

BOARD OF COMMISSIONERS REGULAR CALLED MEETING

Via Microsoft Teams/Teleconference

October 28, 2021

9:00 a.m.

MINUTES

I. CALL TO ORDER; ROLL CALL, INVOCATION; ANNOUNCEMENTS.

A Regular Meeting of the Board of Commissioners of the Navajo Housing Authority was held on Thursday, October 28, 2021. The meeting was called to order by Board of Commissioner Chairperson David N. Sloan at 9:12 am., Via Microsoft Teams

ROLL CALL: (*P – Present, L – Late, A – Absent, T – Teleconference*)

David N. Sloan, Vice Chairperson, Licensed Professional Architect Representative – Via Microsoft Teams

Kerrie L. Begaye, Secretary/Treasurer, Tenant/Homebuyer Representative – Via Microsoft Teams

Tammy E. Yazzie, Member, Tenant/Homebuyer Representative – Via Microsoft Teams

All 3 members were present, which constitute a quorum, all 3 members were present through the entire meeting.

Staff on Microsoft Teams: Dwayne Waseta, ICEO; Heather Duncan, ICFO; Ernest Franklin, Jr., ICOO; LaVerne A. Johnson, Legal Manager; Luis Ochoa, General Counsel Quarles & Brady; Nellie Gilmore, Grants Manager; Calandra Etsitty, Compliance Manager; Kenneth Cooper, HR Director; Sharon Begay, Risk Manager; Arne Willetto, Maintenance Division Director; Mary Vandever, Interim Housing Mgmt Division Director; Olin Arviso, Facilities & Fleet Mgmt Div. Director; Earl Tulley, Veterans Liaison; Christian Bigwater, Public Relations Coordinator; Olivia Tsosie, Administrative Specialist; Doreen L. Yazzie, Executive Administrator.

Invocation: Kerrie L. Begaye, BOC Secretary/Treasurer

II. RECOGNIZE GUESTS AND VISITING OFFICIALS

Rickie Nez, RDC Chairperson, 24th Navajo Nation Council attending by Via Teleconference, there was technical difficulties.

Rodney Tahe, RDC Legislative Advisor

III. REVIEW AND ADOPT AGENDA

MOTION: Commissioner Kerrie L. Begaye motioned to review the agenda, seconded by Commissioner Tammy Yazzie. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

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Commissioner David N. Sloan read the agenda into the record.

MOTION: Commissioner Tammy Yazzie motioned to adopt the agenda, seconded by Commissioner Kerrie L. Begaye. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

MOTION: Commissioner Kerrie L. Begaye motioned to amend the agenda to add Resolution NHA-5070-2021, seconded by Commissioner David N. Sloan. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

IV. REVIEW AND ADOPT MINUTES

1. Minutes of the BOC Regular Meeting – September 23, 2021

Via Microsoft Teams

MOTION: Commissioner Tammy Yazzie motioned to review the minutes of the Board of Commissioners Regular Meeting on September 23, 2021, seconded by David N. Sloan. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

We will review the minutes.

MOTION: Commissioner Kerrie Begaye motioned to adopt the minutes of the Board of Commissioners Regular Meeting on September 23, 2021, seconded by Commissioner David N. Sloan. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

V. NHA REPORTS

MOTION: Commissioner David N. Sloan motioned to review the reports, seconded by Commissioner Tammy Yazzie. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

1. Executive Report – Dwayne Waseta, ICEO

Mr. Waseta provided the overview of his report. This is the lowest that we ever drew which is \$56.3M, The NHA did not meet the 3x allocation requirement, we were over the 3x language by \$22.5M, this is a challenge that NHA will face for FY 2022. On September 25, 2021 we sent a letter to HUD regarding the undisbursed funds, as of this month we have not received a response. The FY 2022 IHP has been accepted by HUD we have not received the allocation notice, when we get the notice there is probably going to a reduction of the \$22.3M that going to be a significant impact on the need portion. The 2019 FMR we still have not received a response from HUD. The Annual HUD Review; NHA is under review for 3 grant years, 2019, 2020 and 2021, the annual review started on August 2, 2021 and as of this month, we had a discussion with HUD on Tuesday and we were verbally told that HUD is going to end the review in the month of November and send a DRAFT review of the report, they would like to conduct an exit conference and we told them to provide us some dates so that we can schedule the exit conference with the board and the management team.

2. Operations Report – Ernest Franklin, Jr., ICOO

EF. Mr. Franklin provided an overview of his report under TAB 3.

Any comments or questions from Commissioner Begaye or Commissioner Yazzie?

TY. Thank you for putting the graphs in your report Mr. Franklin, especially the total vacant dwelling units for 2019 to 2021, it gives you a good perception of the vacancies and something can be made available for leadership if they inquire about why some of these units are not being filled, there's data to support that, it's a huge improvement, like the work orders and visually what is provided before us and analyze, what's going on in Fort Defiance, Chinle and Ojo verses all the other sites, does it have to do with the structure of the units. A graph really tells a lot, so I

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appreciate the information, I also have a question, has NHA every in years past completed 100% of their recertification? I have seen them reach 100% on a lot of their recertifications on a lot of occasion.

HD. I appreciate your question, we have reached 95% recertification, the issue we have is with homeowners with their recertification, per policy our recertification is supposed to be completed by March 30th, although we had the pandemic, we still did virtual recertification, we worked with the families over the phone, we had drop boxes. In the 3 years I've been here we have reached 90% of the recertification.

TY. I also see that there is going to be a meeting put in place on how the recertification is going to be achieved, I think that is good.

KB. There are no issues or recommendations within your department at this time, correct? With the Pandemic what three things did you change to better serve NHA.

Virtual meeting, keeping up with PPE's and following the CDC guidelines and having the cleaning contract in place to help keep our employees safe.

KB. I have one more question, as the ICEO stated we are over the 3x language, how do you feel about that and what is your Corrective Action to make sure we do expend the funds that were allocated to NHA.

EF. As the ICOO I concentrated on getting all the Release of Funds addressed, the environmental person and I have created a dashboard to track where the Release of Funds are at and how much has been completed, we are in a position now for the Release of Funds in the amount of \$50M, with another \$75,000 which is on the way, to set up the budgets. I can include graphs in the next report, to show what we did last year and what we can do this year to get the contracts into place and get them awarded and mobilized and begin to draw down. We are going into the winter months now, we can get a lot of the civil work done and hit the ground running during the Spring with construction and make a big dent, I can show you, my projections.

TY. NHA was accepting applications, application process for electricity, propane and rental, I want to know the status, how may applications have been received, if there is a process in place? just the status on that.

DW. NHA initiated the program back in late March and early April was the Emergency Rental Assistance. There is mixed communication, we received a notice stating it ended at the end of September. We are still gathering the statistics, we had to provide a report to IRS on the number of clients we assisted, the income limits for those we assisted, and number of areas assisted in terms of rental and utilities, that's in motion now, we are putting that report together to submit to IRS. there was an email sent by IRS that it was extended and we are trying to find that notice, there are two different programs, there's an ARAP I, ARAP II, the programs were conflicting one another, therefore it took us awhile to get it going, we got it up with staff, we did have staff that had challenges. We will have a report at the next board meeting, it will be based on the statistics on the amount of money that was spent.

TY. I'm glad to hear that it's in motion in terms of getting a report together, for constituents that will be inquiring for a response. It would be good to have, to reference, and if a client was denied was there a denial letter that was sent.

There is a requirement just like with NAHASDA, there is a notice of eligibility, and there's a criteria checklist that housing authority uses, the same thing that the Navajo Nation was utilizing on their hardship criteria. The final part is the income, we have that in place.

KB. With that statement, I don't understand why we don't have that report on hand, knowing that this is federal monies, and lot of those reports are not readily on hand, I don't know if there was a

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system where these individuals applied at, just information like that, I just don't understand why it not available, at least have an estimate, figure or if they were paid out or not, I don't need a response.

3. Administrative Branch Report – Terrilynn Cook, CAO

DW. Mr. Chair, Ms. Cook is not available therefore, Ms. Sharon Begay will provide the report. Sharon Begay provided the Administrative Branch Report.

KB. I would like to see the CARES IHP, I would like to see what's going on with that funding. I am going to voice my concerns about the grounds of NHA property, we have weeds growing nearly to half of the home, to that height, who is going clean that up, also street clean up, dirt has gotten on the streets, do we have street sweepers that the maintenance can use, we need beautification around the offices. I know there was a grant, but the budget was still being set up, what are the plans to keep our offices nicely presented?

DW. The ARP, as you know in your booklet the ARP is being presented to the board for us to submit to HUD, once approved it will need to go to HUD for finalization that's the ARP funds for 2021. The weeds and grounds keeping, in 2020 the board took \$30M and allocated from COVID and did the amendment, they took out the monies that were allocated to those programs, so one whole year the money that was approved through a board resolution the monies were reallocated to some of the activities. In 2021 we finally got the monies that were not spent in 2020 we allocated it back and still we didn't have enough money for some of the areas where we already spent, so when you change the IHP it interrupts some of the activities that were planned, so this is what happened.

So, with Kerrie's question in number 2 under the resolution review, we will talk about that later regarding the American Rescue Plan Act. As far as Maintenance, we would need to talk with Olin to address the reallocation of funds and get a plan in place to get the weeds cut at some locations where this might be a health and safety issue, this might be getting into health and safety.

KB. I would like to hear solutions and not the history. This has been ongoing, if not now show us a plan.

Olin. The Grounds Improvement IHP used to be under Facility Maintenance Division as of May 3rd, it's been moved over to the Maintenance Division to take care of all of the PR units in reference to grounds keeping and additional activity with the grounds, As Mr. Waseta mentioned and indicated that has changed to Fort Defiance, Shiprock and Ganado, so those are the only three areas the IHP addresses. The Facility Management Department oversees the Housing Management Offices, and the offices in Fort Defiance and Window Rock campuses. We have a facility manager and 2 staff that take care of all of the NHA buildings.

DS. As Dwayne stated he will talk with Arne Willetto and yourself to come up with some ideas.

TY. I know Kerrie mentioned this at the last meeting, just for clarification the issue with the weeds, is this a unit that is vacated or around the NHA premises like the offices or homes that just need to have their weeds pulled. Is the policy different for Public Rental versus Homeownership, I'm assuming coming in as a tenant for the board role, I am at some liberty to talk about this, working for the Navajo Nation my payroll deduction for my house was easy, but being I left the Navajo Nation, the organization that I work for doesn't do payroll deduction, that's my responsibility now. Sometimes I become late, not to say that I wasn't able pay, it's I have other things to do, I receive those notices that Ms. Duncan mentioned earlier, and I'm sure there's stuff in my file that indicate 1st notice, 2nd notice. Last month my daughter and I were driving around the housing area to see who decorated for Halloween, I noticed some units, like one unit in

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particular they literally has everything maybe stuff they don't need any more in their driveway, it doesn't look good, I just figured maybe they're going to find where it needs to go or toss it away, driving around again, not to say that I'm looking at who's not in compliance, it's so visible to see that I think they got new furniture, they have their old couches sitting out there and I was reflecting that on me on how many notices I received for non-payment and wondering if they had that, I'm sure it's against the policy as homeowners to have a situation like that. Is it because I'm a renter that the restrictions are higher versus homeownership, there needs to be a balance, if people are getting notices for non-payment, then it should apply, in the policy it stated that non operative vehicles shouldn't be parked in your yard, but I see that, so I'm wondering if it's different for homeowners, the restrictions are less than those of us within the Public Rental? With my earlier question about the weeds, I think as tenants we have to pull the weeds, NHA informs us we have to have a clean yard as tedious as it we still find ways to do that.

Ernest. This issue about housekeeping and yard keeping, there are two different policies one for homeownership, one for public rental, they both have that clause in there, it's a matter of us enforcing this type of activity out there. Believe me it was worse than what it is now, a lot of times we have some very irate tenants come back at us and they run to the council delegates and they say, they are not treating me right and then we get chewed out and things like that, even though we show pictures, we threaten them and tell them we are going to evict you, it comes with political issues, it shouldn't be but it does become a political issue. We did develop an app, so you can document the house, you can take pictures and provide the comments.

DS. I am looking at the minutes of September 23, 2021 and this was discussed, we need some type of response to the board in what is in the process and what the plans are.

KB. It's within the streets of NHA entrances.

TY. Some of the concerns and issues, within the minutes it's extremely detailed, do we track these ourselves or maybe a tracking system to resolve the issues.

DS. We need to go back to the minutes and address the concerns that have not been resolved, we just glance over the minutes, but we have not received a response from management to address the concerns that were brought up, we need it documented. I want the work session to take place regularly a week before the regular board meetings to address the outstanding issues and concerns.

MOTION: Commissioner Tammy Yazzie motioned to adopt the reports, seconded by Commissioner Kerrie Begaye. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

VI. RECEIVE UPDATES ON STATUS OF DIRECTIVES - NONE

1. 2020 Board of Commissioners Directives

VII. REVIEW & APPROVE RESOLUTIONS

RECALL RESOLUTION NHA-5050-2021: TABLED on July 16, 2021 Motioned by Kerrie L. Begaye, seconded by Commissioner Stanford Lake. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

1. **NHA-5050-2021:** Approving the Award of a Design-Build Construction Contract to Arviso Construction Company, Inc., for the Phase I Civil Work for New Development of 20 Public Rental Units at AZ12-200 in Lukachukai, Arizona for the Guaranteed Maximum Price of Two Million Seven Hundred Eighty-Five Thousand Four Hundred Seventy-Eight Dollars (\$2,785,478.00).

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MOTION: Commissioner Tammy Yazzie motioned to Recall Resolution NHA-5050-2021, seconded by Commissioner Kerrie Begaye. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

As you recall, it's in the notes for July 16, 2020, as to the comments that we had, I had some concerns about the pricing and the proposed phasing of the project, the phasing was they were going to do the site work first in placing the overall grading, drainage, put in the streets, sidewalks, water and sewer, utilities below grade and leaving the house pad just compacted. And we did have concerns leaving that exposed and we didn't know how much time it was going to elapse before we would get funding to actually do the houses, now we have the resolution, the resolution is incorrect in front of the contract, I think the documents were resubmitted as was before with the exception with the budget that was changed to remove the contingency amount from the first proposal and that changed the price of the Guaranteed Maximum Price, but if you go to the exhibits and cost break down schedule of values, it has some numbers blocked out, so the column summary prices don't work out, with these numbers that are blocked out, and I don't know why they are blocked out. The other concern also when this was first presented on July 16, there was some drawings that were included, and those drawings were completed on July 12, and I see some of these cost items were completed prior to July 12, to me there was not a consistent follow through having the drawings completed first, and then having the budgets prepared based upon the drawings, that's what I noted in my comments back in July, we basically have the same materials submitted with just those changes that I mentioned with the contract cost. I have another concern, this will need to be answered by individuals who have the legal understanding of contracts, I sent to Dwayne and the Legal Counsel for NHA, I sent them information on CFR 200, which is the Procurement Standards for HUD regarding NAHASDA funding and the concern is the CFR 200 prohibits the use of contracts that use a cost-plus contracting arrangement and this contract that we have design build is a cost-plus contract. Dwayne are you there? have you had any response back from legal?

DW. I can give you the background on this, it's the cost and work plus the contractor's fee that's included in there, that's how the contractor was developed for this mechanism, and they've been using this since 2014, and this is part of the development that was created when we first started the modulars, the concern I guess that you're raising is the cost of work plus and the contractor's fee for the guaranteed maximum price, that's the wording that you're concerned about. Luis, you reviewed this contract can you provide the interpretation of article 47.8 of the NHA procurement? Luis. The procurement policy all follow the CFR as they were amended back in 2016, it went through a very intensive and extensive update of the NHA procurement policies, so that we can be in compliance with the new standards as they were published in the CFR, the way I read the contract and I know Mr. Billison is also on this call, I took it to mean that we are in compliance with the guaranteed maximum price requirement and I do agree that for pricing purposes for procurements under federal contracts you cannot use cost plus, but I didn't interpret that to be a literal statement to be cost plus. Mr. Billison might be able to answer that in more detail, what I want to confirm is that we have been in compliance with the CFR that chairman correctly notes are applicable to the construction contract procurements. If needed we need to go back and amend the contract and have the contractor agree that it's not a cost-plus basis it's a guaranteed maximum price, and how they arrived at that and explain by the pricing schedule that they submitted. Mr. Billison if you can clarify that I would appreciate that.

DS. I don't know if Mr. Billison can do that, a cost-plus contract basically is just what Arviso did, the guaranteed maximum price is just saying that whatever the cost plus price was, which is prices

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received from subcontractors and plus the contractors fee, that was part of my concern, was number one; back when I originally reviewed the contract wasn't complete, the exhibits weren't filled out, none of the subcontractors were identified the architect was engaged under a separate contract when it's supposed to be a single contract, it just has different steps to it, my concern was those prices that were in the schedule of values didn't reflect the actually drawings that were completed on July 12th, because I seen those prices come in, there's a price from Rose Contracting that was put together back in March or April, way before the plans were completed, that's where I was checking that price, that price that Rose Contracting had for earthwork was quite high, and it's still high, and it's still in the contract schedule of values, so I saw a lot of inconsistencies, to me it's still a cost-plus contract. Even in the Navajo Nation Housing Procurement Code, that same CFR is referenced, I don't know if you're saying Mr. Luis, that NHA needs to go back and amend the agreements somehow to make the change so it's not a cost plus, but even with that, the other concern I have with most federal funds there's always a requirement with competition, with competition meaning you have to have at least two bidders, so there are some disconnect here with this contract and I can send you a copy of the CFR that clearly states that.

Mr. Ochoa. Yes, Chairman I am aware of that and I agree with you, that's why I think for now the motion ought to be tabled and I can circle back with Mr. Billison and go through the facts of the RFP, because I understood this had been competitively bid and procured from the very beginning based on the RFP that went out that basically called for on-call services originally. I guess those are all questions that I would like to go back and figure all of that out, because my understanding was it was originally competitively bid back in March of 2019.

DS. I can send you a copy of the CFR highlighted, there's a provision that has procurement by competitive proposals and there's some conditions, it says the technic of competitive proposals is normally conducted with more than one source submitting an offer and either a fixed price or cost reimbursement contract. That might have been an initial concept, even that is limited, I think if NHA went through the process of qualifying 12 companies and only allowing one company to submit a cost proposal they should have selected two and at least had two offers.

LO. I agree, that's why I'm saying, I understood that had been done, that's why I'm suggesting that we go back and see if that was indeed the case, before this resolution is voted on.

DS. Dwayne knows that only Arviso was given the opportunity to bid.

DW. Sir, there was a response of history sent to you by email from Mr. Billison regarding your concerns and this right here, in his records are three RFP's for Design services that was competitively bided out on March 2016 and after that competitive part of it, there was a second phase that was the Scope of Work that was conducted in September 2019. After all of the process it was initiated in March of 2020 which you see approved in the three contracts, the first phase of the RFP was the request for qualification, responsiveness and evaluations, and then the second phase was the actual design phase proposal request from all responsive bidders, response of evaluation was conducted, all the individuals were given an opportunity for a request for design proposals, and whoever provided the responses, they're the ones that did the responsiveness and evaluation from whatever team was part of that, that's how this was selected in terms of the whole procurement process.

DS. To me that doesn't sound right Dwayne, I'm sorry. I think we need to follow Luis' advise and have Luis work with John Billison an really document.

Luis. Chairman, I'm happy to do that, if it helps with respect to RFP #437 Exhibit C-1 shows a bid tabulation sheet with three entities that responded to the RFP. I don't know if it addresses your concern.

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DS. No, it doesn't, Luis what I'm talking about is the actual cost proposal, schedule of values that was submitted and there was just one offer, when there should be two, there should be two offers based upon some plans.

DW. So, commissioner when they selected, the one they selected was the developer after the three individuals they evaluated, and after the three individuals they went with the best rated individual, which was Arviso.

DS. Well, that is not really design build, design build contracting is when you have a team, whoever leads the design build team, whether it's the contractor, architect or developer that team is put together that way and the architect is really working for in this case Arviso.

DW. Chairman, Arviso is the lead and he has his team who are part of that, that are included. When Commissioner Lee was here those are the some of the questions he had when he first started in 2018, and we went through the whole process with them, in terms of interpretations, Mr. Lee at the time was working under Federal Grants under his own business. I provided the documents of how the selection team was selected, a group of individuals that did the evaluation and they came down to the three individuals and the final was the highest rated individual using the current criteria under the RFP requirements. It's a board decision, if you want more clarification we can give more clarification, we will need to do a stop order notification until we get clarification, in terms of question, these projects were all board directives from 2019, these board directives was given to the former CEO, Mr. Dougall to fast track the projects that's where these dates come in from 2019. The concern is the timeline of 2021 at the time these units were supposed to be mixed income, meaning using Non-Program Income, Tax Credits and New Market Credit, those never panned out in 2019. So, these projects are phase two with the money we have after we set them up, because we have to go through the Release of Funds process. When these projects were initiated, they were initiated through a different fund source entirety, so we had to change the fund source entirety, to fund them with the NAHASDA Funds now that's why we have the funds available to get the phase one completed.

DS. How can we continue to talk about this and clarify? DW. We can discuss this in executive session.

DS. Luis, I really urge want you to look at CFR 200 especially the steps that Mr. Billison said he took. The concern I have was from the onset is the competition because I know from past work with Federal Contracts, they always wanted two competitive bid prices submitted for projects, they really frowned on going for the single cost proposal. In this case we only have one cost proposal.

DW. Chairman, just to give a little bit of a background this contract has been reviewed by HUD in terms of the previous projects we had from 2014 to 2019. I will touch back with Linda Johnson.

DS. Your contract is labeled cost plus, I don't know how you can get around that, at the same time it's in the CFR that's not what they will accept, but now you're telling me its cost plus but it has a guarantee maximum cost but changes the cost plus criteria, now, I don't know if its true of not.

LJ. In the By-Laws it talks about tabling motions, this resolution had been recalled, because it's been tabled before, if it's tabled again, then it dies, which means everything will have to start all over again from the original process. That's just procedural a general guidance using the Robert Rules of Order, but Roberts Rules also allows an alternative motion besides tabling, you can motion to defer, motion to defer to consult and that's where you would give specific directives by posing questions, specifically, consulting with the person that has the information, answers or any inquires that you are asking for, you would defer this resolution for that discussion, motion to defer this resolution to consult with, I think in this case the procurement manager had been identified, the contract analyst had been identified, those are the two people who you can raise the specific

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questions to and work with them, you can have a work session with them, you can have them come back with updated information at the next board meeting, that would prevent the resolution from dying.

DS. Let's go ahead and defer this resolution. We would have to put a statement about how we are deferring, until the terms about cost plus is clarified in the contract, plus with the CFR.

MOTION: Commissioner Kerrie Begaye motioned to Defer Resolution NHA-5050-2021 until the current questions about Cost-plus Contracts are clarified.

DS. We have another contract set up the same way and that's that Rock Springs Project, so can we list both resolutions as being deferred.

KB. I don't have a problem with that sir.

DS. Resolution NHA-5050-2021 and Resolution NHA-5068-2021 for Rock Springs will be deferred until such time we get the clarifications about the contract being a cost plus contract, but also the other question that NHA was talking about is they had a competitive process they were using, so there are two issues there, the contract has cost plus the CFR and NHA's procurement Policy states that cost plus is not acceptable, we have a motion to defer Resolution item number 1 and number 3.

TY. I see your point of getting things in place to keep things in balance by following the policies that are put in place, seconded by Commissioner Tammy Yazzie. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

2. **NHA-5067-2021:** Approving the Fiscal Year 2021 American Rescue Plan Act of 2021 from the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) Indian Housing Block Grant Funding and Requesting Approval by the Resources and Development Committee of the Navajo Nation Council.

MOTION: Commissioner Kerrie Begaye motioned to review Resolution NHA-5067-2021, seconded by Commissioner Tammy Yazzie. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

NG. Nellie read the Resolution title into the record along with the executive summary, attached is the IHP that will be submitted to HUD, please do not disclose the cost breakdown that is attached to this resolution, this is an internal document. The cost breakdown will not be discussed.

TY. Thank you for your report on this resolution. There has been document and assessment of what is ongoing. How were you able to identify the need like the apartment complex for Window Rock, Bennett Freeze, how was this process done, was this priority projects.

DW. Based on the outline here, these are all projects that have been identified in terms by resolutions or agreements. Respond 1. Was a board resolution in 2019 to the former CEO to utilize tax credit funds so the monies were never allocated for this project, we had a contract to design these unit, this monies here is to fulfil that board directive to build those 60 units in WR and these units are based of off a need on a waitlist, this project is for employee housing this was for mixed income. Respond 2: is for Bennett Freeze is a fulfillment of a contract, Navajo Housing Authority in 2017 went into a contract agreement with the Navajo Nation to build some housing in the Bennett Freeze, so the monies here will address that need to build and complete the homes for 21 families. Infrastructure: these are for home from the early 1937 program, NTUA does not have the funds to upgrade the system, this to ensure the sanitation of our clients to expand and repair. There is also Mitten Rock the last 15 to 18 year there is no road access, the clients had to walk to the housing site for face the mud units, we are responding to the need. Respond 5. Ventilation

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upgrade is for 427 existing public rental units to help with COVID. Respond 6 - Foundation, we have some vacant units that need foundation repairs so we can occupy the units.

TY. So, it's a 3-year grant so it will require a 3-year plan.

KB. I'm looking for the guidance and what is allowable, It's to Prevent, Prepare and Respond to COVID, these projects that are listed are in the original IHP that have been sitting there. Dwayne, can you tell me how many homes have we completed out of the 21 that was requested at the Former Bennett Freeze Area?

DW. As you are aware this was presented a year and half ago but the previous board chair tabled this due to the high cost they were assuming, the \$390,000 to build in the Bennett Freeze for Scattered site, we haven't built any homes out there, this is to fulfill what we have. When we made the agreement for Bennett Freeze, they wanted us to build 36 homes, Navajo Nation gave us \$1.7M which wasn't going to cover the 36 homes, we really didn't have the funds at the start of the agreement to fund this project. The last contract that was submitted to the board was for the 7 to utilize the \$1.7M. These funds are to fulfill the 2017 agreement that the housing and the Navajo Nation agreed upon.

DS. I have a couple questions. Under response no. 3 you have street improvement within the St. Michaels housing in Window Rock, 67 units, but there's no money listed, is that correct?

DW. It's a typo, it's the access road, this road is utilized by SMASE and the residents, we are improving the actual street for 300 to 400 feet.

DS. So, there will be a number in there, I see you listed funds Rock Springs and Lukachukai, I think this is the same project that we talked about deferring.

DW. These monies here are for a one-mile waterline for upgrade, we worked with BIA they are building a school across from our project site, we did some cost sharing and we are going to connect from across the road and this will provide the services for the subdivision.

DS. Rock Springs Sewer main and the Lagoon?

DW. The sewer lagoon was originally designed built by HIS, NHA has added several additions and we are at capacity so we are going to build out it is about 30 years old.

DS. So, this is different from the schedule of values. DW. Yes.

TY. Once this is approved from our level and submitted to HUD for review, does HUD have the final say so to make sure its for COVID, what if HUD says it's not for Respond to does not qualify, does NHA have a backup?

DW. How NHA has been approaching with HUD, this program was initially presented to HUD already, we have been working with HUD under their technical assistance.

MOTION: Commissioner Tammy Yazzie motioned to adopt Resolution **NHA-5067-2021**, seconded by Commissioner Kerrie Begaye. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

3. **NHA-5068-2021:** Approving the Award of a Design-Build Construction Contract to Arviso Construction Company, Inc., for the Phase I Civil Work for New Development of 10 Public Rental Units at NM15-176 in Rock Springs, New Mexico for the Guaranteed Maximum Price of Four Million One Hundred Thirty-Four Thousand Four Hundred Forty-Five Dollars (\$4,134,445.00).

MOTION: Commissioner Kerrie Begaye motioned to Defer Resolution NHA-5068-2021 until the Cost-plus Contracts are clarified, seconded by Commissioner Tammy Yazzie. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

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4. **NHA-5069-2021:** Approving the Fiscal Year (FY) 2022 Operating and Capital Budget of the Navajo Housing Authority in the Total Amount of \$33,133,542 Consisting of \$24,370,934 of IHBG Specific Program Funds and \$8,762,608 From Other Sources of Funding. Ms. Duncan presented the Resolution. We did not do BPA's we went with zero based budgeting. We sent a letter to HUD regarding the 3x language because we did not meet our expenditure goal. KB. With that said, with the decreasing of funds, should we be looking at downsizing the organization, and if so, what would be the approach?

HD. That's a really good question, that's why I kept all the positions in there, because I didn't feel that I was in any position to withhold any positions, at the same time it's going to upset their operating, how they're going to operate. Just a note to the Board; the utilities, the trash and their phones those were amounts that we had hard numbers on for all the offices, but going back to your question Commissioner Begaye, that is something that I recommended in my board report under concerns and recommendations and I will continue saying that because we do not have the housing units we used to have, if we were putting up more housing, yes, we could justify keeping, but just with the trending we have not decreased the staff from when I was here in 2015 and I'm not saying we should decrease staff, I'm just saying based on our allocation, what has really saved us is the fact that we ended up moving a little over \$1M from janitorial and postage to the CARES. if we didn't have the CARES, we would be short \$1M on the P&A. some of the things that I would recommend, an analyst needs to be done.

TY. We did not motion to review, I think the report should be a little more detailed, the 3x language \$22.5 M, the positions, taking out the 2 grant writers. I am trying to get familiar with the numbers. If we can just motion to review.

DS. Do we have a motion to Review Resolution NHA-5069-2021?

MOTION: Commissioner Kerrie Begaye motioned to review Resolution NHA-5069-2021, seconded by Commissioner Tammy Yazzie. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

MOTION: Commissioner David N. Sloan motioned to adopt Resolution NHA-5069-2021, seconded by Commissioner Kerrie Begaye. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

5. **NHA-5070-2021:** Approving the Hiring and Offer of Employment to Maureen Curley as New NHA Chief Executive Officer. **(Executive Session)**

MOTION: Commissioner Kerrie Begaye motioned to Defer Resolution NHA-5070-2021 to a BOC Special Meeting after discussion in Executive Session, seconded by Commissioner Tammy Yazzie. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

VIII. REVIEW AND APPROVE DIRECTIVES - NONE

1. Directive 2021-01:

IX. EXECUTIVE SESSION (For the Good of the Order)

MOTION: Commissioner Kerrie Begaye motioned to go into executive session at 2:44 p.m., seconded by Commissioner Tammy Yazzie. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

1. Financial Services Branch – Heather L. Duncan, ICFO **(Executive Session)**

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2. **NHA-5070-2021:** Approving the Hiring and Offer of Employment to Maureen Curley as New NHA Chief Executive Officer.

MOTION: Commissioner Tammy Yazzie motioned to exit executive session at 5:00 p.m., seconded by Commissioner Kerrie Begaye. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

X. OTHER BUSINESS

1. BOC NAHASDA Essential Training – November 9, 2021 – 9:00 am to 2:00 pm (Zoom)
2. BOC NAHASDA Essential Training – November 10, 2021 – 9:00 am to 2:00 pm (Zoom)
3. BOC Work Session – November 12, 2021 (Tentative)
DCSD Conference Room #116, Fort Defiance, AZ.
4. BOC Regular Called Meeting – November 19, 2021 @ 9:00 am
VIA Microsoft Teams

XI. BENEDICTION – Tammy Yazzie, BOC Member

XII. ADJOURNMENT

MOTION: Commissioner Tammy Yazzie motioned to adjourn the BOC Regular meeting at 5:35 p.m., seconded by Commissioner David N. Sloan. **MOTION CARRIED** with 3 in Favor, 0 Opposed, 0 Abstentions.

CERTIFICATION

Commissioner Kerrie L. Begaye moved that the foregoing minutes of the October 28, 2021 Regular Meeting be adopted and this was seconded by Commissioner David N. Sloan.

Same was passed by the following:

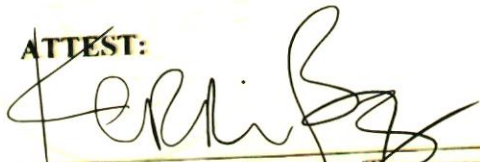
AYES: 3 NAYES: 0 ABSTENTIONS: 0

The Secretary, thereupon, declared said motion carried and said minutes of the Regular Meeting held on **October 28, 2021**, was adopted this **29th** day of **December, 2021**.



David N. Sloan, Chairperson
NHA BOARD OF COMMISSIONERS

ATTEST:



Kerrie L. Begaye, Secretary/Treasurer
NHA BOARD OF COMMISSIONERS