered-Sites Powerline Project.

Section Two: Goals for 4th Quarter

- The Navajo Utah Commission and Utah chapters will seek the support and leadership of the Begaye/Nez Administration in regard to advancement of the proposed Navajo Nation/State of Utah Water Settlement Agreement.
- Submit Utah Navajo issues and concerns position statement to Gov. Gary R. Herbert for discussion purposes during the Tribal Leaders roundtable scheduled for the 11th Annual Utah Tribal Summit.
- Seek meeting with the Utah Native American Legislative Liaison Committee (NALLC) on the Navajo Nation in San Juan County, Utah to provide first-hand observation of tribal issues.
- Meet and work with the San Juan School District in addressing educational achievement gap issues relative to funding recently made available as a result of H.B. 33 enactment.
- Assist two Utah chapters with preparation and submittal of funding applications for capital projects prioritized by chapters.

Section Three: Issues/Recommendations

- The Navajo Utah Commission enacted Resolution No. NUCNOV-659-15 endorsing the proposed Navajo Nation/State of Utah Water Settlement Agreement. The seven Utah chapters passed similar supporting resolutions. The Navajo Nation Council enacted Legislation 0412-15 endorsing the proposed Utah Water Settlement Agreement. The Utah Legislature passed a concurrent resolution reaffirming support and commitment for a settlement. The Begaye/Nez Administration has hesitated in expressing support and has sent mixed signals to the State of Utah and Congress regarding strength of Navajo support. Navajo Utah Commission is respectfully urging the Office of the President and Vice President to clearly and unequivocally express support for the Utah Water Settlement Agreement.