



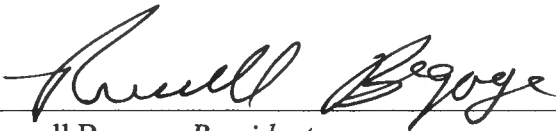
THE NAVAJO NATION

RUSSELL BEGAYE PRESIDENT
JONATHAN NEZ VICE PRESIDENT

MEMORANDUM

TO: Honorable LoRenzo Bates, Speaker
Navajo Nation Council

FROM:


Russell Begaye, *President*
THE NAVAJO NATION

DATE: May 7, 2018

SUBJECT: Resolution No. CAP-28-18: RELATING TO RESOURCES AND DEVELOPMENT COMMITTEE, BUDGET AND FINANCE COMMITTEE, NABIK'ÍYÁTI' COMMITTEE AND NAVAJO NATION COUNCIL; APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$2,215,000 (TWO MILLION TWO HUNDRED AND FIFTEEN THOUSAND DOLLARS) FOR THE JIM'S BUSINESS SITE REDEVELOPMENT PROJECT; WAIVING 12 N.N.C. 820 (I) AND 860(C) RELATING TO THE CAPITAL IMPROVEMENT PROCESS

Pursuant to 2 N.N.C. 1005 (C)(10), action for Resolution No. CAP-28-18 is being submitted to the Navajo Nation Council, through the Office of the Speaker within the ten (10) days requirement. Furthermore, the Navajo Nation President has line item veto authority for budget items within the Supplemental Appropriations, which are not subject to override by the Navajo Nation Council. 2 N.N.C. 164 (A)(17).

After review of **Resolution No. CAP-28-18**, I hereby exercise my line-veto to:

1. **SECTION FOUR. APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$2,215,000.00 FOR THE JIM'S BUSINESS SITE REDEVELOPMENT PROJECT**
 - a. **SECTION FOUR (B) in the amount of \$2,215,000.00**

2. **EXHIBIT B. SUPPLEMENTAL FUNDING PROPOSAL SUMMARY. PART I. Amount Requested \$2,215,000.00.**
3. **EXHIBIT B. PROGRAM BUDGET SUMMARY PART II. FUNDING SOURCE(S) in the amount of 2,215,000.00.**
4. **EXHIBIT B. PROGRAM BUDGET SUMMARY PART II. BUDGET SUMMARY, 6500 Contractual Services in the amount of 100,000; 9000 Capital Outlay in the amount of 2,115,000; TOTAL in the amount of 2,215,000.00.**
5. **EXHIBIT B. DETAILED BUDGET AND JUSTIFICATION. PART II. 6810 architecture design in the amount of 100,000; 9050 Building in the amount of 2,115,000; TOTAL 2,215,000.**
6. **EXHIBIT B. DETAILED BUDGET AND JUSTIFICATION. PART II. 6500 Contractual Services in the amount of 100,000; 6810 Architecture/Design (non cap) in the amount of 100,000; 9000 Capital Outlay in the amount of 2,115,000; 9014 Land & Improvements in the amount of 100,000; 9050 Building in the amount of 2,015,000; TOTAL in the amount of 2,215,000**

The justification and details for use of the President's line-item veto is set forth below.

The Office of the President and Vice President fully supports economic development. However, I have been informed that there are other funds available for this project and will be appropriated for this site. With the impending drought that we are already experiencing its impacts, it will be important for UUFB to be readily available for any emergencies.

Therefore, I must exercise my line-item veto authority.

RESOLUTION OF THE
NAVAJO NATION COUNCIL

23rd NAVAJO NATION COUNCIL -- Fourth Year, 2018

AN ACTION

RELATING TO RESOURCES AND DEVELOPMENT COMMITTEE, BUDGET AND FINANCE COMMITTEE; NAABIK'ÍYÁTI' COMMITTEE AND THE NAVAJO NATION COUNCIL; APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$2,215,000.00 (TWO MILLION TWO HUNDRED AND FIFTEEN THOUSAND DOLLARS) FOR THE JIM'S BUSINESS SITE REDEVELOPMENT PROJECT; WAIVING 12 N.N.C. §§ 820(I) AND 860(C) RELATING TO THE CAPITAL IMPROVEMENT PROCESS

BE IT ENACTED:

SECTION ONE. AUTHORITIES

- A. The Navajo Nation established the Resources and Development Committee as a Navajo Nation Council standing committee and as such gave the Committee the authority to review and make recommendations to the Navajo Nation Council regarding capital improvement projects. 2 N.N.C. § 501(B)(4)(c).
- B. The Navajo Nation established the Budget and Finance Committee (BFC) as a Navajo Nation Council standing committee and as such empowered BFC to review and recommend to the Navajo Nation Council the management of all funds. 2 N.N.C. §§ 164 (A)(9), 300 (A), 301 (B)(2).
- C. The Navajo Nation Council established the Naabik'íyáti' Committee as a Navajo Nation standing committee and as such proposed legislation that requires final action by the Navajo Nation Council shall be assigned to the Naabik'íyáti' Committee. 2 N.N.C. §§ 164 (A)(9), 700 (A).

SECTION TWO. TITLE 12 FINANCE ACT SUPPLEMENTAL APPROPRIATION PROCESS AND THE TITLE 12 CAPITAL IMPROVEMENT PROCESS

- A. The Title 12 Finance Act Supplemental Appropriation requirements include:
 - 1. Pursuant to 12 N.N.C. § 820(L), when the Controller identifies additional sources of revenues above and beyond the initial or current revenue projections,

supplemental appropriations may be allocated by the Navajo Nation Council.

2. Pursuant to 12 N.N.C. § 820 (L), "Supplemental appropriations made from non-recurring revenues shall only be made for non-recurring operations or purposes, as set forth at § 820 (F). The Controller of the Navajo Nation shall be responsible for designating recurring and non-recurring revenues and purposes."
3. Pursuant to 12 N.N.C. § 820(M), all requests for annual operating funds and supplemental funds shall be submitted to the Office of Management and Budget ("OMB") for budget impact analysis.

B. The Title 12 Capital Improvement Process includes:

1. Pursuant to 12 N.N.C. § 810(F), "Capital Improvement" means a major project undertaken by the Navajo Nation that is generally not recurring on an annual basis and which fits within one or more of the following categories:
 - (1) All projects requiring debt obligation or borrowing;
 - (2) Any acquisition or lease of land;
 - (3) Purchase of major equipment or vehicles, with a life expectancy of five years or more, valued in excess of an amount to be established by the Controller;
 - (4) Major building improvements that are not routine maintenance expenses and that substantially enhance the value or extend the useful life of a structure;
 - (5) Construction of new buildings or facilities including engineering, design, and other pre-construction costs with an estimated cost in excess of an amount to be determined by the Controller; and/or
 - (6) Major equipment or furnishing required to furnish new buildings or other projects, the cost of

which is above a certain amount to be established by the Controller.

2. Pursuant to 12 N.N.C. § 820 (I), the "[d]evelopment of the Capital Budget shall be coordinated with development of the Operating Budget. All budget requests for capital improvements shall be in compliance with an adopted Capital Improvement Plan and shall not be approved unless in compliance with the Plan."
3. Pursuant to 12 N.N.C. § 820 (M), the Office of Management and Budget shall coordinate the overall preparation, adoption and implementation of both the annual operating and capital budgets of the Navajo Nation. All requests for annual operating funds and supplemental funds shall be submitted to the Office of Management and Budget for budget impact analysis and other appropriate action.
4. Pursuant to 2 N.N.C. § 501 (B)(4)(c), the Resources and Development Committee is to review and recommend to the Navajo Nation Council through the appropriate process supplemental appropriations to the capital improvement projects annual budget to fund necessary additional capital improvement projects.
5. Pursuant to 12 N.N.C. § 860 (C)(2), "[t]he appropriation portion of the Capital Improvement Plan is subject to approval of the Navajo Nation Council upon recommendation of the Budget and Finance Committee. Any modification or amendment affecting the approved Capital Improvement Plan is subject to review and concurrence by the Resources and Development Committee prior to consideration by the Navajo Nation Council."

SECTION THREE. FINDINGS

- A. This is a funding request for a supplemental appropriation from the Unreserved, Undesignated Fund Balance in the amount of \$2,215,000.00. See **Exhibit A**.
- B. Pursuant to 12 N.N.C. § 810(F), the Jim's Store Business Site Redevelopment Project is considered a capital improvement project due to the long-term forecast that the site will be developed into a convenience store.

- C. The Jim's Business Site Redevelopment Project is not included in the Title 12 Capital Improvement Plan because the Capital Improvement Plan was rescinded by Navajo Nation Council by CAP-23-17.
- D. Pursuant to the 2018 Budget Instructions Manual Section XIV. B., the supplemental funding request budget forms are attached as **Exhibit B**.
- E. The Office of Management and Budget has completed a Budget Impact Analysis of the Jim's Business Site Redevelopment Project pursuant to 12 N.N.C. § 820(M) and is attached as **Exhibit C**.
- F. The Office of the Controller has provided a memorandum dated April 13, 2018, indicating the balance in the Unreserved, Undesignated Fund Balance as of April 11, 2018 is \$10,073,560. This memorandum is provided to meet the requirements of 12 N.N.C. 820 (L). The Controller of the Navajo Nation has designated the funds as non-recurring. This memorandum is attached as **Exhibit D**.
- G. Pursuant to Executive Order 07-2013, the Executive Review/164 Process must be completed for requests originating in the Executive Branch. The Legislative 164 Review Process is attached as **Exhibit E**.
- H. The Navajo Nation finds it in the best interest of the Navajo people to approve this supplemental appropriation request and to waive the Capital Budget and Capital Improvement Plan requirements as stated in 12 N.N.C. §§ 820(I) and 860 (C) regarding Jim's Business Site Redevelopment Project.

SECTION FOUR. APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$2,215,000.00 FOR THE JIM'S BUSINESS SITE REDEVELOPMENT PROJECT

- A. The Navajo Nation hereby approves the supplemental appropriation from the Unreserved, Undesignated Fund Balance to Navajo Nation Project Development Department for the Jim's Business Site Redevelopment Project.
- B. This supplemental appropriation of \$2,215,000.00 shall be from that amount of funds that exceeds the minimum fund balance of the Unreserved, Undesignated Fund Balance as

determined by the Office of the Controller and to the new business unit number assigned to the Jim's Business Site Redevelopment Project.

SECTION FIVE. WAIVING 12 N.N.C. §§ 820(I) AND 860 (C) REGARDING THE CAPITAL IMPROVEMENT PROCESS

The Navajo Nation Council hereby waives 12 N.N.C. §§ 820(I) and 860(C) with regard to the Capital Improvement process and the Jim's Store Business Site Redevelopment Project. The waiver of 12 N.N.C. §§ 820(I) and 860(C) includes submittal of the Capital Project to the Capital Project Management Department for review, guidance and advice or the requirements pursuant to TCDCJY-77-99 regarding the Capital Improvement Projects Guidelines Policies and Procedures.

SECTION SIX. EFFECTIVE DATE

The provisions of this Act shall become effective in accordance with 2 N.N.C. § 221(B).

CERTIFICATION

I, hereby certify that the foregoing resolution was duly considered by the Navajo Nation Council at a duly called meeting in Window Rock, Navajo Nation (Arizona) at which a quorum was present and that the same was passed by a vote of 17 in favor and 03 opposed, on this 17th day of April 2018.



LoRenzo C. Bates, Speaker
23rd Navajo Nation Council

4-27-18

Date

Motion: Honorable Benjamin Bennett
Second: Honorable Jonathan L. Hale

Speaker Bates not voting

ACTION BY THE NAVAJO NATION PRESIDENT:

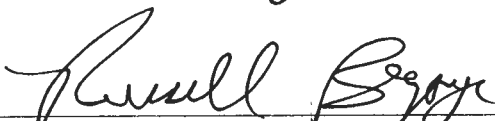
1. I hereby sign into law the foregoing legislation, pursuant to 2 N.N.C. §1005 (c)(10), on this _____ day of _____ 2018.

Russell Begaye, President
Navajo Nation

2. I hereby veto the foregoing legislation, pursuant to 2 N.N.C. §1005 (c)(11), on this _____ day of _____ 2018 for reason(s) expressed in the attached letter to the Speaker

Russell Begaye, President
Navajo Nation

3. I hereby exercise line item veto pursuant to the 2010, certified Initiative, over the supplemental appropriations approved herein by the Navajo Nation Council; on this 7th day of May 2018.



Russell Begaye, President
Navajo Nation



THE NAVAJO NATION

RUSSELL BEGAYE PRSIDENT
JONATHAN NEZ VICE PRESIDENT



TO: Council Delegate Dwight Witherspoon
FR: Crystal J. Deschinny, DED Director
DT: October 9, 2017
RE: Sponsorship for UUFB Legislation

I respectfully ask for your consideration to sponsor UUFB Legislation to support four (4) economic development projects. The 4 projects were chosen based on need and strategic planning within several Chapters.


The four projects are:

1. Bond & Bond Site: located in Shiprock and is in a prime location. New development is being proposed within a mile of this site and lends to the overall master plan of Shiprock. The site is in need of asbestos abatement, clean-up and redevelopment. The estimated project amount is: \$ 400,000
2. Former Jim's Business Site: This site is one of two (2) business sites that are ready for clean-up, demolition, and redevelopment. A c-store is proposed on the site. The estimated project cost of this particular opportunity is: \$2,215,000
3. Former Round Rock Trading Post: The other of two (2) business sites is in need of funding for clean-up and removal. Cleaning up the burnt remains of the former trading post compliments the Jim site project and ready the centrally located Chapter for growth. The estimated project cost is: \$ 400,000
4. Former Chee's Southwest Store: Located in Pinon, this is also one of two sites that is in need of demolition, clean-up, and redevelopment. The site is abandoned with debris strewn around the site. The project is a strategic selection given other clean-up work and long term plans for an office complex nearby. The project's estimated cost is: \$1,455,000

Attached you will find brief descriptions and Project Budget Summaries that have been prepared for all four. Please don't hesitate to contact me at: 928-551-7983 should you have further questions.

Your support and assistance is greatly appreciated.

Respectfully,


Crystal J. Deschinny, MBA/MA

PROJECT SUMMARY

Demolition/Site Cleanup Project FORMER JIM'S BUSINESS SITE Round Rock, Arizona

The project consists of asbestos assessment, demolition/site cleanup and redevelopment of a Business Site known as the Former Jim's Business Site located in Round Rock, AZ. Currently, there is a 600 sq. ft. building located on the 2.0 acres site. The building needs to be demolished and site cleaned up. Once the site is cleared, the site will be redeveloped. The community is in need of a convenience store.

The project scope includes conducting an asbestos assessment and abatement of the building as part of the demolition and cleanup. The objective of the project is to clear the site and development a convenience store. The proposed cost of the project cost is estimated at \$2,215,000.

**THE NAVAJO NATION
SUPPLEMENTAL FUNDING PROPOSAL SUMMARY**



PART I. Business Unit No.: NEW **Program Title:** Jim's Business Site Redevelopment
ECON DEV/Project
Division/Branch: Devmt **Amount Requested:** \$ 2,215,000.00 **Phone No.:** 928.871.7389
Prepared By: Jeannette Jones, Pr. EDS **Email Address:** jeannett@navajobusiness.com

PART II. REASON FOR REQUEST AND STATEMENT OF NEED:

Funding request from the Undesignated Unreserved Fund to redevelop the former Jim's Business Site, Round Rock, AZ. The project is to clear and redevelop the site for business leasing. The project will generate a return on investment by creating employment and business opportunities, generate lease rental and Navajo Nation taxes, provide goods and service for Round Rock and surrounding communities.

Contractual Services: \$100,000; Capital Outlay \$2,215.00: Total \$2,215,000

PART III. CONTINGENCY PLAN IF REQUEST IS NOT FUNDED:

The project may proceed as minimal phased development using the funds available;

The project may be delayed until funds become available;

PART IV. ALTERNATIVE FUNDING SOURCES BEING PURSUED:

Division of Economic Development Sales Fund;

The communities and program requests for DED Sales Tax Funds exceeds the available funds.

PART V. AFFIRMATION IS PROVIDED THAT THE PROPOSAL INFORMATION IS COMPLETE AND ACCURATE AND THE APPROPRIATE BRANCH CHIEF RECOMMENDS APPROVAL.

Cynthia J. Desch 12-4-17
REVIEWED BY: Division Director's Signature / Date

L. Shula 1/2.
RECOMMEND APPROVAL: Branch Chief's Signature / Date

PART I. Business Unit No.: <u>NEW</u>		Program Title: <u>Jim Business Site Redevelopment</u>		Division/Branch: <u>Economic Development: Project Development Department</u>	
Prepared By: <u>Jeannette Jones, Principle EDS</u>		Phone No.: <u>928.871.7389</u>		Email Address: <u>jeannette@navajobusiness.com</u>	

PART II. FUNDING SOURCE(S)		Fiscal Year Term	Amount	% of Total	PART III. BUDGET SUMMARY			Fund Type Code	(A) NNC Approved Original Budget	(B) Proposed Budget	(C) Difference (Column B - A)
UUFB		Oct. 2017-Sept. 2018	2,215,000.00	100					0		0
					2001	Personnel Expenses					
					3000	Travel Expenses			0		0
					3500	Meeting Expenses			0		0
					4000	Supplies			0		0
					5000	Lease and Rental			0		0
					5500	Communications and Utilities			0		0
					6000	Repairs and Maintenance			0		0
					6500	Contractual Services	4		0	100,000	100,000
					7000	Special Transactions			0		0
					8000	Public Assistance			0		0
					9000	Capital Outlay	4		0	2,115,000	2,115,000
					9500	Matching Funds			0		0
					9500	Indirect Cost			0		0
					TOTAL				\$0.00	2,215,000.00	2,215,000

PART IV. POSITIONS AND VEHICLES		(D)		(E)	
Total # of Positions Budgeted:		0		0	
Total # of Permanently Assigned Vehicles:		0		0	

PART V. I HEREBY ACKNOWLEDGE THAT THE INFORMATION CONTAINED IN THIS BUDGET PACKAGE IS COMPLETE AND ACCURATE.

SUBMITTED BY: <u>Anthony Perry</u> Program Manager's Printed Name 11-30-17	Crystal J. Deschinsky APPROVED BY: Division Director/Branch Chief's Printed Name 12-6-17
SUBMITTED BY: <u>Anthony Perry</u> Program Manager's Signature and Date	Crystal J. Deschinsky APPROVED BY: Division Director/Branch Chief's Signature and Date

**THE NAVAJO NATION
PROGRAM PERFORMANCE CRITERIA**

Page 02 of 03
BUDGET FORM 2

FY 2018

PART I. PROGRAM INFORMATION:											
Business Unit No.:	NEW	Program Name/Title:		Round Rock Business Site Redevelopment							
PART II. PLAN OF OPERATION REFERENCE/LEGISLATED PROGRAM PURPOSE:		GSCAP-12-07 Division of Economic Development is established for the purpose of creating an environment that is conducive to promote and develop business in the commercial, tourism, industrial and other sections of the Navajo Nation economy, to enhance the creation of jobs and business opportunities.									
PART III. PROGRAM PERFORMANCE CRITERIA:											
1. Program Performance Area: Retain contractual services and contract administration.		1st QTR		2nd QTR		3rd QTR		4th QTR			
		Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual
Goal Statement: Initially, develop scope of work, retain Prof/Tech services. Contract Administration on monthly basis.								6			6
2. Program Performance Area: Project Management											
Goal Statement: Management the project with inspections, monthly meetings, process work progress payments.								6			6
3. Program Performance Area:											
Goal Statement:											
4. Program Performance Area:											
Goal Statement:											
5. Program Performance Area:											
Goal Statement:											

PART IV. I HEREBY ACKNOWLEDGE THAT THE ABOVE INFORMATION HAS BEEN THOROUGHLY REVIEWED.

for Clara Prather, COS
Division Director/Branch Chief's Printed Name
Donnette Lee 2/16/18
Division Director/Branch Chief's Signature and Date

Anthony Perry
Program Manager's Printed Name
2-16-18
Program Manager's Signature and Date

<div>PART I. PROGRAM INFORMATION:</div> <div> <div>Program Name/Title:</div> <div>Jim Business Site Redevelopment</div> <div>Business Unit No.:</div> <div>NEW</div> </div>			
<div>PART II. DETAILED BUDGET:</div>			
(A)	(B)	(C)	(D)
Object Code (LOD 6)	Object Code Description and Justification	Total by DETAILED Object Code	Total by MAJOR Object Code
	Inspection of Business site, develop scope of work, retain Professional/Technical Services for design and contractor. Demolition, clean-up and redevelopment for the Navajo Nation to lease for commercial purposes.		
6810	<div>6500 Contractual Services</div> <div>Architectura/Design (non-cap)</div> <div>6813 Arch/Design (NC) Fees</div> <div>6814 Arch/Design (NC) Expenses</div>	100,000	100,000
9050	<div>9000 Capital Outlay</div> <div>Building</div> <div>9060 Construction in Progress</div>	2,115,000	2,115,000
TOTAL		2,215,000	2,215,000

PART I. PROGRAM INFORMATION:			
Program Name/Title: _____		Business Unit No.: _____ NEW	
PART II. DETAILED BUDGET:			
(A)	(B)	(C)	(D)
Object Code (LOD 6)	Object Code Description and Justification	Total by DETAILED Object Code	Total by MAJOR Object Code
	Inspect Business site, retain technical services to develop plans/specifications for the demolition work, retain contractor for the site demolition and site clean-up. Redevelop the business site for leasing by the Navajo Nation.		
6810	6500 Contractual Services Architecture/Design (non cap) 6813 Arch/Design (NC) Fees 6814 Arch/Design (NC) Expenses	100,000	100,000
9010	9000 Capital Outlay Land & Improvements	100,000	2,115,000
9050	9014 Land Improvements Building 9060 Construction in Progress 9062 Contingencies	2,015,000	
TOTAL		2,215,000	2,215,000



THE NAVAJO NATION

RUSSELL BEGAYE
JONATHAN NEZ



MEMORANDUM

TO : Dwight Witherspoon, Delegate
23rd Navajo Nation Council

FROM : Lisa Jymm
Lisa Jymm, Principal Budget Analyst
Office of Management & Budget

DATE : October 27, 2017

SUBJECT : OMB Review of Legislation #5763: Four (4) budgets totaling \$4,470,000 from the UUFB to Division of Economic Development for capital projects, as listed below:

- a. Bond & Bond Business Site Redevelopment.....\$400,000
- b. Jim Business Site Redevelopment.....\$2,215,000
- c. Round Rock Trading Post Business Site Redevelopment.....\$400,000
- d. Chee's Store Business Site Redevelopment.....\$1,455,000

The Office of Management and Budget (OMB) has reviewed the above packet and provides the following:

1. Because of the limited availability of funds, OMB advises the Branch Chiefs to prioritize all supplemental funding proposals pursuant to the FY 2018 Budget Resolution CS-53-17 (paragraph 'L'), the FY 2018 Budget Instructions Manual (Section XIV), and the Appropriations Act. This activity should be completed by the three branches to determine priorities.
2. OMB recommends compliance with the Navajo Nation Appropriations Act regarding Supplemental Appropriations (Section 820, L). This has not been done. Compliance includes:
 - a. Branch Chief's concurrence of the supplemental request (NN President).
 - b. Non-recurring expenses only.
 - c. The supplemental Funding Proposal Summary (Appendix K, FY 18 BIM)
3. The Budget Instructions Manual states that Supplemental Funding request for Capital Projects shall be submitted to DCD-Capital Project Management Department (CPMD) for review, guidance, and advice. There is no indication that this was done.
4. The Appropriations Act, at 12 NNC 820 (I), requires that the capital outlay comply with an adopted Capital Plan. Currently, there is no approved Capital Plan.
5. Corrections need to be made to the proposed budgets. The proposed budget for Jim Business Site Redevelopment, Project Form 3, indicated \$320,000 but does not calculate into the budget amount. This needs to be reviewed and amounts recalculated.

The document as submitted is deemed "insufficient" for the reasons listed above. If there are any further questions contact me at extension 6230.

Concurrence

Dominic Beval
Dominic Beval, Executive Director
Office of Management & Budget

xc: Carl Smith, Division Director, DCD
Crystal Deschinny, Division Director, DED
OMB file





THE NAVAJO NATION

RUSSELL BEGAYE PRESIDENT
JONATHAN NEZ VICE PRESIDENT

MEMORANDUM

TO: Lisa Jymm, Principal Budget Analyst
Office of Management and Budget

FROM: Dwight Witherspoon
Dwight Witherspoon, Delegate
23rd Navajo Nation Council

DATE: October 30, 2017

SUBJECT: Legislation #5763, Projects Proposed for UUFB, \$4,470,000.

The Memorandum addresses the OMB memorandum of October 27, 2017 and responds to the inquiries that were presented:

1. The Division of Economic Development (DED) has prioritized projects that were submitted to the Office of the President and Vice President and approved as the DED Five Year Plan. See Item 3.
2. The FY2018 Supplemental Forms are attached for:

a. Bond & Bond	\$400,000.00
b. Jim Business Site Redevelopment	\$2,215,000.00
c. Round Rock Trading Post Redevelopment	\$400,000.00
d. Chee's Store Business Site Redevelopment	\$1,455,000.00
3. The Division of Economic Development projects are not typically included in the Division of Community Development Capital Plan as its priority is community/chapter projects. DED has an Economic Development Plan (Five Year Plan) that was approved by the Resources and Development Committee of the Navajo Nation Council, pursuant to Resolution No. RDCJY-79-17. The DED Five Year Plan supports the Division's efforts to seek funds for projects in the commercial, industrial and industrial sectors to develop the economy of the Navajo Nation. (RDC Resolution is attached).
4. The Budget for the Jim Business Site Redevelopment, Form 3 was corrected, deleting \$320,000 and inserting the correct number. The corrected form is attached.

Attachment:



THE NAVAJO NATION

RUSSELL BEGAYE PRESIDENT
JONATHAN NEZ VICE-PRESIDENT



Memorandum:

To: 2 NNC § 164 Reviewers
Delegates & 2 NNC '164 Reviewers
Navajo Nation Government

From: *Robert Willie*
Robert Willie, Accounting Manager
Office of the Controller

Date: October 18, 2017

Subject: 164 Review-005763-UUFB-\$4,470,000 request for four (4) Economic
Development Projects

The Office of the Controller has reviewed the above referenced document.

1. The balance of the UUFB is \$31,258,217 as of October 8, 2017, this supplemental request is for \$4,470,000 for four (4) business sites.
2. These are projects and should be deemed non recurring costs.

If you should have any questions you can contact me at tribal extension X6125.



No. _____

SECTION 164 REVIEW PROCESS

NAME: Hon. Dwight Witherspoon DEPT.: CEO-Legislative PHONE: (928) 871-6380

DOCUMENT: UFB Request for four (4) Economic Development Projects: DATE: October 10, 2017

1. Bond & Bond Site
2. Former Jim's Business Site
3. Former Round Rock Trading Post
4. Former Chee's Southwest Store

SURNAME

1. Sponsor: Hon. Dwight Witherspoon *Dwight Witherspoon* Date: 10/10/17
2. OMB *Note: Need Budget Impact Statement *** *D Butler* Date: - See 10/27/17 memo.
3. CCC Date: _____
4. DOJ Date: _____
5. Speaker/MNC Date: _____
6. _____ Date: _____
7. _____ Date: _____

Date Signed: _____ No. of Signatures: 3

Disposition: _____ Initial: _____

LEGISLATIVE BRANCH
THE NAVAJO NATION
POST OFFICE BOX 3390
WINDOW ROCK, ARIZONA 86515

No. 5763

SECTION 164 REVIEW PROCESS

NAME: Hon. Dwight Witherspoon DEPT.: OO-Legislative PHONE: (928) 871-6380

DOCUMENT: UFB Request for four (4) Economic Development Projects: DATE: October 10, 2017

1. Bond & Bond Site
2. Former Jim's Business Site
3. Former Round Rock Trading Post
4. Former Chee's Southwest Store

SURNAME

1. Sponsor: Hon. Dwight Witherspoon Dwight Witherspoon Date: 10/10/17
2. OMB Date: _____
3. OC Porter Date: 10/18/17
4. DOJ Date: _____
5. Speaker/MC Date: _____
6. _____ Date: _____
7. _____ Date: _____

Date Signed: _____ No. of Signatures: _____

Disposition: _____ Initial: _____

LEGISLATIVE BRANCH
THE NAVAJO NATION
POST OFFICE BOX 3390
WINDOW ROCK, ARIZONA 86515

No. 5763

SECTION 164 REVIEW PROCESS

NAME: Hon. Dwight Witherspoon DEPT.: CO-Legislative PHONE: (928) 871-6380

DOCUMENT: UFB Request for four (4) Economic Development Projects: DATE: October 10, 2017

1. Bond & Bond Site
2. Former Jim's Business Site
3. Former Round Rock Trading Post
4. Former Chee's Southwest Store

SURNAME

1. Sponsor: Hon. Dwight Witherspoon Dwight Witherspoon Date: 10/10/17
2. OMB Date: _____
3. CCC Date: _____
4. DOJ Insufficient. See memo. LBJ Date: 1/23/18
5. Speaker/MNC Date: _____
6. _____ Date: _____
7. _____ Date: _____

Date Signed: _____ No. of Signatures: _____

Disposition: _____ Initial: _____



NAVAJO NATION DEPARTMENT OF JUSTICE
OFFICE OF THE ATTORNEY GENERAL

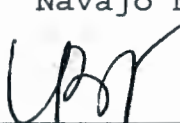
ETHEL B. BRANCH
ATTORNEY GENERAL

CHERIE ESPINOSA
ACTING DEPUTY ATTORNEY GENERAL

M E M O R A N D U M

TO: Dwight Witherspoon, Council Delegate
23rd Navajo Nation Council

FROM:


LaTonia B. Johnson, Assistant Attorney General
Economic/Community Development Unit, Dept. Of Justice

DATE: January 23, 2018

SUBJECT: Doc. No. 5763: Four (04) UUFEB Economic Development
Projects

First, I would like to apologize for the delay in responding to this issue. In reviewing the document, the Navajo Nation Department of Justice (DOJ) has reviewed the above-mentioned document and deems the document to be "insufficient." As you know, all supplement requests must be made consistent with the Budget Instruction Manual (BIM) Section XI(E), and Appropriation Act (Act), 12 N.N.C. § 800 et. seq. I have attached a checklist that I have created for all supplemental appropriation requests. Second, please review the attached checklists for each of the four (04) projects as there are requirements that are lacking and those requirements need to be submitted. The checklist reflects the requirements of the BIM and Act. In its current form, the documents are not in compliance with the BIM and Act.

If you have any questions regarding this memorandum, please contact me at 928-871-6933. Thank you.

LBJ/gj/13

Attachments



NAVAJO NATION DEPARTMENT OF JUSTICE

REQUEST FOR SERVICES



DOJ
10/10/17 @ 4:58pm
DATE / TIME
RFS # 17-2412
UNIT: ECON

☐ RESUBMITTAL

*** FOR NNDOJ USE ONLY - DO NOT CHANGE OR REVISE FORM. VARIATIONS OF THIS FORM WILL NOT BE ACCEPTED. ***

CLIENT TO COMPLETE

DATE OF REQUEST: 10/10/17 ENTITY/DIVISION: Council Delegate
CONTACT NAME: Dwight Witherspoon DEPARTMENT: Legislative
PHONE NUMBER: 505.206.1520 E-MAIL: Dwight.Witherspoon@gmail.com

COMPLETE DESCRIPTION OF LEGAL NEED AND SERVICES REQUESTED (attach documents) :
UUF3 Request for (4) Economic Development
Projects: Bonda Bond Site (Shoek), Former Jim's Bwo. Site
(R.RK), Former Bond Rak Trading Post (RRK), and
Former Chee's Store (Pinon)

DEADLINE: Oct. 16, 2017 REASON: Fail NNCS.

DOJ SECRETARY TO COMPLETE

DATE/TIME IN UNIT: OCT 11 2017 REVIEWING ATTORNEY/ADVOCATE:
10:15am Latoria

DATE/TIME OUT OF UNIT: PREPARED BY (initial):

DOJ ATTORNEY / ADVOCATE COMMENTS

Insufficient. see memo

REVIEWED BY: (PRINT) U20

DATE / TIME 10/23/17

Called:

for Document Pick Up on

at

By:

PICKED UP BY: (PRINT)

DATE / TIME:

Revised NNDOJ/RFS Form - July 2013



CHECKLIST¹
Supplemental Appropriation Request
Non-Capital Improvement request

TYPE OF REQUEST: Former Jim's Business site
\$2.2 million

PURPOSE:

All supplemental appropriation requests should be in compliance with the Appropriation Act, 12 N.N.C. § 300, *et. seq.*, the Budget Instruction Manual (BIM), Section XIV and Appendix J and K and, if the supplemental is grant funding request for organizations external to the Navajo Nation government, Appendix G.

CHECKLIST:

- ☐ Supplemental Request Form: See BIM, Section XIV(B)(1)- Appendix K.
 - ☒ Outline why funding is being requested outside the regular or annual fiscal year budget development process. See BIM, Section XIV(B)(2)(b)(i).
 - ☒ Outline what other sources of funding have been considered and pursued if the supplemental request is not funded. See BIM, Section XIV(B)(2)(b)(ii).
- ☐ Signatures:
 - ☐ Signature of the appropriate Division Director.
 - ☐ Concurrence by the appropriate Branch Chief.
- ☐ Program Operating Budget Forms 1 thru 5: See BIM, Section XIV(B)(1).
 - ☐ Form 1
 - ☐ Signature of the appropriate Division/Department.
 - ☐ Concurrence by the Branch Chief/Division Director.
 - ☐ Form 2
 - ☐ Signature of the appropriate Division/Department.
 - ☐ Concurrence by the Branch Chief/Division Director.
 - ☐ *If applicable*, Form 3² (see footnote 2 below).
 - ☐ Form 4
 - ☐ *If applicable*, Form 5³ (see footnote 3 below).

¹ This checklist reflects the requirements of the 2018 BIM.

² Forms 3 is only required if the supplemental request involves personnel or positions to be funded. See BIM, XV(B).

³ Form 5 is only required if the supplemental request involves personnel or positions to be funded. See BIM, XV(B).

☒ Project Budget Forms (for Capital Projects): See BIM, Section VII and Appendix J.

☒ Form 1 that has the signature of the appropriate Department Director and Division Director.

☒ Form 2.

☒ Form 3.

Other BIM requirements:

- ☐ *If applicable*, any supplemental request that is four (4) months or older must be updated in the event the budget information or the proposal changes during the four (4) month period. See BIM, Section XIV(B)(2)(c).
- ☐ Funding requests must be prorated based on the remaining time left within the fiscal year. See BIM, Section XIV(B)(2)(d).
- ☐ Written assessment of the supplemental request by the Office of Management and Budget which should include a review of the budget, performance, expenditures and other pertinent program information. See BIM, Section XIV(B)(3) and to meet requirements of the 164 review process.
- ☐ Include a program performance assessment of on-going program, which should include a review of the performance data, expenditures and other pertinent program information.



THE NAVAJO NATION

RUSSELL BEGAYE PRESIDENT
JONATHAN NEZ VICE PRESIDENT

TO: Council Delegate Dwight Witherspoon

FR: Crystal J. Deschinny, DED Director

DT: October 9, 2017

RE: Sponsorship for UUFB Legislation

I respectfully ask for your consideration to sponsor UUFB Legislation to support four (4) economic development projects. The 4 projects were chosen based on need and strategic planning within several Chapters.


The four projects are:

1. Bond & Bond Site: located in Shiprock and is in a prime location. New development is being proposed within a mile of this site and lends to the overall master plan of Shiprock. The site is in need of asbestos abatement, clean-up and redevelopment. The estimated project amount is: \$ 400,000
2. Former Jim's Business Site: This site is one of two (2) business sites that are ready for clean-up, demolition, and redevelopment. A c-store is proposed on the site. The estimated project cost of this particular opportunity is: \$2,215,000
3. Former Round Rock Trading Post: The other of two (2) business sites is in need of funding for clean-up and removal. Cleaning up the burnt remains of the former trading post compliments the Jim site project and ready the centrally located Chapter for growth. The estimated project cost is: \$ 400,000
4. Former Chee's Southwest Store: Located in Pinon, this is also one of two sites that is in need of demolition, clean-up, and redevelopment. The site is abandoned with debris strewn around the site. The project is a strategic selection given other clean-up work and long term plans for an office complex nearby. The project's estimated cost is: \$1,455,000

Attached you will find brief descriptions and Project Budget Summaries that have been prepared for all four. Please don't hesitate to contact me at: 928-551-7983 should you have further questions.

Your support and assistance is greatly appreciated.

Respectfully,


Crystal J. Deschinny, MBA/MA

PROJECT SUMMARY

Demolition/Site Cleanup Project FORMER JIM'S BUSINESS SITE Round Rock, Arizona

The project consists of asbestos assessment, demolition/site cleanup and redevelopment of a Business Site known as the Former Jim's Business Site located in Round Rock, AZ. Currently, there is a 600 sq. ft. building located on the 2.0 acres site. The building needs to be demolished and site cleaned up. Once the site is cleared, the site will be redeveloped. The community is in need of a convenience store.

The project scope includes conducting an asbestos assessment and abatement of the building as part of the demolition and cleanup. The objective of the project is to clear the site and development a convenience store. The proposed cost of the project cost is estimated at \$2,215,000.

PROJECT PROCESS SCHEDULE

PROJECT FORM 2

[illegible]

**THE NAVAJO NATION
PROJECT BUDGET AND JUSTIFICATION**

**Page 3 of 3
PROJECT FORM 3**

PART I. Business Unit No.: NEW
Project Title: Jim Business Site Redevelopment

PART II.				
(A)	(B)	(C)	(D)	(E)
Fund Source Code	Object Code (LOD 4)	Object Code (LOD 6)	Object Code Description (LOD 7) & Justification	Budget TOTAL
4	6500	6810	Inspect Business Site, retain technical services to develop plans/specifications for the demolition work, retain contractor for the site demolition and site clean-up. Redevelop the business site for leasing by the Navajo Nation.	
			Contractual Services 100,000	100,000
			Architecture/Design (non cap)	
			6813 Arch/Design (NC) Fees	
			6814 Arch/Design (NC) Expenses	
4	9000	9010	Capital Outlay 2,115,000	2,115,000
			Land & Improvements 100,000	
			9014 Land Improvements	
		9050	Building 2,015,000	
			9060 Construction in Progress	
			9062 Contingencies	
<div>Amend the \$320,000</div> <div>- Remove & update.</div> <div>- corrected</div> <div>\$320K deleted.</div> <div>inserted corrected figure</div>				
PAGE TOTAL:				\$ 2,215,000.00

NAVAJO NATION

RCS# 1038

Spring Session

4/17/2018

03:00:34 PM

Amd# to Amd#

Legislation 0035-18:

PASSED

MOT Bennett

Approving Supplemental Funding

SEC Hale

from the UUFB in the Amount of

\$2,215,000.00 for Jim's Business

Yea : 17

Nay : 3

Excused : 0

Not Voting : 4

Yea : 17

Begay, K

Damon

Jack

Smith

Begay, NM

Daniels

Pete

Tso

BeGaye, N

Filfred

Phelps

Witherspoon

Chee

Hale

Shepherd

Yazzie

Crotty

Nay : 3

Tsosie

Bennett

Perry

Excused : 0

Not Voting : 4

Brown

Begay, S

Slim

Bates