RESOLUTION OF THE RESOURCES AND DEVELOPMENT COMMITTEE 23rd Navajo Nation Council--- Third Year, 2017

AN ACTION

RELATING TO RESOURCES AND DEVELOPMENT; APPROVING AND AUTHORIZING A LEASE BETWEEN THE NAVAJO NATION AND PUMPKIN PATCH FUNDRAISERS, INC., AND UPLAND DESERT POPCORN, L.L.C., FOR AGRICULTURAL USE OF LANDS, INCLUDING WATER AND ELECTRICITY, LOCATED ON NAVAJO NATION

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. The Resources and Development Committee of the Navajo Nation Council, pursuant to 2 N.N.C. § 500 (C), exercises oversight authority over land. 2 N.N.C §§ 164 (A)(2) and 500 (A).
- B. Pursuant to 2 N.N.C. \S 500(A), the Resources and Development Committee is established as a standing committee of the Navajo Nation Council.
- C. The Resources and Development Committee is authorized and empowered to investigate, negotiate and recommend all purchases and acquisitions of real estate by and for the Navajo Nation. 2 N.N.C. § 501 (B) (4) (a); See also 16 N.N.C. § 7.
- D. Pursuant to 2 N.N.C. § 500(C), the Resources and Development Committee has the authority to exercise oversight over water, land, grazing, environment, environmental protection, cultural resources, livestock, wildlife, roads and transportation, utilities, chapter activities, economic and community development, commerce and trade, rights-of-way, public utilities.
- E. Pursuant to 2 N.N.C. \S 500 (C)(1), the Resources and Development Committee has the oversight authority to establish Navajo Nation policy with respect to the optimum utilization of all Navajo Nation resources and to protect the rights,

interests, sacred sites and freedoms of the Navajo Nation and People to such resources, now and for future generation.

- F. Pursuant to 2 N.N.C. § 500 (C)(2), the Resources and Development Committee has the oversight authority to oversee regulation of activities on Navajo Nation lands for disposition or acquisition of resources, surface disturbance, or alteration of the natural state of the resources, including the enforcement and administration of applicable Navajo Nation and federal laws, regulations, guidelines and administrative procedures in the development and use of resources as a good steward.
- G. Pursuant to 2 N.N.C. § 501 (B)(1), the Resources and Development Committee has the authority to promulgate rules and regulations governing transportation, community development, local government units, land acquisitions for the Navajo Nation, environmental protection and the use, sale, exchange, and development of Navajo Nation lands and/or resources, whether held in fee or trust status.
- H. Pursuant to 2 N.N.C. § 501 (B)(2)(a), the Resources and Development Committee has the authority to give final approval of all land withdrawals, non-mineral leases, permits, licenses, rights of way, surface easements and bonding requirements on Navajo Nation lands and unrestricted (fee) land. This authority shall include subleases, modifications, assignments, leasehold encumbrances, transfers, renewals and terminations.
- I. Pursuant to 2 N.N.C. § 501 (B)(2)(f), the Resources and Development Committee has the authority to give final approval of administrative and Business Site Leasing Management Plan for the Division of Economic Development, governance certified Chapters, Townships or an appropriate entity, including any proposed amendments, such plan must be in accordance with the Navajo Nation Business Lease Regulations of 2005.

SECTION TWO. FINDINGS

Pumpkin Patch Fundraisers, Inc., and Upland Desert Popcorn, L.L.C.

- A. Pumpkin Patch Fundraisers, Inc., ("PPF") and Upland Desert Popcorn, L.L.C., ("UDP") are companies doing business on the Navajo Nation in San Juan County, State of New Mexico upon lands within the area used by the Navajo Agricultural Products Industry, Inc. ("NAPI").
- B. PPF and UDP are engaged in the growing, packaging, transporting and selling of popcorn, pumpkins and other agricultural products.
- C. PPF began its business under a lease with NAPI in 1991. PPF began in 1974 in North Carolina with three (3) acres of pumpkins and a partnership with one church. PPF agreed to let the church sell the pumpkins and they would share the proceeds. Richard and Janice Hamby have been growing pumpkins and adding partners ever since; PPF now has over 100 nonprofit partners all across the United States. They include churches, civic organizations, habitat for humanity, Knights of Columbus, a childhood cancer organization and others.
- D. UDP began its business under an agreement with NAPI in 2001. UDP was established in 2001 and began with 100 acres of popcorn. UDP has since grown its market, now selling popcorn in 13 countries. In past years, UDP has grown and processed over 6,000 acres of popcorn. UDP has constructed a state of the art popcorn processing facility on the Navajo Nation which can process and bag over 40 million pounds of popcorn per year.
- E. PPF and UDP have provided for economic development employment opportunities on the Navajo Nation for more than 20 years. Over the last 20 years, PPF and UDP have made facility and infrastructure improvements for a profitable and efficient operation.
- F. PPF and UDP have developed farmlands on Navajo Nation lands managed and operated by NAPI, San Juan County, New Mexico, as attached as **Exhibit "A."**
- G. PPF and UDP have developed facilities located on Navajo Nation lands for the purpose of processing, packaging, transporting and selling pumpkin products. The facilities are

more particularly described/depicted in **Exhibit "B."** These facilities are fenced in.

- H. PPF and UDP have developed facilities located on Navajo Nation lands for the purpose of processing, packaging, transporting and selling popcorn products. The facilities are more particularly described/depicted in **Exhibit "C."** These facilities are fenced in.
- I. PPF and UDP hires more than 600 seasonal and 30 permanent Navajo employees and has one of the largest payrolls within the Navajo Nation.
- J. PPF and UDP established and maintained facilities for its Navajo employees so that they may not drive long distances to work at PPF and UDP facilities.
- K. PPF and UDP work and contract with many Navajo-owned businesses to support PPF and UDP's agricultural operations on the Navajo Nation. PPF and UDP has invested approximately \$7 million in facilities to support its agricultural operations.
- L. PPF and UDP have been using Navajo Nation waters settled pursuant P.L. 87-483, P.L. 111-11 and other laws and agreements. Waters are transported from Cutter Reservoir to NIIP area by canals and other forms of infrastructure.
- M. PPF and UDP have proven to be a substantial, stable and recurring source of direct revenue to NAPI and employment for Navajo persons. PPF and UDP participates regularly in community service projects and build homes for veterans and elders and a school greenhouse in cooperation with community organizations.
- N. PPF and UDP provided help and assistance by supplying water to local residents and chapter communities for drinking, livestock and crops during the 2015 Gold King Mine waste water spill which was an environmental disaster at the Gold King Mine near Silverton, Colorado and impacting Navajo Nation communities and families.

Navajo Agricultural Products Industry, Inc. ("NAPI")

- O. In 1970, the Navajo Nation established NAPI as an enterprise of the Navajo Nation to operate the Navajo Indian Irrigation Project ("NIIP") and manage the Industrial Agribusiness company; NAPI was developed to create employment and operate a profitable Agri-business.
- P. NAPI has not submitted a lease management plan to the Navajo Nation for approval. Therefore, the Navajo Nation Trust Land Leasing Act of 2000 authorizes the Navajo Nation to issue Leases, without the approval of the Secretary of the Interior.

Contracting Between NAPI and PPF/UDP

- Q. On March 5, 2008, the owner of the PPF and UDP companies and NAPI management entered into a Pumpkin, Popcorn and Ornamental Agricultural Products Growing, Operations, and Facilities Agreement (January 1, 2008 to December 31, 2014).
- R. PPF and UDP desire to continue their operations on the Navajo Nation and desire a lease with long term commitment between the Navajo Nation and PPF and UDP.
- S. The Agreement between NAPI, PPF and UDP was set to expire on December 31, 2016, but PPF and UDP have rights to access and use the pumpkin yard and popcorn storage bins up until October 2017.
- T. PPF and UDP are seeking the right to continue to use lands and facilities owned and/or managed by NAPI and the Navajo Nation. PPF and UDP has demonstrated sensitivity to the needs and concerns of the Navajo people and a willingness to conduct its operations in a manner, which is in accordance with all applicable laws and regulations.

Other Matters

U. Through Chapters Resolutions, Navajo Nation Chapters have determined that it is in the best interests of the Navajo Nation and the local community to support and encourage a lease agreement with PPF and UDP in order to secure the continued

benefits to the Navajo people and our community that both PPF and UDP have demonstrated over the past 20 years. These Chapter Resolutions are attached as **Exhibit** "D."

- V. The Navajo Nation finds that it is in the best interest of the Nation to continue its support and encouragement of the small business development on an established Navajo Nation Industrial Park with PPF and UDP.
- W. NAPI desires to continue a business relationship in a modified framework involving an agreement between both NAPI and the Navajo Nation to address issues and concerns. It is necessary to seek Navajo Nation approval for any proposed agreement between NAPI, PPF and UDP. NAPI, PPF and UDP have met and have amicably come to an agreement which is attached hereto as **Exhibit "E"**.

SECTION THREE. APPROVING AND AUTHORIZING LEASE

- A. The Resources and Development Committee of the Navajo Nation Council hereby approves and authorizes a Lease between the Navajo Nation and Pumpkin Patch Fundraisers, Inc., and Upland Desert Popcorn, L.L.C., subject to the attached Lease herein.
- B. PPF and UDP are engaged in growing, packaging, transporting and selling of popcorn, pumpkins, ornamentals and other agricultural products (agreed upon by separate instrument with NAPI).
- C. The Resources and Development Committee of the Navajo Nation Council hereby authorizes the President of the Navajo Nation to execute any and all documents necessary to effectuate the intent and purpose of this resolution and the lease.
- D. NAPI recognizes the contractual relations between the Navajo Nation, PPF and UDP, whereby NAPI and the Navajo Nation desires to provide said lands to PPF and UDP.
- E. PPF and UDP will act in good faith and obtain written approval from NAPI for all chemical applications to avoid disruption to NAPI's crop rotation.

F. PPF and UDP will seek NAPI concurrence in writing of any changes to the Navajo Nation Lease, attached as **Exhibit "E,"** to mitigate any disruption to NAPI's operations."

SECTION FOUR. SAVINGS CLAUSE

Should any provision of this Act be determined invalid by the Navajo Nation Supreme Court or the District Courts of the Navajo Nation, without appeal to the Navajo Nation Supreme Court, the remainder of the Act shall remain the law of the Navajo Nation.

SECTION FIVE. EFFECTIVE DATE

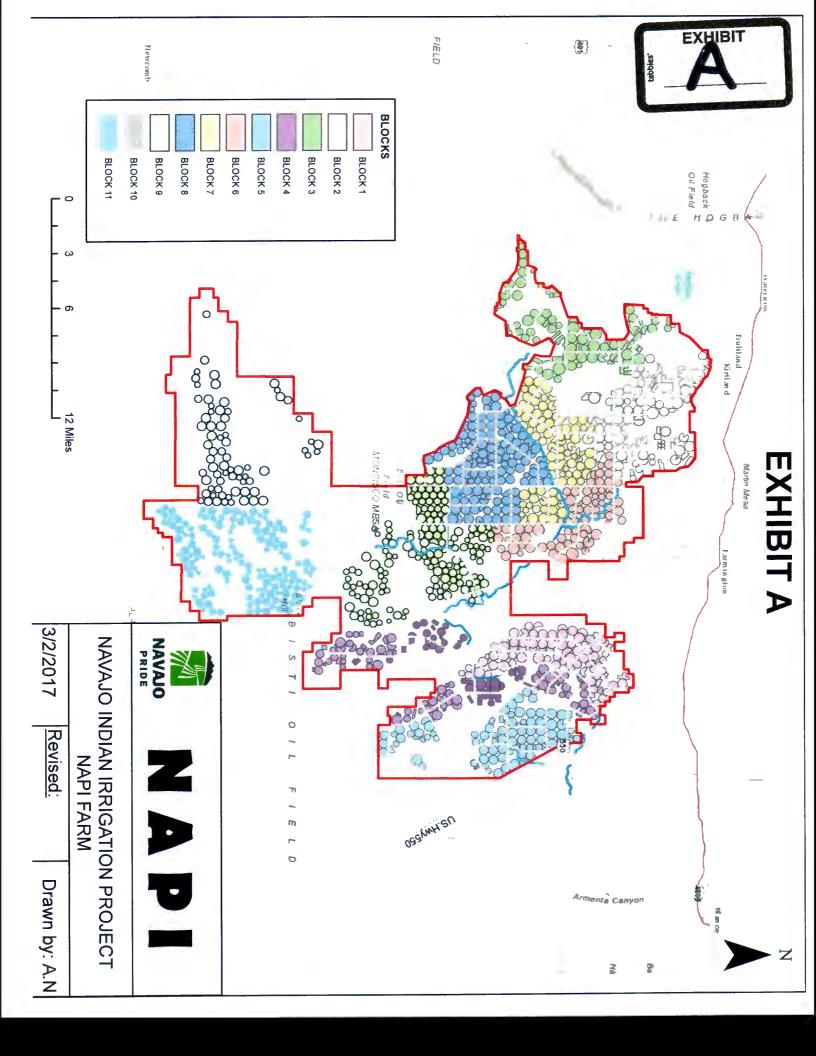
The provisions of this Act shall become effective in accord with 2 N.N.C. \S 221 (B).

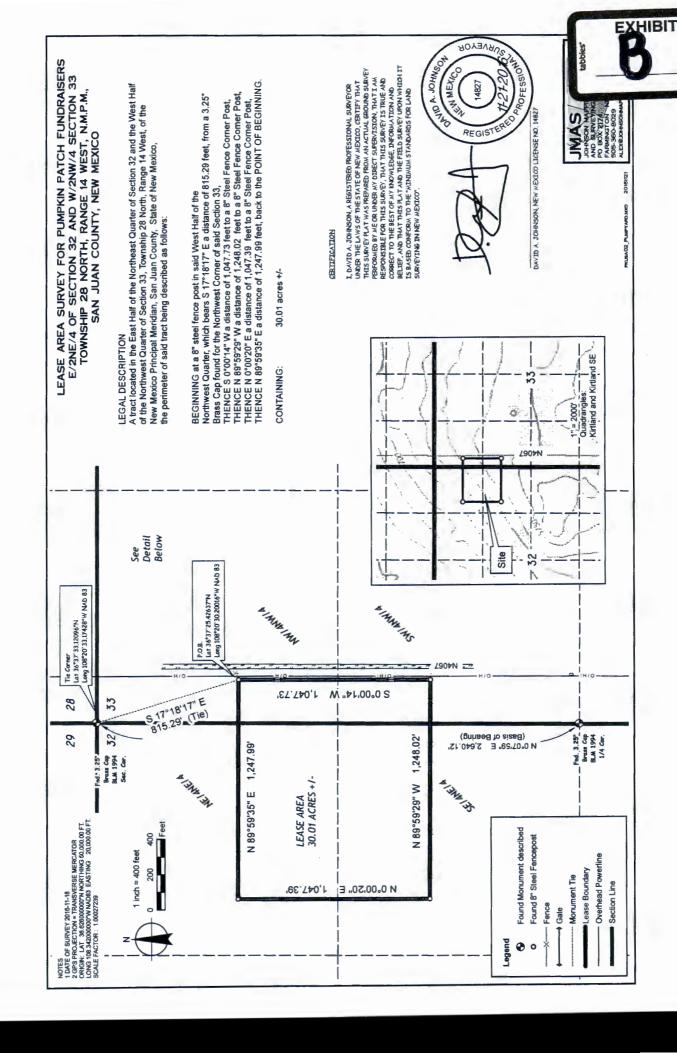
CERTIFICATION

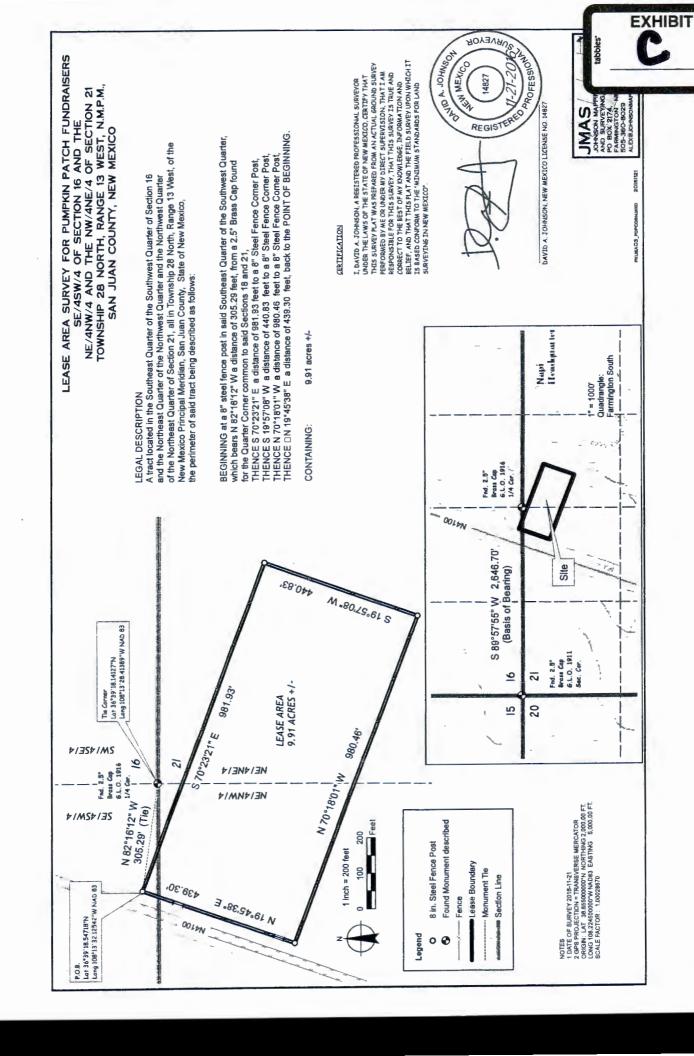
I, hereby, certify that the following resolution was duly considered by the Resources and Development Committee of the 23rd Navajo Nation Council at a duly called meeting at NDOT Administrative Complex, Tse Bonito (Navajo Nation) New Mexico, at which quorum was present and that same was passed by a vote of 4 in favor, 0 opposed, 1 abstained this 7th day of March, 2017.

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

Motion: Honorable Walter Phelps Second: Honorable Davis Filfred









THE NAVAJO NATION TSE'H'AHI' (Standing Rock) CHAPTER

P.O. BOX 247 CROWNPOINT, NEW MEXICO 87313

Email address: standingrock@navajochapters.org

(505) 786-2247/2248 FAX: (505) 786-2249

Russell Begage, Navajo Nation President

Jonathan Nez, Navajo Nation Vice-President

RESOLUTION OF THE TSE'II'AHI' CHAPTER RESOLUTION NO.: TSEIL1116.1103

The Tse'ii'ahi' Chapter respectfully requesting the Resource Development Committee of the 23rd Navajo Nation Council to support and approve the best interests of the Navajo Nation for Navajo Agricultural Products Industry to enter into an extended agreement with Pumpkin Patch Fundraisers, Inc. and Upland Desert Popcom LP ("PPF/UDP") or a lease with the Navajo Nation, in order to secure the continued benefits to the Navajo people that PPF/UDP has demonstrated over the past 24 years.

WHEREAS:

- Pursuant to NNC Title 26, the Tse'ii'ahi' Chapter is recognized local government entity of the Navajo Nation, established and a
 duly certified chapter of the Navajo Nation to exercise local governing powers to review and support activities benefiting the
 chapter community; and
- Pursuant to 26 NNC, Section 1 (b) Tse'ii'ahi' Chapter is vested with the authority to review all matters affecting the community
 and to make appropriate correction when necessary and make recommendation to the Navajo Nation and other local agencies for
 appropriate action; and
- The Pumpkin Patch Fundraisers, Inc. and Upland Desert Popcom LP (PPF/UDP) hires more than 600 seasonal and 30
 permanent employees on the NAPI Farm, nearly all of whom who are Navajo, and has one of the largest payrolls on the NAPI
 Farm; and
- 4. The employment benefits to the Nation of pumpkin-growing are especially important, with a payroll totalling \$1.6 million last year, given the need to hire hundreds of seasonal employees to harvest the crop; and
- 5. The PPF/UDP maintains many Navajo-owned business and contracting relationships that support PPF/UDP's agricultural operations on the Nation and has invested approximately \$7 million in facilities to support its agriculatural operations on the NAPI Farm; and
- 6. The PPF/UDP has proven to be a substantial, stable and recurring source of direct revenue to NAPI and the Navajo Nation; and
- 7. The PPF/UDP donates \$20,000 per year to the NAPI Scholarship and has its own successful Navsjo internship program, and also gives pumpkins free of charge to numerous schools, chapters and other entities, as well as to area farmers for livestock feed; and
- 8. The PPF/UDP participates regularly in community service projects, and built three homes for veterans and elders and a school greenhouse in cooperation with a community organization; and
- The PPF/UDP provided emergency water transport services, free of charge, to local chapters affected by the Gold King Mine disaster last year and is a respected supporter of the local community.

NOW THEREFORE BE IT RESOLVED THAT:

The Tse'ii'ahi' Chapter hereby supports the Pumpkin Patch Fundraisers, Inc. and Upland Desert Popcom LP, and in the best interests of the Navajo Nation for Navajo Agricultural Products Industry to extend it's agreement with Pumpkin Patch Fundraisers, Inc. and Upland Desert Popcom LP or a lease with the Navajo Nation, in order to secure the continued benefits to the Navajo people that has demonstrated over the past 24 years.

CERTIFICATION

I, hereby certify that the foregoing resolution was duly considered by the Tse'ii'ahi' Chapter at a duly called meeting at which a quorum was present and that the same was passed by a vote of 31 in favor, 00 opposed and 02 abstained this 15th day of November 2016.

Motion by:

Felda Yazzie

Second by:

Tillie Lewis

Johnny Johnson, Chapter President Velvet Halleco, Chapter Vice-President Hilleng Tso-Coan, Chapter Secretary/Treasurer



Resolution of the Shiprock Chapter

SHIPROCK, NAVAJO NATION



SUPPORTING EXTENSION OF THE BUSINESS RELATIONSHIP AND CONTRACTUAL AGREEMENT BETWEEN THE PUMPKIN PATCH FUNDRAISERS, INC. AND THE UPLAND DESERT POPCORN LP WITH THE NAVAJO AGRICULTURAL PRODUCTS INDUSTRY AND THE NAVAJO NATION

WHEREAS:

- 1. The Shiprock Chapter of the Navajo Nation acts on this Resolution pursuant to the authority conferred upon the chapter through Navajo Nation Code Title 26, Chapter 1, Section 1, Part B which states, "Through adoption of this Act, the Navajo Nation Council delegates to chapters governmental authority with respect to local matters consistent with Navajo Nation laws, including customs and tradition" and the inclusivity provided by the Dine Fundamental Law, in that "it is entirely appropriate for the government itself to openly observe these fundamental laws"; and
- 2. The Shiprock Chapter understands the Navajo Agricultural Products Industry (NAPI) has a contract that is coming to an end with Pumpkin Patch Fundraisers, Inc. and Upland Desert Popcorn LP ("PPF/UDP"); PPF/UDP hires more than 600 seasonal and 30 permanent employees annually, nearly all of whom are Navajo and has one of the largest payrolls on the NAPI Farm that totals approximately \$1.6M per year, and
- 3. PPF/UDP maintains a number of Navajo-owned business and contractual relationships that support PPF/UDP's agricultural operations on the Nation and has invested approximately \$7M in facilities to support its agriculatural operations on the NAPI Farm; PPF/UDP has proven to be a substantial, stable and recurring source of direct revenue to NAPI and the Navajo Nation, and
- PPF/UDP donates \$20,000 per year to the NAPI Scholarship and has its own successful Navajo internship program, and also gives pumpkins free of charge to numerous schools, chapters and other entities; as well as to area farmers for livestock feed, and
- 5. PPF/UDP participates regularly in community service projects, as it has built three homes for veterans and elders and a school greenhouse in cooperation with a community organization and PPF/UDP provided emergency water transport services, free of charge to local chapters impacted by the Gold King Mine disaster in August 2015 and is a respected supporter of the local community.

NOW, THEREFORE, BE IT RESOLVED THAT:

The Shiprock Chapter hereby expresses it's strong support for the extension of the business relationship and contractual agreement between the Pumpkin Patch Fundraisers, inc. and the Upland Desert Popcorn LP with the Navajo Agricultural Products Industry and the Navajo Nation.

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We, the undersigned hereby certify that the foregoing resolution was duly presented and considered at a duly called Chapter Meeting, at which a quorum was present and that same was approved by a vote of 37 in favor, <u>-0</u>-opposed and <u>-0</u>-abstentions on the <u>06th</u> day of <u>November, 2016</u> in Shiprock, Navajo Nation.

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| or Alkalbah Begay) Secreta | <u></u> | Chee, Council De | |

PUEBLO PINTADO CHAPTER

HCR-79 BOX 3026 * CUBA, NEW MEXICO 87013 * (505) 655-3221* FAX (505) 655-5410

Leonard Tsosie
Council Delegate

Rena Murph President Erlene Henderso Vice President Rhea Murphy-Willeto Secretary/Tressurer

Sherwood Willeto Land board Sammle Jim Coordinator

Pauline Joe

Vice President Jonathan Nez

President Russell Begay

Resolution of
Pueblo Pintado Chapter
Eastern Navajo Agency
Resolution No: PPC-11-2016-035

THE PUEBLO PINTADO CHAPTER SUPPORTS AND HAS DETERMINED THAT IT IS IN THE BEST INTERESTS OF THE NAVAJO NATION FOR NAVAJO AGRICULTURE PRODUCTS INDUSTRY TO ENTER INTO AN EXTENDED AGREEMENT WITH PUMPKIN PATCH FUNDRAISERS, INC.
AND UPLAND DESERT POPCORM LP ("PPF/UDP") OR A LEASE WITH THE NAVAJO NATION, IN ORDER TO SECURE THE CONTINUED BENEFITS TO THE NAVAJO PEOPLE THAT PPF/UDP HAS DEMONSTRATED OVER THE PAST 24 YEARS. THESE BENEFITS INCLUDE:

WHEREAS:

- PPFAUDP hires more than 600 seasonal and 30 permanent employees on the NAPI Farm, nearly all of whom who are Navajo, and has one of the largest payrolls on the NAPI Farm; and
- The employment benefits to the Nation of pumpkin-growing are especially important, with a payroll totaling \$1.6 million last year, given the need to hire hundreds of seasonal employees to harvest the crop; and
- PPF/UDP maintains many Navajo-owned business and contracting relationships that support PPF/UDP's agricultural operations on the Nation and has invested approximately \$7 million in facilities to support its agricultural operations on the NAPI Farm; and
- 4. PPF/UDP has proven to be a substantial, stable and recurring source of direct revenue to NAPI and the Navajo Nation; and
- PPF/UDP donates \$20,000 per year to the NAPI Scholarship and has its own successful Navajo internship program, and also gives pumpkins
 free of charge to numerous achools, chapters, and other entities, as well as to area farmers for livestock feed; and
- PPF/UDP participates regularly in community service projects, and built three homes for vetarans and elders and a school greenhouse in cooperation with a community organization.
- PPF/UDP provided emergency water transport services, free of charge, to local chapters affected by the Gold King Mine disaster las year and is a respected supporter of the local community.

NOW, THEREFORE BE IT RESOLVED THAT:

1. The Pueblo Pintado Chapter supports and has determined that it is in the best interests of the Navajo Nation for Navajo Agricultural Products Industry to enter into an extended agreement with Pumpkin Patch Fundralsers, Inc. and Upland Desert Popcom LP ("PPF/UDP") or a lease with the Navajo Nation, in order to secure the continued benefits to the Navajo people that PPF/UDP has demonstrated over the past 24 years.

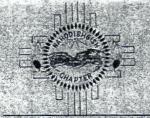
CERTIFICATION

WE HEREBY CERTIFY THAT THE FOREGOING RESOLUTION was duly considered by the Pueblo Pintado Chapter at a duly called meeting at Pueblo Pintado, New Mexico (Navajo Nation) at which a quorum was present and that the same motioned by: 1500 Pintado, New Mexico (Navajo Nation) at which a quorum was present and that the same motioned by: 1500 Pintado, New Mexico (Navajo Nation) at which a quorum was present and that the same motioned by: 1500 Pintado Chapter at a duly called meeting at Pueblo Pintado, New Mexico (Navajo Nation) at which a quorum was present and that the same motioned by: 1500 Pintado Chapter at a duly called meeting at Pueblo Pintado, New Mexico (Navajo Nation) at which a quorum was present and that the same motioned by: 1500 Pintado Chapter at a duly called meeting at Pueblo Pintado, New Mexico (Navajo Nation) at which a quorum was present and that the same motioned by: 1500 Pintado, New Mexico (Navajo Nation) at which a quorum was present and that the same motioned by: 1500 Pintado, New Mexico (Navajo Nation) at which a quorum was present and that the same motioned by: 1500 Pintado, New Mexico (Navajo Nation) at which a quorum was present and that the same motioned by: 1500 Pintado, Nation Pintado, New Mexico (Navajo Nation) at which a quorum was present and that the same motioned by: 1500 Pintado, Nation Pint

ena Morbhy Chapter Russident

Rhea Murphy-Willeto, Secretary/Treasurer

21/000 Henderson, Vice-President



RUSSELL BEGAYE, PRESIDENT

THE NAVAJO NATION NAHODISHGISH CHAPTER PO BOX 369 CROWNPOINT, NEW MEXICO 87313 PHONE: [505] 786-2028 FAX: [505] 786-2370

Vanessa Begay-Lee, Chapter President
Joann Morgan, Vice President
Tina S. Lynch, Secretary/Tressurer
Violette Neison, Land Board
Jonathan Perry, Council Delegate
Clarita Etcitty, Community Services Coordinator
VACANT, Accounts Maintenance Specialist
Vaierie Thompson, Office Assistant
JONATHAN NEZ, VICE PRESIDENT

NAHO: 2017-11-05

RESOLUTION OF NAHODISHGISH CHAPTER

The Nahodishgish Chapter supports and has determined that it is in the best interests of the Navajo Nation for Navajo Agricultural Products Industry to enter into an extended agreement with Pumpkin Patch Fundraisers, Inc. and Upland Desert Popcorn LP ("PPF/UDP") or a lease with the Navajo Nation, in order to secure the continued benefits to the Navajo people that PPF/UDP has demonstrated over the past 24 years. These benefits include:

- PPF/UDP hires more than 600 seasonal and 30 permanent employees on the NAPI Farm, nearly all of whom who are Navajo, and has one of the largest payrolls on the NAPI Farm.
- The employment benefits to the Nation of pumpkin-growing are especially important, with a payroll
 totalling \$1.6 million last year, given the need to hire hundreds of seasonal employees to harvest the
 crop.
- PPF/UDP maintains many Navajo-owned business and contracting relationships that support PPF/UDP's agricultural operations on the Nation and has invested approximately \$7 million in facilities to support its agriculatural operations on the NAPI Farm
- PPF/UDP has proven to be a substantial, stable and recurring source of direct revenue to NAPI and the Navajo Nation.
- PPF/UDP donates \$20,000 per year to the NAPI Scholarship and has its own successful Navajo
 internship program, and also gives pumpkins free of charge to numerous schools, chapters and other
 entities, as well as to area farmers for livestock feed.
- PPF/UDP participates regularly in community service projects, and built three homes for veterans and elders and a school greenhouse in cooperation with a community organization.
- PPF/UDP provided emergency water transport services, free of charge, to local chapters affected by the Gold King Mine disaster last year and is a respected supporter of the local community.

CERTIFICATION

We hereby certify that the foregoing resolution was duly considered by the Nahodishgish Chapter of the Navajo Nation (New Mexico), at a duly called meeting at which a quorum was present and that the same was passed by a vote of 27 in favor 00 opposed and 100 abstain on this 20nd day of November 2016.

Vanessa Begay Lee President

Joann Morgan, Vice President

Tina S. Lynch, Secretary/Treasurer



NAGEEZI CHAPTER EASTERN NAVAJO AGENCY DISTRICT 19

Russell Begaye, Navajo Nation President

Jonathan Nez. Navajo Nation Vice-President

RESOLUTION OF NAGEEZI CHAPTER EASTERN AGENCY, DISTRICT 19

RESOLUTION # NC 17-011

SUPPORTING PUMPKIN PATCH FUNDRAISERS, INC. ("PPF") AND UPLAND DESERT POPCORN, LLC ("UDP") TO HAVE NAVAJO AGRICULTURAL PRODUCTS INDUSTRY ("NAPI") RENEW CONTRACTED ACREAGE TO PPF AND UDP TO GROW PUMPKINS AND POPCORN ON NAVAJO NATION TRUST LANDS MANAGED BY NAPI

WHEREAS:

NAGEEZI CHAPTER is a certified local government entity of the Navajo Nation with the authority to solicit, promote, and protect the interest and welfare of the Chapter and its Community pursuant to the Navajo Nation Resolution CJ 20-55, December 02,1995 and Resolution CAP 34-98, October 01,1998, adoption of the Local Governance Act (LGA); and

NAGEEZI CHAPTER with the population of 2500 to 3000 residents, registered and non-registered voters, is made of up of nine (09) sub-communities including and not limited to: Nageezi, Lybrook, Twin Pines, Blanco, Kimbeto, Chaco Canyon, Escavada, Betoni Wash, Kinnadiz, and Dzilth-na-o-dith-hle, being one of the largest land based chapters in the Eastern Agency of the Navaio Nation; and

NAPI contracted 4700 acres to PPF and UDP to grow pumpkins and popcorn in which the contracted acreage will expire December 31,2016; and

PPF and UDF hires more than 600 seasonal and 30 permanent employees on the NAPI Farm, majority of them being Navajos, and has one of the largest payrolls on the NAPI Farm; and

Employment benefits to the Navajo Nation of pumpkin-growing are especially important, with a payroll totaling \$1.6 million last year, given the need to hire hundreds of seasonal employees to harvest the crop; and

PPF and UDF maintains many Navajo-owned business and contracting relationships that support PPD's and UDF's agricultural operations on the Navajo Nation and has invested approximately \$7 million in facilities to support its agricultural operations on the NAPI Farm; and

PPF and UDF has proven to be a substantial, stable, and recurring source of direct revenue to NAPI and the Navajo Nation; and

PPF and UDF donates \$20,000.00 per year to the NAPI Scholarship and has its own successful Navajo internship program, and also gives pumpkins free of charge to numerous schools, chapters, and other entities, as well as to area farmers for livestock feed; and

PPF and UDF participates regularly in community services projects and built three homes for veterans and elders and a school greenhouse in cooperation with a community organization; and

PPF and UDF provided emergency water transport services, free of charge, to local chapters affected by the Gold King Mine disaster last year and is a respected supporter of the local community.

NOW THEREFORE BE IT RESOLVED THAT:

NAGEEZI CHAPTER HEREBY SUPPORTS PUMPKIN PATCH FUNDRAISERS, INC. ("PPF") AND UPLAND DESERT POPCORN, LLC ("UDP") TO HAVE NAVAJO AGRICULTURAL PRODUCTS INDUSTRY ("NAPI") RENEW CONTRACTED ACREAGE TO PPF AND UDP TO GROW PUMPKINS AND POPCORN ON NAVAJO NATION TRUST LANDS MANAGED BY NAPI

CERTIFICATION

WE HEREBY CERTIFY THAT THE FOREGOING RESOLUTION was duly presented and discussed at a duly called meeting of Nageezi Chapter, Navajo Nation (New Mexico), at which a quorum was present, motioned by Dorothy Lanell, seconded by Pete Martinez, was voted on with 28 in favor, 00 opposed, and 01 abstained, this 06th day of November 2016.

Ervin Chavez, Chapter President

Jessie Valdez, Chapter Secretary/Treasurer



Resolution of the Tse Dââ K´âân Community Chapter



TDK 1610-02

THE TSE DAA K'AAN COMMUNITY CHAPTER SUPPORTS AND HAS DETERMINED THAT IT IS IN THE BEST INTERESTS OF THE NAVAJO NATION TO ENTER INTO A LEASING AGREEMENT WITH PUMPKIN PATCH FUNDRAISERS, INC. AND UPLAND DESERT POPCORN LP ("PPF/UDP"), IN ORDER TO SECURE THE CONTINUED BENEFITS TO THE NAVAJO PEOPLE THAT PPF/UDP HAS DEMONSTRATED OVER THE PAST 24 YEARS.

WHEREAS:

- Pursuant to the Navajo Nation Local Governance Act, (LGA), title 26 N.N.C., Section 1(B), The Tse Daa K aan Community Chapter. (Chapter) is a political subdivision of the Navajo Nation as a local government, having the authority to advocate on behalf of the local community and may make appropriate recommendation to the Navajo Nation, Federal, State and local entities on matters affecting their local community.
- 2. These benefits include
- PPP/UDP hires more than 600 seasonal and 30 permanent employees on the NAPI Farm, nearly all of who are Navajo, and has one of the largest payrolls on the NAPI Farm.
- 4. The employment benefits to the Nation of pumpkin-growing are especially important, with a payroll totaling \$1.6 million last year, given the need to hire hundreds of seasonal employees to harvest the crop.
- 5. PPF/UDP maintains many Navajo-owned business and contracting relationships that support PPF/UDP's agricultural operations on the Nation and has invested approximately \$7 million in facilities to support its agricultural operations on the on the NAPI Farm.
- 6 PPF/UDP donates \$20,000 per year to the NAPI Scholarship and has its own successful Navajo internship program, and also gives pumpkins free of charge to numerous schools, chapters and other entities, as well as to area farmers for livestock feed.
- PPF/UDP participates regularly in community service projects, and built three homes for veterans and elders and a school greenhouse in cooperation with a community organization.
- PPF/UDP provided emergency water transport services, free of charge, to local chapters affected by the Gold King Mine disaster last year and is a respected supporter of the local community.

NOW THEREFORE BE IT RESOLVED THAT

The Tse Daa K aan Community Chapter members, recommends and supports this program.

CERTIFICATION

The Tse Daa K'aan Community Chapter hereby certifies that the foregoing Resolution was duly considered by the Tse Daa K'aan Community Chapter at a duly called meeting on October 17, 2016 at which a quorum was present and a motion for an approval was made by Herman Hunt and second by George Murphy and the same was passed by a vote of 28 in favor; 00 opposed and 01 abstained this day of October 17, 2016.

James Pioche, President

Charlotta A Jan V

Charlie T. Jones M., Vioc President

Lorenzo Bates, Council Delegate



GADÍÍAHÍ/TO KOÍ



GADIIAHI@NAVAJOCHAPTERS.ORG

P.O. Box 1318

Shiprock, NM 87420

Phone: (505)368-1070/1071

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PRESIDENT

CAROL ETCITTY-ROGER

VICE PRESIDENT
ROSIE F. FRANK

SECRETARY/TREASURER
LENORA TSOSIE

COMM. SERVICE COORD.

LINDA HAYES

COUNCIL DELEGATE

AMBER K. CROTTY

RESOLUTION OF GADIIAHI/TOKOI CHAPTER

GAD/TOK 2017- 006

THE GADIIAHI/TOKOI CHAPTER SUPPORTS THE LEASE RENEWAL FOR THE PUMPKIN PATCH FUNDRAISER'S, INC. (PPF 144) AND THE UPLAND DESERT POPCORN LP (UDP) WITHIN THE PERIFERY OF THE NAVAJO AGRICULTRAL PRODUCTS INDUSTRY (NAPI)

FARMLANDS

WHEREAS:

- 1. Gadiiahi/Tokoi Chapter was established by CMY-48-78 to carry out comprehensive planning for the community membership and given furnority to seek, represent, and make decisions over local matters that are in the best interest of its electorate body and
- 2. Pursuant to the Local Governance Act, Title 26 N.N.C. Chapter 1, Section 3 (s) the Cadriahi/Tokoi Chapter was established with the responsibility and authority to promote; protect, and preserve the interest and general welfare including the safety of its community people, programs, property; and
- 3. Gadiiahi/Tokoi Chapter is vested with the authority and responsibility to plan and implement projects in the best interest of the community and
- 4. The Pumpkin Patch Funduaiser. Inc. and the Epland Desert Proportion LP (PPI/UDP) have demonstrated 25 years of progress and benefits to the Nav io people and
- 5. PPF/UDP has 30 permanent employees with 600 seasonal employees on their payroll; and
- 6. PPF/UDP shows a \$1.6 million dullars paid to their employees last year; and
- 7. PPF/UDP asserts Navajo-owned business and contracting partnerships locally to aide in maintaining a \$7 million agricultural operations facilities for local consumer produce production; and
- 8. PPF/UDP has proven their contribution to local Navajo economies with direct revenue; and
- 9. PPF/UDP annually donates \$20,000.00 to the NAPI Scholarship foundation and has shown a successful internship program to supplement community services; and
- 10. PPF/UDP promotes community service initiatives and has built three homes for military veterans and elders, and a greenhouse for a local school; and
- 11. PPF/UDP sprung to aid when the Gold King Mine disaster occurred PPF/UDP delivered water transport services to impacted Chapter localities without charge.

NOW THEREFORE BE IT RESOLVED THAT:

Gadiiahi/Tokoi Chapter hereby supports a Lease Renewal for the Pumpkin Patch Fundraiser's, Inc. and the Upland Desert Popcorn LP (PPF/UDP) for continued benefits of direct revenue to local Navajo workers and the communities.

CERTIFICATION

We hereby certify that the foregoing resolution was considered by the Gadiiahi/Tokoi Chapter community members at a duly called meeting at which a quorum was present and that same was passed with a vote: 24 in favor. Oppose, and 01 abstain on this 20th day of November 2016.

Motion by: Mary Lee

Second by: Armold Nelson

Carol Etcitty-Roger, President

Rosie F. Frank, Vice-President

Lenora Tsosie, Sec/Treasurer

The Navajo Nation Upper Fruitland Chapter PO BOX 1257 Fruitland, New Mexico 87416 (505) 960-5032/9811 Fax (505) 960-0614



LoRenzo Bates, Council Delegate
Hubert Harwood, President
Lenora Williams, Vice-President
Faye BlueEyes, Secretary/Treasurer
Robert Harris, Farm Board
Laurence Bekise, Grazing Representative

RESOLUTION OF THE NAVAJO NATION UPPER FRUITLAND CHAPTER

APPROVING TO SUPPORT PUMPKIN PATCH FUNDRAISER IN KEEPING IT'S LEASE WITH NAVAJO AGRICULTURE PRODUCTS INDUSTRY (NAPI) DUE TO THE FACT THAT THE PUMPKIN PATCH PROVIDES EMPLOYMENT TO HUNDREDS OF NAVAJO PEOPLE

WHEREAS:

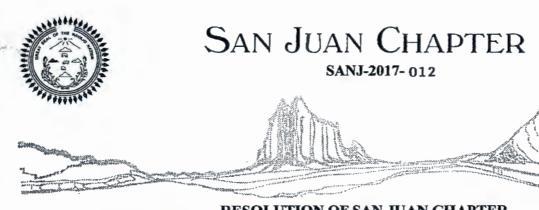
- 1. Pursuant to 26 N.N. C. § 3(A), the Upper Fruitland Chapter is a certified Chapter of the Navajo Nation as listed under 11 N.N.C., Part 1, P10; and,
- 2. Pursuant to 26 N.N.C. §1(B), the Upper Fruitland Chapter is delegated the governmental authority to make decisions over local matters consistent with Navajo Law, Custom, and Tradition and under 11 N.N. C. Part, P10 and also delegated authority to make local decisions in the best interest and welfare of the community members; and,
- 3. Pursuant to 26 N.N.C. §102(A); Upper Fruitland Chapter met the requirements under the Five Management System Policies & Procedures and,
- 4. Pursuant to 26 N.N.C. §103(d) (1), the Resources and Development Committee certified Upper Fruitland Chapter as Governance Certified who shall exercise authorities pursuant to 26 N.N.C., Section 103, with exceptions of Land Administration Authority beginning February 28, 2012; and,
- 5. The Upper Fruitland Chapter community members are concern that NAPI may not renew its lease with Pumpkin Patch Fundraiser, a company that plants and harvests pumpkins and provides employment to hundreds of Navajo people for the last 24 years, has donated to local schools, to Navajo Nation Programs and many other Non-Profit organization; and
- Many of the community members have worked with this company and welcomes the
 employment it offers during the times when there is lack of employment available for
 them and has allowed them to earn a paycheck to support their families; and
- The Upper Fruitland Chapter community member's requests that NAPI reconsider its lease to benefit the Navajo people and families and seriously consider the negative impact this will have on the Navajo families.

NOW THEREFORE BE IT RESOLVED THAT:

- The Upper Fruitland Chapter hereby supports Pumpkin Patch Fundraiser in keeping its lease with Navajo Agriculture Products Industry (NAPI) due to the fact that the pumpkin patch provides employment to hundreds of Navajo people for the last 24 years and has supported schools, Navajo Nation Programs and other Non-Profit organizations.
- 2. The community members urge the NAPI Board and administration to give this lease serious <u>and favorable</u> consideration since NAPI was formed to provide employment to its Navajo people.

CERTIFICATION

| WE HEREBY CERTIFIED that the foregoing resording resording to a duly called meeting held at Upper Fruit motion to approve was made by Harriet Description and the same was p | tland Chapter (Navajo Nation), N.M. A and seconded by |
|--|---|
| | |
| opposed, / abstained, this 15th day of Novemb | per, 2016. |
| At Holins | Av. |
| Hubert Harwood, President | Lenora Williams, Vice-President |
| Faye Blue Eyes, Secretary Treasurer | LoRenzo Bates, Council Delegate |



orenzo Bates Council Delegate

Rickie Nez

Robert C. Begay Vice President

Esther Keeswood-Begay Secretary/Treasurer

> Grace J. Chavez Form Board Member

Ramie Nelson Grazing Member

RESOLUTION OF SAN JUAN CHAPTER

SUPPORTING THE PUMPKIN PATCH FUNDRAISERS, INC AND UPLAND DESERT POPCORN LP. ("PPF/UDP) TO ENTER INTO AN EXTENDED AGREEMENT WITH NAVAJO AGRICULTURAL PRODUCTS INDUSTRY (NAPI) OR A LEASE WITH THE NAVAJO NATION IN ORDER TO SECURE THE CONTINUED BENEFITS TO THE NAVAJO PEOPLE THAT PPF/UDP HAS DEMONSTRATED OVER THE PAST 24 YEARS

WHEREAS:

- 1. San Juan Chapter is a duly certified Chapter under the Navajo Nation Government pursuant to Resolution No. CD-86-82 and pursuant to 26 NNC §103 and they are delegated and authorized to review all matters affecting its community people; and
- 2. San Juan Chapter is aware that the Pumpkin Patch and Upland Desert Popcorn LP have planting on the Navajo Agricultural Products Industries farm land South of Farmington, New Mexico for the last 24 years; and
- 3. San Juan Chapter is aware that the PPF/UDP has hired more than 600 seasonal workers and 30 permanent employees on the NAPI farm and most of whom are Navajo and has one of the largest payrolls on the NAPI Farm; and
- 4. San Juan Chapter has been informed that the PPF/UDP maintains many Navajo-owned business and contracting relationships that support PPF/UDP's agricultural operations on the Navajo Nation and has invested approximately \$7 million in facilities to support its agricultural on the NAPI Farm; and
- 5. That PPF/UDP has proven to be a substantial, stable and recurring source of direct re enue to NAPI and the Navajo Nation. They have donated \$20,000.00 per year to the NAPI Scholarship and has its own successful Navajo internship program and also gives pumpkins free of charge to numerous schools, chapters and other entities, as well as to farmers for livestock feed; and
- 6. That PPF/UDP participates regularly in community service projects and built three homes for veteran's and elders and a school greenhouse in cooperation with a community organization. They also provided emergency water transport services, free of charge to local chapters affected by the Gold King Mine disaster last year and is a respected supported of the local community.

THEREFORE BE IT RESOLVED THAT:

San Juan Chapter and its community people hereby supports the Pumpkin Patch Fundraisers, Inc and Upland Desert Popcorn LP to enter into an extended agreement with Navajo Agricultural Products Industries or a lease with the Navajo Nation in order to secure the continued benefits to the Navajo People that PPF/UDP has demonstrated over the past 24 years.

CERTIFICATION

We hereby certify that the foregoing resolution was duly considered by San Juan Chapter at a duly called meeting at San Juan Chapter, (New Mexico) Navajo Nation, at which a quorum was present and that same was passed by a vote of 16 in favor, 0 opposed and 12 bstained on this 13th day of November, 2016.

Motion by: Sylvia McKinley
Second by: Jacque Begay

Rickie Nez, Chapter President

Robert C. Begay, Vice Chapter President

Esther Keeswood-Begay, Chapter Sec/Treas

Lorenzo Bates, Council Delegate

SANJ-2016-012



EASTERN NAVAJO AGENCY COUNCIL THE NAVAJO NATION

P.O. Box 668 Crownpoint, New Mexico 87313 Phone: (505) 786-2090 Fax: (505) 786-2097

Russell Begay, President Ervin Chavez

President

Johnny Johnson Vice-President Jonathan Nez, Vice-President

FemieYazzle Secretary/Treasurer

ENAC 12-2015-05

RESOLUTION OF THE EASTERN NAVAJO AGENCY COUNCIL

THE EASTERN NAVAJO AGENCY COUNCIL SUPPORTS AND HAS DETERMINED THAT IT IS IN THE BEST INTEREST OF THE NAVAJO NATION FOR NAVAJO AGRICULTURAL PRODUCTS INDUSTRY TO ENTER INTO AN EXTENDED AGREEMENT WITH PUMPKIN PATCH FUNDRAISERS, INC. AND UPLAND DESERT POPCORN LP ("PPF/UDP") OR A LEASE WITH THE NAVAJO NATION, IN ORDER TO SECURE THE CONTINUED BENEFITS TO THE NAVAJO PEOPLE THAT PPF/UDP HAS DEMONSTRATED OVER THE PAST 24 YEARS.

WHEREAS:

- 1. The Eastern Navajo Agency Council is recognized as the local government entity of the Navajo Nation government vested with decision making authority to plan, implement, and make decision in the best interest of the people; and
- 2. Per the 2 N.N.C SECTION: 4028; the Eastern Navajo Agency Council is vested with government authority to review all matters affecting the community to make most appropriate recommendations when necessary to the Navajo Nation, County, State, Federal and other local agencies to beneficial to the organizations; and
- 3, PPF/UDP hires more than 600 seasonal and 30 permanent employees on the NAPI Farm, nearly all of whom who are Navajo, and has one of the largest payrolls on the NAPI Farm; and
- 4. The employment benefits to the Nation of pumpkin-growing are especially important, with a payroll totaling \$1.6 million last year, given the need to hire hundreds of seasonal employees to harvest the crop; and
- 5. PPF/UDP maintains many Navajo-owned business and contracting relationships that support PPF/UDP's agricultural operations on the Nation and has invested approximately \$7 million in facilities to support its agricultural operations on the NAPI Farm; and
- 6. PPF/UDP has proven to be a substantial, stable and recurring source of direct revenue to NAPI and the Navajo Nation.

- PPF/UDP donates \$20,000 per year to the NAPI Scholarship and has its own successful Navajo internship program, and also gives pumpkins free of charge to numerous schools, chapters and other entities, as well as to area farmers for livestock feed.
- 8. PPF/UDP participates regularly in community service projects, and built three homes for veterans and elders and a school greenhouse in cooperation with a community organization; and
- PPF/UDP provided emergency water transport services, free of charge, to local chapters
 affected by the Gold King Mine disaster last year and is a respected supporter of the local
 community.

NOW, THEREFORE BE IT RESOLVED THAT:

The Eastern Navajo Agency Council supports Navajo Agricultural Products Industry to enter into an extended agreement with Pumpkin Patch Fundraisers and Upland Desert Popcorn LP ("PPF/UDP") or a lease with Navajo Nation.

CERTIFICATION

We hereby certify that this foregoing resolution was duly discussed at a duly called agency council meeting, with quorum present; the same was passed by a vote in favor opposed, of abstained, this 3rd day of December, 2016 at Mariano Lake Chapter, Mariano Lake, New Mexico.

Motion by: Raphent Martin
Second by: Herman Vellow hars

Ervin Chavez, President

EASTERN NAVAJO AGENCY COUNCIL

ATTEST:

Fernie Yazzie, Secretary/Treasurer

EASTERN NAVAJO AGENCY COUNCIL



AGRICULTURAL PRODUCTS GROWING, OPERATIONS AND FACILITIES LEASE BETWEEN THE NAVAJO NATION AND UPLAND DESERT POPCORN, LLC AND PUMPKIN PATCH FUNDRAISERS, INC.

This Agricultural Products Growing, Operations and Facilities Lease (the "Lease" is made by and between the Navajo Nation ("Lessor" or the "Nation"), and Upland Desert Popcorn, LLC and Pumpkin Patch Fundraisers, Inc. (collectively the "Lessees") effective as of _____ (the "Effective Date"). For purposes of this Lease, Lessor or Lessees individually shall be a "Party" and Lessor and Lessees together shall be the "Parties."

RECITALS

WHEREAS, the Nation is a sovereign Indian nation; and

WHEREAS, Lessees are a North Carolina limited liability company and corporation, respectively, engaged in the growing and sales of popcorn, pumpkins and ornamental products and seeking the right to use the Nation's lands; and

WHEREAS, Lessor desires to permit Lessees to use 5,500 acres of lands located on the NAPI Farm and facilities that were previously used by Lessees on the NAPI Farm under the terms and conditions of this Lease, and Lessees desires to use such lands and facilities under the terms and conditions of this Lease; and

WHEREAS, Navajo Agricultural Products Industries ("NAPI") is a wholly owned enterprise of the Nation charged with operating and managing a commercial farm on lands held in trust for the Nation and withdrawn for the exclusive benefit of the Nation pursuant to legislation authorizing the Navajo Indian Irrigation Project.

NOW, THEREFORE, In consideration of the foregoing recitals, and the rents, covenants, and mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which the Parties acknowledge, the Parties agree as follows:

AGREEMENT

1. RELATIONSHIP BETWEEN THE PARTIES

Pursuant to 2 N.N.C. § 510(B)(2), the Resources and Development Committee of the Navajo Nation Council has authority to enter into any land exchanges or non-mineral leases on behalf of the Nation, in accordance with applicable Navajo and federal laws, and 16 N.N.C. § 2301, et seq., the Navajo Nation Trust Land as defined in Section 4 of this Lease, for the purpose of growing, storing, processing and packing popcorn and pumpkins, for the Lease Term defined in Section 3. Lessees shall be solely responsible and liable for any and all required fees, permits, taxes, insurance, accidents, injuries, and requirements imposed by applicable law. This Agreement does not establish a contractual, joint venture, partnership, fiduciary, or agency relationship between the Parties or any business relationship other than that of lessor and lessees, and Lessees acknowledge that the Navajo Nation has not made or created, expressly or by implication, any

guarantee, promise, or expectation as to the revenues, profits, or success of Lessees' businesses conducted pursuant to this Agreement or otherwise. Lessees are not entitled to bind or represent the Nation in any manner.

2. GOVERNING LAW

A. Primacy of the Laws of the Navajo Nation. The Parties acknowledge and agree that at all times and to the fullest extent possible, the Lease shall be governed by the laws of the Nation, including all applicable agricultural building codes, labor and employment requirements.

3. TERM

- A. Lease Term. This Agreement shall be effective on the Effective Date, and shall remain in effect through midnight December 31, 2032 (the "Lease Term"), or until a Master Agricultural Lease between the Lessor and NAPI is approved, whichever comes first, provided that Lessee shall have no fewer than five (5) years under this Lease to allow for the 2016 additional lease payment of \$600,000 in five annual installments plus interest at 3 percent per annum and shall terminate until at the end of the Active Crop Season. Once NAPI's Agriculture Lease is executed, the Agriculture Lease shall govern any and all future leasing. The Lease Term for the Facilities, as defined in Section 4(C) below, shall extend an additional one year, to December 31, 2033.
- B. Optional Renewals of the Lease. The Parties may renew the Lease one or more times by mutual consent. Lessee will provide written notice of its intent to renew not less than twelve (12) months prior to end of the Lease Term. Prior to any renewal of the Lease, during the initial Lease Term, Lessor agrees to maintain the Lease Rate as defined in Section 5.

4. LEASE PROPERTY

- A. Lease Property. The Nation shall lease to Lessees approximately 5,500 acres of Farming Acreage (approximately 4,300 acres will be leased to Lessee UDP to grow popcorn and approximately 1,200 acres will be leased to Lessee PPF to grow pumpkins) that NAPI will select farmable acreage in Region 2 as determined by its crop rotation throughout the NAPI Farm ("Farm Acreage"), more particularly identified in Exhibit A, as well as the Facilities and all reasonably required Water and Utilities, as defined in this Section (the Farm Acreage, Facilities, Water and Utilities are jointly defined as the "Lease Property" or "Property"). At all times during the Lease Term, Lessor shall make the Lease Property available to Lessees. Uses will include pumpkins, ornamentals and popcorn only that will be rotated in accordance with the best current agricultural practices to maintain, protect and improve the long term health and productivity of the land.
- **B.** Facilities. The Lease Property shall include the following three sites and facilities (jointly, the "Facilities"):

- i. *Pumpkin Yard.* The Lease Property shall include the Pumpkin Yard currently operated and maintained by Lessees and more particularly identified in Exhibit B. Lessee shall operate, maintain, and improve the Pumpkin Yard at their own expense.
- ii. **Popcorn Plant Facility.** The Lease Property shall include the Popcorn Plant Facility currently operated and maintained by Lessees and more particularly identified in Exhibit C. Lessee shall operate, maintain, and improve the Popcorn Plant Facility at their own expense.
- Housing Facilities. The Lease Property shall include housing facilities ("Housing Facilities"), which Lessees shall construct, maintain, and operate at their sole expense for the use of its employees and owners and for reasonable related uses. Lessees shall have the right to peaceable enjoyment and unfettered access to these Housing Facilities. Lessees shall maintain, and operate these facilities in good, safe and sanitary condition in accordance with reasonably prevailing agricultural practice and comply with all applicable laws of the Nation, including health, safety and environmental laws.
- C. Water. The Lease Property shall include the right to use irrigation water as necessary under reasonably prudent agricultural practices for the purposes stated above.

5. RATES, RENTALS, AND PAYMENTS

- A. Appraisal and Annual Lease Value. Pursuant to 16 N.N.C. § 2332, and after consideration of improvement cost, replacement cost, earning capacity and lease data of comparable sites, the Nation has determined that the annual lease value of the Lease Property ("Annual Lease Value") is \$150 per Acre for Popcorn and \$220 per Acre for Pumpkins, a price that reflects the need to use a substantial acreage for rotational purposes.
- B. Lease Rate. Lessees shall pay NAPI a flat annual lease payment at the approved rate of \$150 per acre for Popcorn and \$220 per Acre for Pumpkins (the "Lease Rate") as provided in Section 5(C). The Lease Rate excludes acreage related to the Facilities. Lessees shall pay an annual rental rate of \$1.00 per year for use of each Facility, including the Housing Facility ("Facilities Rental Rate"). These lease rates shall also cover the amounts NAPI will pay for the water provided for these facilities, lagoon payments for the sewer and access to NAPI's fiber optics.
- C. Lease Payments. Lessee shall pay to NAPI the Annual Lease Amount in three (3) lease payments: (1) a payment on May 15th of 25% of the Annual Lease Amount; (2) a payment on September 15th of 25% of the Annual Lease Amount; and (3) a payment on December 15th of

the remaining 50% of the Annual Lease Amount. Lessee shall remit these payments to the address or bank account provided by Lessor. The third and final payment (the "Final Lease Payment") shall include the total annual Facilities Rental Rate and may be reduced pursuant to Subsection 5(D).

- **D.** Late Payments. For any and all payments due under this Lease by Lessees but not paid by the due date, Lessor shall be entitled to interest at the rate of 1.5% per month or the highest rate permitted by law, whichever is less.
- E. Payroll Guarantee. The combined payroll of Lessees paid annually to members of the Navajo Nation shall be not less than \$1,250,000. Lessees agree to maintain the 30 permanent full-time jobs during peak season and 600 seasonal jobs in compliance with Navajo Preference Law and shall provide proof of compliance with this Section to Lessor and NAPI upon request. Lessees shall also provide such information to the Office of Navajo Labor Relations as requested or as otherwise provided under Navajo Nation law.
- **F.** Scholarship program. Lessees shall offer a \$20,000 annual scholarship to Navajo student(s) for the purpose of pursuing a degree in agriculture or a related field. Lessees shall be allowed to select the recipients of these scholarships.
- G. Grant of Security Interest. Lessees shall grant Lessor a security interest in all agricultural goods and product grown or stored on the Lease Property and, shall execute any and all documents evidencing and perfecting such security interest within 10-days from the end of the harvest season.
- H. Drought. In the event of a drought that limits NAPI's water supply under the Shortage Sharing Program as determined by the U.S. Bureau of Reclamation, Lessee's water shall be reduced at the same rate that NAPI's supply is reduced. Lessee shall not reduce the Annual Lease Amount for any loss sustained as a result of a drought unless otherwise agreed to by the Parties in writing. A water failure shall not constitute a drought pursuant to this provision.

6. RIGHTS AND DUTIES OF LESSEE

In addition to the rights and duties of Lessees described elsewhere in this Lease, the following rights and duties shall apply during the Lease Term:

A. Lessees shall at all times abide by all applicable Navajo laws, and regulations in the performance of all of their activities under this Lease, including but not limited to the Navajo Occupational Safety & Health Administration, Navajo Office of Environmental Health, Navajo Preference in Employment Act, the Navajo Business Opportunity Act, the tax laws and regulations of the Nation, and the environmental laws and regulations of the Nation and its Environmental Protection Agency; and Lessees covenant and agree not to contest the civil regulatory or adjudicative jurisdiction of the Nation;

- **B.** Lessees shall perform all duties and enforce all rights reasonably and in good faith;
- C. Lessees shall use the Lease Property solely for the purpose of growing, storing, and packaging pumpkins, ornamentals and popcorn only;
- **D.** Lessees shall at all times maintain the Lease Property in good, safe, and sanitary condition and working order, including but not limited to: keeping the Lease Property safe and free from debris and refuse and not permitting junk or obsolete vehicles or equipment or waste to be stored on the Lease Property; paying for and properly providing trash bins and clean portable toilets;
- E. Lessees shall obtain prior approval from NAPI in writing before using any herbicides and/or pesticides on the lands leased herein. NAPI's approval shall not be unreasonably withheld. Lessees shall refrain from bringing and storing onto the Lease Property any hazardous substances or conducting their operations in a manner that creates any environmental contamination; and if such contamination shall occur, Lessees shall promptly notify Lessor and remediate to acceptable standards under Navajo Nation law and Federal law;
- **F.** Lessees and NAPI shall annually, by May 31 of each crop year, provide to Lessor a crop management plan, which shall detail the quantity and location of Lessees' planting for the following year and shall conform to NAPI's crop rotation sequence and plans;
- G. Lessees in consultation with NAPI, shall, through industry-accepted practices, including uses of fertilizer and other inputs, use best efforts to ensure the fertility and utility of the Farming Acreage is not depleted or degraded during the Lease Term, including becoming familiar with and adhering to the requirements and directives of Lessor's environmental and soil conservation programs and organic certification. Lessees shall abide by the United States Department of Agriculture, Natural Resources Conservation Service Guidelines; and
- H. Lessees shall be solely responsible for the security of the Lease Property and for loss or damage to the same, unless such loss or damage results from the negligence of Lessor.

7. RIGHTS AND DUTIES OF LESSOR

In addition to the rights and duties of Lessor described elsewhere in this Lease, the following rights and duties shall apply during the Lease Term:

- A. Lessor and NAPI covenant and agree to perform all duties and enforce all rights reasonably and in good faith, and to meet quarterly to address issues of mutual concern;
- **B.** Lessor and NAPI shall reasonably ensure Lessees' quiet possession and unfettered access to the Lease Property during the Lease Term, including maintenance of roads and other transportation infrastructure subject to all applicable building codes;

- C. Lessor through NAPI shall make reasonable efforts to provide Lessee with such water and electricity necessary for the production of crops on the Leased Property provided that Lessor pays all amounts owed under the terms of this Lease.
- **D.** Lessor maintains the right, but not the duty, at Lessor's sole expense, to reasonably inspect Lessees' use of the Lease Property.

8. WORKPLACE SAFETY

- A. Safety Officer. Lessees shall retain a permanent, qualified Safety Officer tooversee workplace safety and compliance with all applicable workplace safety laws as well as
 Lessees own Safety Policies and Procedures as defined in Subsection 8(B).
- **B.** Safety Policies and Procedures. Lessees shall at all times during the Lease Term maintain Safety Policies and Procedures and shall provide a current copy of their Safety Policies and Procedures to Lessor.

9. IMPROVEMENTS, SUBLEASES, AND ENCUMBRANCES

- A. Ownership of Improvements. Permanent Improvements to the premises and fixtures shall become the property of the Lessor at the Termination of the Lease. All temporary structures and equipment shall be removed by Lessee within sixty (60) days after Termination, during which time Lessees shall enjoy unfettered access to the Property for the sole purpose of removal of temporary structures, equipment, and other Lessee property.
- **B.** Lessor Approval of Major Improvements. Lessee shall obtain prior written consent and approval from Lessor for any improvements on the Lease Property costing more than \$5,000 ("Major Improvements"), prior to the introduction of such Major Improvements on the Lease Property, including commencement of construction. On-site design plans and off-site interconnection proposed plans, after the effective date of this lease, must be approved by NAPI prior to construction, and such approval shall not be unreasonably withheld, conditioned or denied by NAPI.
 - a. **Subleases.** Any sublease of the Property or assignment of Lessees' rights under this Lease shall require written consent of the Navajo Nation.

10. INDEMNIFICATION

Lessees shall indemnify and hold harmless Lessor from and against any third-party claim, action, injury, damage, or loss on the Lease Property or occurring as a result of the Lease, and shall pay

for the cost of legal counsel for Lessor to defend against such claim, action, injury, damage, or loss, unless resulting from the negligence or willful misconduct of Lessor.

11. REPRESENTATIONS AND WARRANTIES

- A. Lessor represents and Warrants that, pursuant to 3 N.N.C. § 2, the Nation possesses the power and authority to enter into this Lease and bind the Nation and all related entities, including but not limited to NAPI until such time that NAPI obtains approval of NAPI's Master Agricultural Lease.
- B. Lessees represent and warrant that they are a limited liability company and will become a corporation duly organized, validly existing, and in good standing under the laws of the State of North Carolina with full corporate power and authority to carry on their business, including entering into this Lease, no later than May 31, 2017. Lessees shall duly register with the Navajo Nation Business Regulatory Office, as a foreign corporation and foreign limited liability company, respectively, and shall become compliant with all requirements of Navajo Nation law no later than May 31, 2017; and if additional time is required as a result of an event that is beyond the control of the Lessees, then Lessees shall give notice to Nation on when this condition will be complied with.
- C. Each and all Parties represent and warrant that they have taken all action required by Law and their Organic Documents to authorize the execution, delivery, and performance of this Lease and that neither the execution, delivery, or performance of this Lease will violate or conflict with any provision of the Law or their Organic Documents.

12. FORCE MAJEURE

A. Any Party shall be excused from performance of any term of this Agreement due to intervening events beyond the Party's control that impede or prevent reasonable performance, including but not limited to earthquakes, floods, drought, wind, and freeze that prevents the delivery of water to the leased lands under the Navajo Indian Irrigation Project ("NIIP"), strike (industry-wide, employee, or Facilities), wars, riots, insurrection, civil disturbance, and any action or regulation imposed by the authority of any government agency ("Force Majeure"). Should Force Majeure prevent a Party's performance, the Party shall provide written Notice to all other Parties within fifteen (15) days of the occurrence of such Force Majeure, and that Party shall be excused from performance for so long as it takes to remedy any Force Majeure condition.

B. In the event of a siphon breach or other failure of the water-delivery system, Lessee warrants that it shall take all reasonable measures to assist NAPI upon request with repairs and otherwise cooperate fully to restore water service. Lessee also warrants it shall take all reasonable measures to mitigate its potential damages and/or losses resulting from such failure.

13. ENVIRONMENTAL REVIEW AND COMPLIANCE

A. Environmental Compliance. Lessor shall comply with all environmental laws and regulations of the Navajo Nation, Section VI of the Endangered Species Act, and other Federal requirements. At the option of Lessor, and at its sole expense, the Navajo Nation's Environmental Reviewer ("ER") may conduct a secondary environmental review of the Lease and Lease Property.

14. INSURANCE AND BONDING

A. Insurance. In accordance with 16 N.N.C. § 2336, Lessees shall secure insurance from a nationally accredited insurance company with a financial strength rating of "A" or equivalent, and authorized to do business on the Navajo Nation. Lessees shall maintain all required insurance, including General Liability and Casualty Insurance, Commercial Automobile Liability Insurance, and Worker's Compensation Insurance. The amount shall be sufficient to cover the improvements, personal injury or death, and any reasonably potential foreseeable loss of the lessor and the United States. All insurance policies shall expressly identify the Lessor and the United States as additional named insured parties and shall require thirty (30) days-notice to Lessor prior to cancellation or a reduction or limitation in coverage. Lessees shall provide Lessor with a certificate of insurance coverage, along with the name, address, and telephone number of the insurance carrier upon signing of this Lease.

15. TERMINATION

- A. Termination. This Lease shall terminate either at the conclusion of the Lease Term, December 31, 2032, or upon approval of NAPI's Master Agricultural Lease, whichever comes first, subject to section 3.A above. When NAPI's Master Agricultural Lease is approved, this Lease shall terminate and shall be addressed in NAPI's Master Agricultural Lease. Either Party may terminate this Lease within thirty (30) days written notice to the other Party in the event the other Party substantially breaches the terms of this Lease or such Party is unable to or refuses to perform as outlined herein.
- **B.** Upon Termination, Lessees shall leave the Lease property in good condition, normal wear and tear excepted, including but not limited to the removal of all refuse and unusable property; Lessees shall convey to Lessor clear title, free of any lien or encumbrances, all Improvements. Upon Termination, Lessees shall not longer possess the right or authority to enter or use the Lease Property, except as described in Section 15(C) below.
- C. Limited Access and Use. Within thirty (30) days of Termination, Lessees shall remove all usable property owned by Lessees, including but not limited to equipment, goods, documents, and all other tangible property not owned by Lessor ("Lessees' Property") from the Lease Property but shall have complete access to the Lease Property during those thirty (30) days for that purpose.

16. DISPUTE RESOLUTION

- A. Scope. Any dispute regarding or relating to this Lease shall be resolved by the Dispute Resolution Procedure contained in this Section 16. All obligations, covenants, representations and duties of the Parties in this Lease are material terms; non-compliance and failure to perform any material term shall constitute a Breach.
- **B.** Notice and Cure; Mediation. Should either Party be in Breach of any term of this Agreement, the non-breaching Party shall provide written notice to the breaching Party ("Notice"). Within fourteen (14) days of receipt of notice (the "Cure Period"), Breaching party shall cure the breach or take every possible measures to pursue a cure and final resolution. If, after the Cure Period, the breaching Party has not cured or reasonably pursued a cure to the Breach, the non-breaching Party shall demand mediation, to be conducted within thirty (30) days after the Cure Period.
- C. Arbitration. Any controversy or claim arising out of or relating to this Lease not resolved by mediation shall be subject to binding arbitration pursuant to the Navajo Nation Arbitration Act, 7 N.N.C. Section 1101 et seq. (the "Act"), and shall be enforced solely by the courts of the Nation as provided by the Act. The Parties hereby warrant and agree that mediation and arbitration shall be the sole remedy pursuant to this Lease, and that no other remedies at law or in equity shall be available to either Party. Arbitration shall be conducted according to the rules of the American Arbitration Association then in force. Any arbitration shall consist of three arbitrators as follows: Each Party shall choose an arbitrator who is a member of the Navajo Nation Bar Association ("NNBA"), who shall in turn select a third arbitrator who shall also be a member of the of the NNBA. Each Party shall bear its own costs and legal fees in connection with any arbitration.
- **D.** Maintenance of Obligations. Each Party shall continue to perform under the terms of the Lease during the pendency of any dispute, unless such performance is determined to be commercially unreasonable, in which case the Lease may be terminated prior to resolution of the dispute upon written notice to the non-Terminating party.
- E. Limitations on Liability in Arbitration. Any award of damages pursuant to an arbitration award, if any, shall be limited actual and direct damages and shall not include consequential, speculative, punitive, or exemplary damages.
- F. Nothing in this Lease shall be interpreted or constitute as a waiver, express or implied, of the sovereign immunity of the Navajo Nation.

17. NOTICES; AUTHORIZED REPRESENTATIVES

All notices, demands, or requests, which are required or permitted under this Lease shall be given in writing and delivered personally or mailed by certified mail, return receipt requested, to the Parties' authorized representatives at the addresses provided with the signatures below. The Parties agree to provide courtesy copies of all such notices, demands, or requests, to NAPI. The authorized representative of the Navajo Nation shall be its President or his designee; the authorized

representative of Upland Desert Popcorn shall be its CEO; and the authorized representative of Pumpkin Patch Fundraisers shall be its CEO.

18. MISCELLANEOUS

- A. Severability. If any one or more of the provisions of this Agreement shall for any reason be held invalid, illegal, or unenforceable, the validity and enforceability of the remaining provisions shall be unaffected, unless enforcement of the remaining provisions would be commercially unreasonable.
- B. Entire Agreement; Amendment. This Lease, including all Exhibits, constitutes the entire agreement and understanding of the Parties. Any modification or amendment of this Agreement shall not be valid and shall not be of any force or effect unless agreed to in writing by authorized representatives of the Parties. Parties agree to seek concurrence from NAPI in writing for any changes to this agreement in an effort to mitigate disruption to NAPI'S operations.
- C. For purposes of the Lease, Active Crop Season will be defined March to December of each year.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the dates indicated below.

| NAVAJO NATION | | UPLAND DESERT POPCORN, LLC | | | | | |
|-------------------------|-----|---------------------------------|--|--|--|--|--|
| By: | | By: | | | | | |
| Navajo Nation President | | John Hamby, co-owner | | | | | |
| | | 425 NC Highway 150 West | | | | | |
| | | Greensboro, NC 27455 | | | | | |
| Date: | | Date: | | | | | |
| | By: | PUMPKIN PATCH FUNDRAISERS, INC. | | | | | |
| | Dy. | Richard Hamby, CEO | | | | | |
| | | 425 NC Highway 150 West | | | | | |
| | | Greenshoro NC 27455 | | | | | |

APPROVED BY RESOURCES AND DEVELOPMENT COMMITTEE, Legislation 0044-17, March 6, 2017

| For purposes of the dispute resolution as propertment of Justice approves the arbitration pand (K)(2). | |
|--|--|
| und (14)(2). | |
| | |
| Navajo Nation Department of Justice | |
| Data | |
| Date | |