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**Budget and Finance Committee receives update on
the construction of judicial and public safety facilities**

WINDOW ROCK – At a special meeting on Monday, the Budget and Finance Committee received an update from the Navajo Nation Department of Corrections concerning the financial shortfalls relating to the construction of judicial and public safety facilities in several areas of the reservation.

Stephanie Baldwin, Navajo Nation DOC administrative services officer, updated the BFC on the financial costs associated with the two-phased construction of the Chinle judicial/public safety facility, which is scheduled to begin in April.

According to figures provided by Baldwin, the estimated combined construction cost of Phase I and Phase II totals \$47.5 million, with a combined shortfall totaling \$27.9 million.

In addition to the Chinle facility, the DOC plans to construct judicial/public safety facilities in Shiprock, Fort Defiance, Dilkon, and Pinon. However, funding has not been secured to cover the cost of constructing these facilities, which is estimated to total \$157.3 million, said Baldwin.

Baldwin also explained that the judicial/public safety facility in Kayenta is approximately 40 percent complete and is scheduled for completion in March 2014.

With the recent completion of the Tuba City and Crownpoint judicial/public safety facilities, Law and Order Committee Chair Council Delegate Edmund Yazzie (Churchrock, Iyanbito, Mariano Lake, Pinedale, Smith Lake, Thoreau), who was in attendance at the meeting, explained that the LOC now plans to update and expand the DOC judicial/public safety facilities priority list.

The judicial/public safety facilities priority list is established by the LOC to prioritize the locations that are in need of new facilities.

Delegate Yazzie added that the LOC and BFC need to approve Legislation No. 0083-13, a bill which will allow amendments to the judicial/public safety facilities fund management plan.

The proposed additions to the priority list were met with opposition from some delegates.

BFC member Council Delegate Lorenzo Curley (Houck, Klagnetoh, Nahata Dziil, Tsé Si áni, Wide Ruins) explained that when the previous 21st Council approved the judicial/public safety facilities fund management plan, the intention was to keep construction costs minimal.

“Are there any restraints in the spending spree that is developing here?” asked Delegate Curley.

Delegate Curley further stated that the fund management plan needs to limit the funding for judicial/public safety facilities, and shift the focus to capital improvement needs, such as improvements to administration buildings.

Council Delegates Nelson BeGaye (Lukachukai, Rock Point, Round Rock, Tsaile/Wheatfields, Tsé Ch’ izhi) and Jonathan Nez (Shonto, Navajo Mountain, Oljato, Ts’ah Bii Kin) urged delegates to secure funds to complete facilities currently under construction before expanding the priority list.

Navajo Nation Controller Mark Grant offered options to address the construction shortfalls.

One option would be to service the Nation’s current \$60 million loan from KeyBank and continue utilizing it as a revolving line of credit, which would be more costly because interest rates are expected to increase over time, said Grant.

Another less costly alternative is to issue bonds, because interest rates are currently low which means the Nation would be locked in to a low rate for the entire period. However, the issuance of bonds requires the approval of the entire Council, Grant explained.

BFC Chair Council Delegate LoRenzo Bates (Nenahnezad, Newcomb, San Juan, Tiis Tsoh Sikaad, Tse’Daa’Kaan, Upper Fruitland) encouraged the DOC, LOC, and BFC to establish an updated priority list and to address funding shortfalls.

At a special meeting on Tuesday, the LOC considered Legislation No. 0083-13, the bill concerning the priority list, along with discussion on funding shortfalls.

Delegate Nez supported the LOC’s efforts to construct new facilities, and urged LOC to focus on the current construction taking place in Kayenta and Ramah - each of which was funded by the American Recovery and Reinvestment Act of 2009.

“Kayenta needs to happen,” said Delegate Nez. “They’ve been moving from place to place and need an office as soon as possible.”

In light of the discussions between the B&F and LOC, Council Delegate Alton Joe Shepherd (Jeddito, Cornfields, Ganado, Kin Dah Lichíí, Steamboat) recommended an amendment to the legislation that would extract the priority listing until the LOC members agree on which locations should be prioritized.

During their special meeting, the LOC approved an amendment to expand the priority list from five locations to ten locations.

The LOC also voted to approve the legislation 2-0 with two amendments.

Legislation No. 0083-13 now moves on to the BFC, which has final approval.

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