

RESOLUTION OF THE  
BUDGET AND FINANCE COMMITTEE  
OF THE NAVAJO NATION COUNCIL

23<sup>RD</sup> NAVAJO NATION COUNCIL - Second Year, 2016

AN ACTION

RELATING TO BUDGET AND FINANCE; APPROVING AND ADOPTING THE NAVAJO  
NATION WATER MANAGEMENT BRANCH'S WATER PROJECTS EXPENDITURE PLAN FOR  
WATER, WASTEWATER AND SDS PROJECTS FUNDED BY THE SÍHASIN FUND THROUGH  
CJA-12-16

BE IT ENACTED:

**Section One. Authority**

A. The Budget and Finance Committee of the Navajo Nation Council is authorized to review the management of all funds and to approve Fund Management Plans. See 2 N.N.C. §§ 301 (B) (2) and (14).

**Section Two. Findings**

A. On January 27, 2016, the Navajo Nation Council passed Council Resolution CJA-12-16 adopting the Síhasin Fund Bulk Water & Wastewater Development Expenditure Plan and the Síhasin Fund SDS Project Expenditure Plan and Project List pursuant to CD-68-14 and 12 N.N.C. §§2501 -2508; the President of the Navajo Nation signed CJA-12-16 on February 22, 2016

B. CJA-12-16, Section Three, Subsection E states that the "appropriation(s) to fund the WMB Water and Wastewater Development Projects, including administration costs, shall be governed by and administered through a Fund Management Plan(s) approved by the Budget & Finance Committee, which shall include that the accounting and financial records for the continuing account shall be kept separate from the Navajo Nation General Fund."

- C. CJA-12-16, Section Three, Subsection H.2 states that the "annual appropriations to WMB for the SDS Project List, including the contingency amount, shall be governed by and administered through a Fund Management Plan(s) approved by the Budget & Finance Committee, which shall include that the accounting and financial records for the continuing account shall be kept separate from the Navajo Nation General Fund."
- D. Under the facilitation of the Speaker of the Navajo Nation Council, the Navajo Nation Water Management Branch, Office of the Controller, Office of Management & Budget, Department of Justice, Navajo Tribal Utility Authority and Indian Health Services collaboratively developed the Navajo Nation Water, Wastewater and SDS Projects Water Projects Expenditure Plan (hereinafter "Water Projects Expenditure Plan"), attached as Exhibit "A", to satisfy the mandates of CJA-12-16 Section Three, Subsections E and H.2 and to administer the Síhasin Funds.

### **Section Three. Approval and Adoption**

- A. The Navajo Nation hereby approves the Water Projects Expenditure Plan, attached as Exhibit "A", as the Fund Management Plan mandated by Section Three, Subsections E and H.2 of CJA-12-16.
- B. The Navajo Nation hereby adopts the Water Projects Expenditure Plan as provided in Exhibit "A."

CERTIFICATION

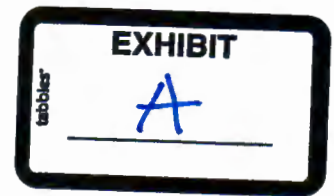
I hereby certify that the foregoing resolution was duly considered by the Budget and Finance Committee of the Navajo Nation Council at a duly called meeting held at Window Rock, Navajo Nation (Arizona), at which a quorum was present and that the same was passed by a vote of 4 in favor, 0 opposed, this 5<sup>th</sup> day of August, 2016.

A handwritten signature in cursive script that reads "Dwight Witherspoon".

Honorable Dwight Witherspoon, Vice Chairperson  
Budget and Finance Committee

Motion: Honorable Tuchoney Slim, Jr.

Second: Honorable Tom T. Chee



## **WATER PROJECTS EXPENDITURE PLAN**

### **NAVAJO NATION WATER, WASTEWATER AND SDS PROJECTS WATER MANAGEMENT BRANCH**

**July 5, 2016**

#### **I. Purpose**

The Navajo Nation approved CJA-12-16 in February 2016. CJA-12-16 required the establishment of a Fund Management Plan to manage the funding approved through CJA-12-16 for water related projects. This Water Projects Expenditure Plan (Expenditure Plan) meets the intent of the required Fund Management Plan ("FMP") referenced in CJA-12-16. In addition, this Expenditure Plan supplements the 'Sihasin Fund Bulk Water and Wastewater Development Expenditure Plan' and the 'Sihasin Fund SDS Expenditure Plan and Project List' established in CJA-12-16.

The purpose of the Expenditure Plan is provide the necessary framework for the administration of water related project funds provided to or through the Water Management Branch by CJA-12-16. The funds provided to the Navajo Tribal Utility Authority are to be managed by other mechanisms pursuant to CJA-12-16, not this Expenditure Plan.

#### **II. Establishment**

This Expenditure Plan describes the establishment of accounts how they will be administered:

##### **A. The Water Management Branch Operation and Project Accounts**

These projects and operations accounts will be administered and implemented by the Navajo Nation Water Management Branch (NNWMB). The Navajo Nation Water Management Branch Program (NNWMB) is a program within the Navajo Department of Water Resources (NDWR) of the Division of Natural Resources (DNR).

##### **B. The Indian Health Service Project Accounts**

These projects accounts will be administered by the NNWMB in coordination with the Navajo Area Indian Health Service (NAIHS) Office of Environmental Health and Engineering (OEHE) Sanitation and Facilities Construction Program and the projects will be implemented by the NAIHS.

#### **III. Administration**

##### **A. Authority**

Pursuant to CJA-12-16 Section 3 (F) and Section 3 (H) the NNWMB has the authority to administer funding to implement various water, wastewater and

Sanitation Deficiency System (SDS) projects identified in Exhibit A and Exhibit C of CJA-12-16. The Resource and Development Committee of the Navajo Nation Council will provide legislative oversight of items requiring legislative approval not identified in CJA-12-16.

**B. FUNDING SOURCES**

Funding is provided through CJA-12-16 and the projects are identified in Exhibit A and Exhibit C of CJA-12-16.

**C. AMENDMENTS TO WATER AND WASTEWATER PROJECT LISTINGS**

Pursuant to CJA-12-16 Section 3 (G) and Section 3 (H) (3) (4) NNWMB must seek approval from the Nabikiyati Committee to add or delete projects listed in Exhibit A and Exhibit C of CJA-12-16. Pursuant to CJA-12-16 Section 3 (H) (3) (c), the projects identified in Exhibit C of CJA-12-16 may be reprioritized by NAIHS in coordination with NNWMB to expedite the completion of those projects.

**D. ACCOUNTS**

NNWMB will provide direction to OMB as to which projects in Exhibit A of CJA-12-16 are to be implemented by NNWMB or NAIHS. All of the projects in Exhibit C of CJA-12-16 will be implemented by NAIHS. Pursuant to CJA-12-16 Section 3 (B), the accounts will be continuing accounts until the operations and projects are completed. Attachment A contains a chart of the process.

**(1) For the projects to be implemented by the NNWMB:**

- a. Separate accounts shall be set up for operations and projects.
- b. The Office of Management and Budget (OMB) will set up the accounts upon receiving completed Project Summary Forms and/or budgets forms from NNWMB.
- c. Operating account(s) will be set up using appropriate Navajo Nation Budget Forms. The annual allocations for operations will be deposited into the same account/business unit and will remain active until fully expended.

**(2) For the projects to be implemented by the NAIHS:**

- a. A new account will be established every fiscal year.

**E. DEPOSIT OF FUNDS INTO ACCOUNTS**

Funds will be drawdown from the Sihasin Fund and credited/deposited into accounts pursuant to CJA-12-16 and Section III(D). The amounts to be deposited for projects implemented by NNWMB are identified in Exhibit A of CJA-12-16. The amounts to be deposited for projects implemented by NAIHS are identified in



Exhibit A and/or Exhibit C of CJA-12-16.

F. EXPENDITURE OF FUNDS

(1) Expenditures from the accounts will be made in accordance with CJY-12-15 and all applicable Navajo Nation policies and procedures, unless modified herein (See chart in Attachment B). Expenditures of the funds from the IHSF Accounts will be made in through Memorandum of Agreements (MOAs) with the Navajo Area Indian Health Service that will be administered by NNWMB (See chart in Attachment C). The MOAs may contain more than one project. Modifications to Navajo Nation policies and procedures are as follows:

a. Navajo Nation Budget Instructions and Policies Manual

- i. The budgets for these funds are not subject to the timelines established by the annual budget instructions and the document review requirements.
- ii. The Project budgets and operating budgets do not require oversight committee approval prior to being submitted to OMB.
- iii. Approval of Project Summary Forms and budget will be through 164 Executive Official Review from NNWMB through DNR to OMB.
- iv. Multiple business units may be listed on the Expenditure Authorization Signature Form and Budget Revision Request Signature Authorization Form(s).

b. Navajo Nation Grants

- i. The Memorandums of Agreements with NAIHS are cost sharing agreements for projects and shall be considered a suitable substitute for a Grant Agreement. An example of the MOA is in Attachment D.

c. Navajo Nation Procurement Act and Navajo Business Opportunity Act

- i. In accordance with CJA-12-16 Section 3 (H) (3) (b), the MOAs are not deemed procurement contracts subject to Navajo Nation Procurement Act 12 N.N.C. § 301 – 371 and Navajo Business Opportunity Act 5 N.N.C. § 201-205. MOAs with NAIHS do not require Federal Form W-9, Affidavit of Non-Debarment and Non-Suspension or Proof of Insurance.
- ii. Savings from NAIHS projects will remain with NAIHS. NAIHS will provide recommendation for the use of savings for other project(s) in consultation with NAIHS, NTUA and other programs as needed. Transfer of such funds to other approved projects in CJA-12-16 will be concurred by NNWMB and copy provided to OMB and Office of Controller.

- (2) Expenditures from the accounts will include, but will not be limited to the following categories:

- Personnel
- Travel Expenses
- Supplies
- Lease, Communications, and Utilities
- Contractual Services
- Special Transactions
- Non-Capital Expenditures
- Capital Expenditures

G. COST SHARING FUNDS

Pursuant to CJA-12-16 Section 3 (F)(2) and Section 3 (F), the NNWMB has the authority and responsibility to identify ways to further leverage the appropriated funds.

- (1) Cost Share funds for projects implemented by NNWMB

Cost Share funds from various agencies will be processed and administered in accordance with this Expenditure Plan and all applicable Navajo Nation policies and laws.

- (2) Cost Share funds for projects implemented by NAIHS

NAIHS will provide estimates on cost share funding in the project summary reports prior to the execution of the MOAs for projects. As part of the MOA, NAIHS will also provide quarterly updates in cost sharing.

H. CLOSEOUT and USE OF CONTINGENCY

NAIHS will identify the use of the annual contingency described in Exhibit C of CJA-12-16 for project(s) needing additional funds in the MOA(s) and quarterly reports.

For projects implemented by NNWMB, the Branch Manager will provide a memorandum stating that a project is complete and the account may be closed. For projects implemented by NAIHS, NNWMB will coordinate the NAIHS to provide a memorandum stating when an account may be closed out.

I. PERIODIC REVIEW

For the projects implemented by NNWMB, the Branch Manager in coordination with the Senior Contract Analyst or other identified staff will review expenditures

on a quarterly basis. The NNWMB Manager or their designee will provide quarterly written updates to the Resources & Development committee, Budget & Finance Committee, Office of Controller, Office of Management and Budget, and Office of President and Vice President. The quarterly update will include a leveraging status and plan. A semi-annual written report will be provided to members of the Navajo Nation Council.

For projects implemented by NAIHS, the NNWMB will include language in the MOAs with NAIHS that describes the quarterly reporting process. Quarterly reports will be provided to the Resources & Development committee, Budget & Finance Committee, Office of Controller, Office of Management and Budget, and Office of President and Vice President. A semi-annual written report will be provided to members of the Navajo Nation Council.

The NNWMB will coordinate with the Office of Auditor General to request an annual audit the funds provided through this Expenditure Plan. The audit will be requested to be completed by the second quarter of the new fiscal year.

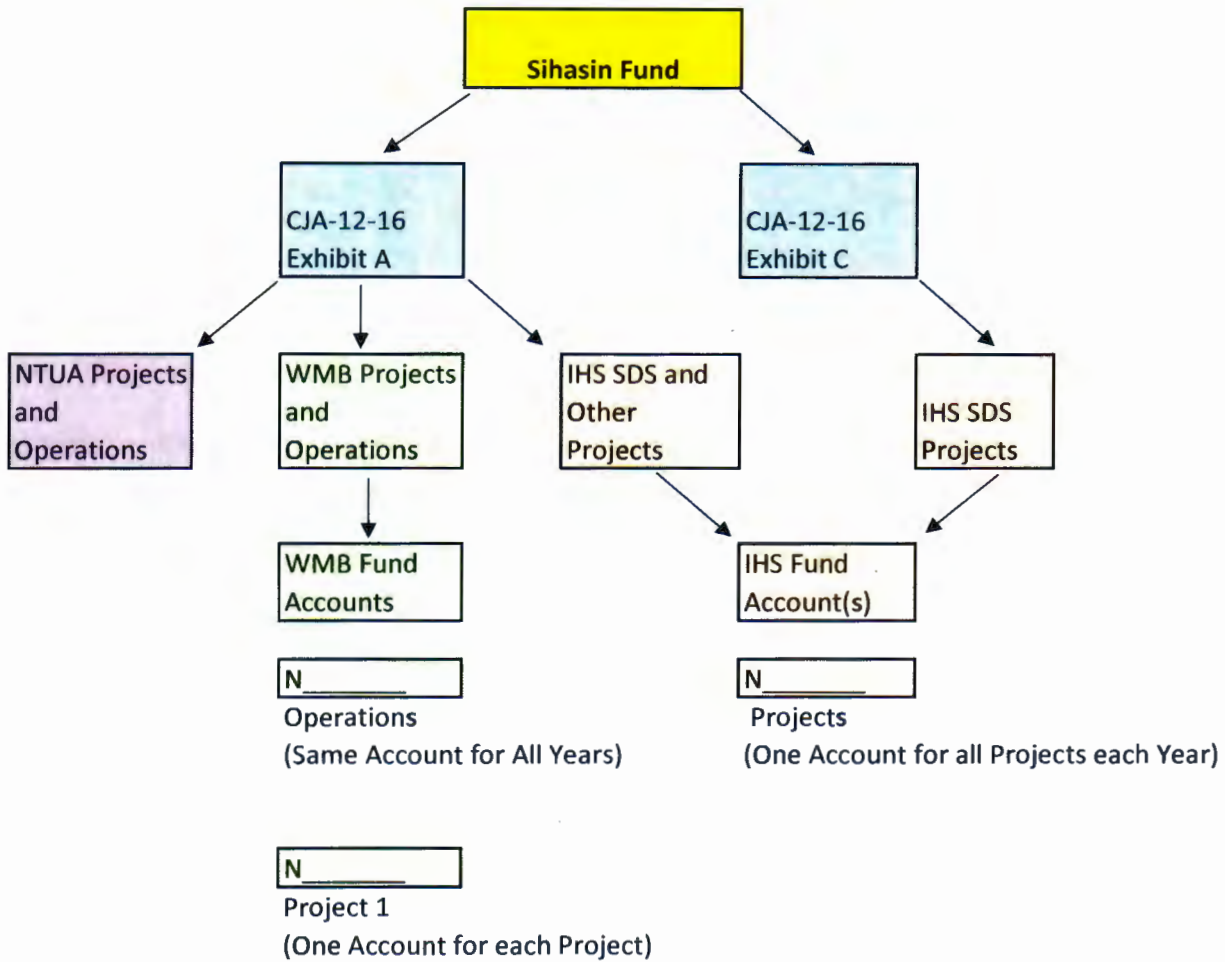
#### **IV. AMENDMENTS**

This Expenditure Plan may be amended by the Budget and Finance Committee with the recommendation of the NNWMB.



## ATTACHMENT A

### WMB Expenditure Plan Project Accounts June 7, 2016

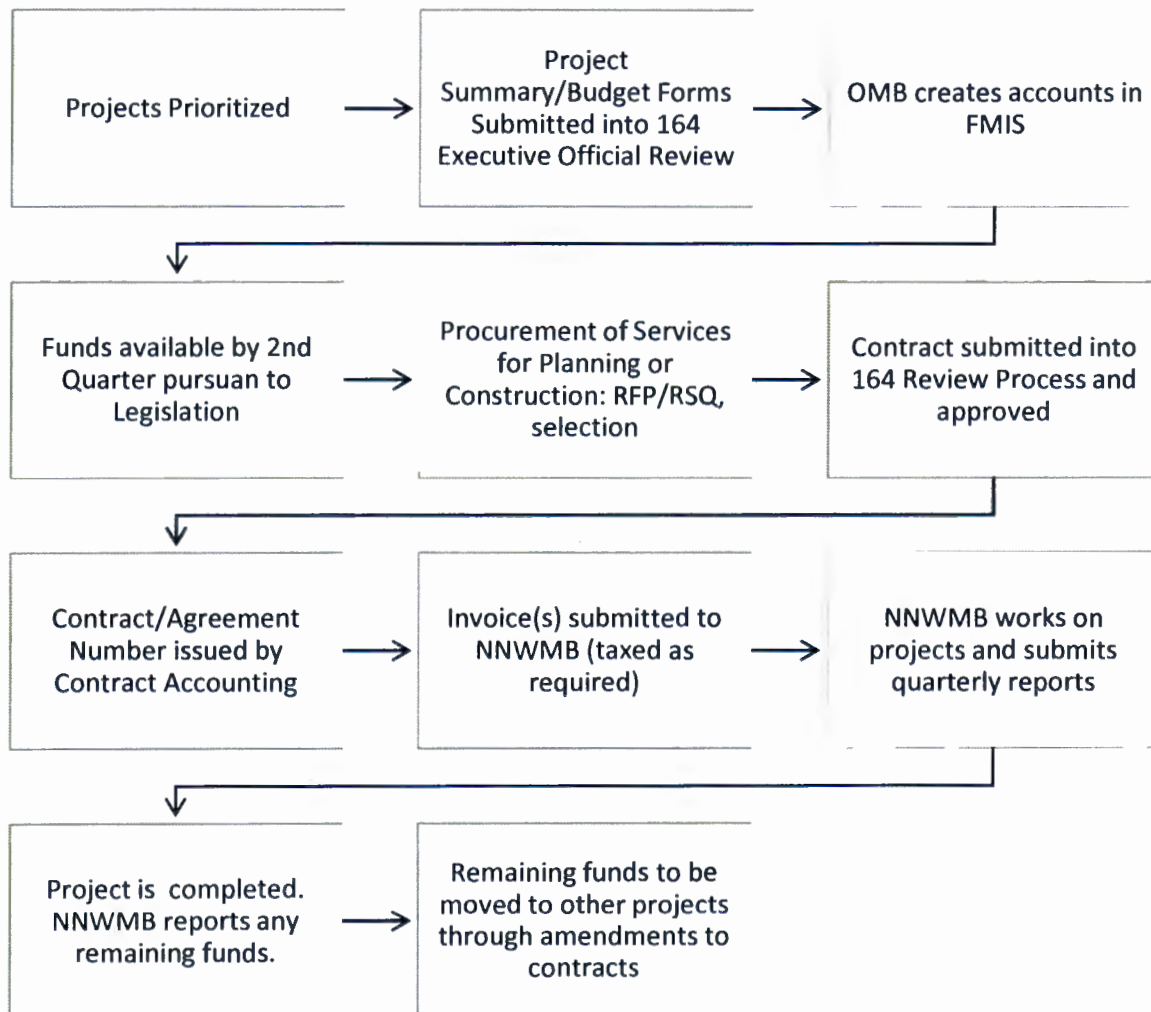


Note: Funds provided to NTUA are in a process separate from this expenditure plan.

## ATTACHMENT B

### Projects Implemented by Navajo Nation Water Management Branch

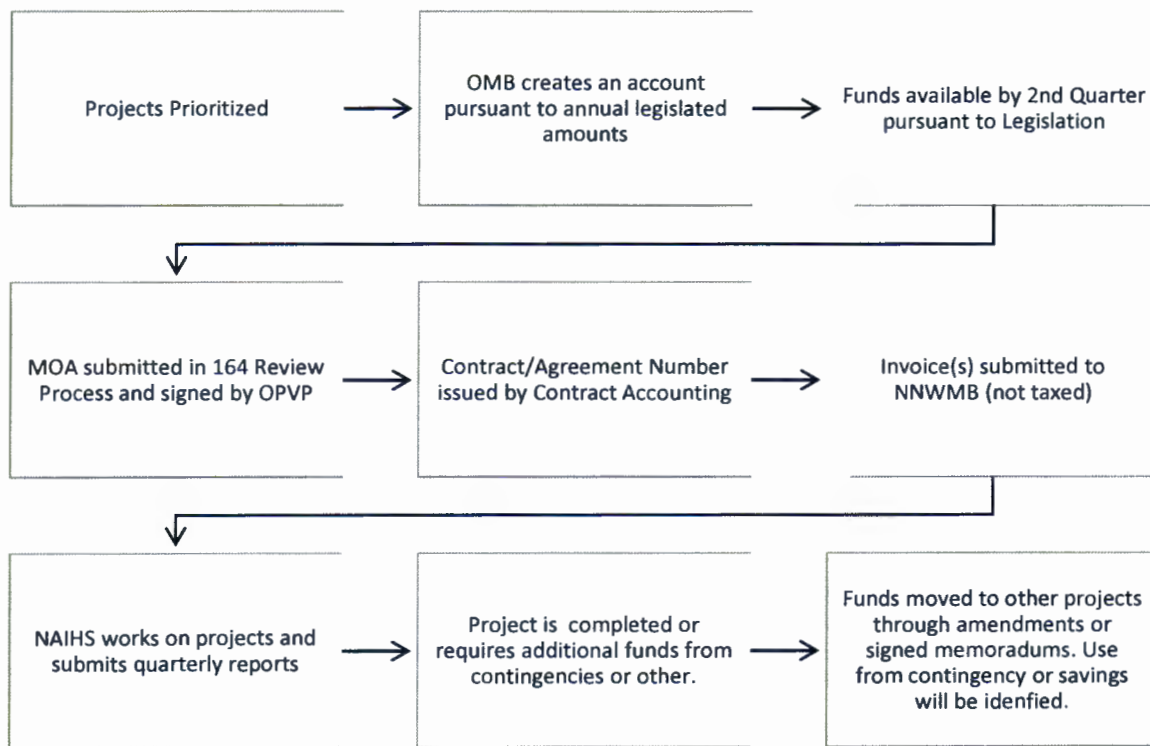
May 6, 2016



## ATTACHMENT C

### Projects Implemented by Navajo Area Indian Health Service

May 6, 2016



MEMORANDUM OF AGREEMENT  
AMONG  
THE UNITED STATES OF AMERICA  
AND  
THE NAVAJO NATION  
ARIZONA, NEW MEXICO, AND UTAH  
AND  
THE NAVAJO ENGINEERING AND CONSTRUCTION AUTHORITY  
AND  
THE NAVAJO TRIBAL UTILITY AUTHORITY  
COMMUNITY WATER SUPPLY AND WASTEWATER FACILITIES

Indian Health Service  
Public Law 86-121

Project No.	Project Name
NA-16-XYZ	Síhasin MOA Example

U.S. Department of Health and Human Services  
Public Health Service  
Indian Health Service  
Office of Environmental Health and Engineering  
Division of Sanitation Facilities Construction  
Navajo Area Indian Health Service  
Window Rock, Arizona

March 2016

MEMORANDUM OF AGREEMENT  
AMONG  
THE UNITED STATES OF AMERICA  
AND  
THE NAVAJO NATION  
ARIZONA, NEW MEXICO, AND UTAH  
AND  
THE NAVAJO ENGINEERING AND CONSTRUCTION AUTHORITY  
AND  
THE NAVAJO TRIBAL UTILITY AUTHORITY  
  
COMMUNITY WATER SUPPLY AND WASTEWATER FACILITIES

Indian Health Service

Public Law 86-121

THIS AGREEMENT is made among the United States of America, acting through the Director, Navajo Area Indian Health Service, Department of Health and Human Services, under and pursuant to the provisions of Public Law 86-121 (42 U.S.C. 2004a; 73 Stat. 267); and the Navajo Tribe, Navajo Nation, Arizona, New Mexico, and Utah, hereinafter called the Nation, acting through the President of the Nation; and the Navajo Engineering and Construction Authority, an enterprise of the Nation, hereinafter called the NECA, acting through its General Manager; and the Navajo Tribal Utility Authority, an enterprise of the Nation, hereinafter called the NTUA, acting through its General Manager.

WHEREAS, the Nation is desirous of obtaining satisfactory water supply and adequate waste disposal facilities for the Indians of the Navajo Nation; and

WHEREAS, the Nation has requested assistance under Public Law 86-121 in the construction of water and waste disposal facilities to serve Indian homes within the various Chapters shown in Table I below; and

WHEREAS, the Nation approved the Water Projects Investment legislation in February 2016, also known as the Sihasin Fund Bulk Water & Wastewater Development Expenditure Plan and the Sihasin Fund SDS Project Expenditure Plan, for the projects shown in Table I below, and that the funds will be appropriated through the Navajo Nation Department of Water Resources, Water Management Branch (WMB); and

WHEREAS, the Indian Health Service is desirous of assisting in the construction of sanitation facilities at the aforementioned location as a means of improving the health of the Indians; and

WHEREAS, the Nation and the NTUA have reviewed and concur with the provisions of the referenced Project Summaries shown in Table I below.



Table I  
List of Projects, Chapters, and WMB Contribution Amounts

No.	Project No.	Project Name	Chapter	WMB Contribution
1	NA-16-XYZ	Sihasin MOA Example		\$x,000,000

Total = \$x,000,000

NOW THEREFORE, in order to carry out the project as set forth in the Project Summary, the parties mutually agree:

1. That the Nation will provide to the Indian Health Service through the NECA:
  - A. All necessary labor, tools and equipment to excavate and backfill trenches, install water and sewer mains, laterals, manholes, fire hydrants, water meters, valves, septic tanks, drainfields, interior plumbing, and other appurtenances and to procure and install materials, equipment, and supplies as authorized by the Indian Health Service necessary for the proper installation of facilities within the affected Chapters.
  - B. The necessary on-reservation transportation to deliver materials, supplies, and equipment to the project sites.
  - C. A NECA representative(s) who will supervise the Indian labor supplied by the NECA for this project and to oversee and administer contracts executed by the NECA for this project.
2. That the construction shall be performed by the NECA in accordance with applicable codes and plans and specifications prepared or approved by the Indian Health Service. The Indian Health Service is responsible for construction inspection, approval of materials, quality control testing, and final acceptance of all work.
3. That the IHS shall make final determinations and notify the Nation on whether individual participants and sites qualify for sanitation facilities, taking into account the recommendations by the Nation.
4. That the IHS reserves the right to delete from the project any home for which eligibility requirements have not been met by start of construction, and to withdraw from the project any or all funds intended to serve those homes.
5. That the NECA is responsible for job-site safety and for compliance with all applicable Federal health and safety requirements. The Indian Health Service Project Manager may stop work if, in his/her opinion, a safety problem is unresolved by the NECA.
6. That the NECA will make a report to the Director, Division of Sanitation Facilities Construction, Office of Environmental Health and Engineering, Navajo Area Indian Health Service, in writing, of actual expenditures at least once each month. All field expenditures shall be at the direction of and certified by the Indian Health Service Project Manager.

7. That the NECA agrees that, 1) all of their employees working on construction of the project shall be covered by applicable workmen's compensation insurance, and 2) a general liability and property damage insurance policy shall be in force throughout the construction period.
8. That the Indian Health Service will provide, without charge, to the Nation and the NECA:
  - A. The necessary engineering services to lay out the facilities within the affected Chapters.
  - B. Such equipment, services and skilled labor determined by the Indian Health Service Project Manager to be beyond the normal capability of the NECA to provide.
  - C. All the technical direction, plans and specifications for all construction activities included in this project and shall consult with the Nation and the NECA prior to undertaking construction of the project.
9. That it is understood that in the provision of technical assistance and direction to the Nation and NECA, the Indian Health Service cannot act as an agent of the Nation or the NECA on contracts issued by the Nation or the NECA to carry out the construction services stated in Paragraph 1 of this Agreement.
10. That, upon execution of this Agreement and prior to construction start, the Nation through the Department of Water Resources, Water Management Branch, will transfer to the Indian Health Service the amounts shown in Table I above.
11. That to assist the NECA in carrying out its portion of the Project Summary and this Agreement, the Indian Health Service will make contributions to the NECA, not to exceed the totals shown in Table II below, for the full amount of its nonprofit construction costs, including all direct and indirect overhead costs associated with the execution of this project. After execution of this Agreement and after the receipt of the contributions mentioned in Paragraph 10, the Indian Health Service will provide to the NECA an initial contribution to establish the project accounting records, to purchase or rent any miscellaneous equipment or material needed to initiate construction, and to set up the project construction yard. This initial contribution will not exceed 25% of the estimated NECA costs for the project. Contributions beyond the first contribution will be made based on work actually completed and billed. No work shall be performed or costs incurred by the NECA that would exceed the maximum Indian Health Service contribution amount in Table II without the concurrence of the Indian Health Service and the execution of an amendment to this Agreement to provide for an increase in the Indian Health Service contribution. Additional Indian Health Service contributions shall be subject to the availability of funds.

Table II  
Maximum IHS Contribution to NECA

No.	Project No.	Project Name	Contribution
1	NA-16-XYZ	Sihasin MOA Example	\$x,x00,000

12. The IHS shall utilize project funds for IHS project technical support expenses. Project technical support expenses shall include IHS expenditures for technician and inspector salaries, GSA vehicles, and miscellaneous project related expenses. Technical support expenses are shown in the Project Summary as IHS overhead.
13. That the Nation grants permission for the Indian Health Service, the NECA, the NTUA, and their representatives to enter upon or across Tribal lands in the Navajo Nation for the purpose of carrying out the projects as outlined in the Project Summary and provided for in this Agreement and further will waive all claims which may arise by reason of such entry upon Tribal lands, except for those claims which may be recognized under the Federal Tort Claims Act.
14. That the Nation will provide without charge to the IHS all tribal land necessary and required for the construction of the facilities as provided for in the Project Summary. All interests in such lands, easements, and rights-of-way shall remain with the Nation, except as otherwise provided for in this Agreement.
15. That the Indian Health Service will obtain all rights-of-way in the name of the Navajo Nation on or over tribal lands that in the judgment of the Indian Health Service may be necessary for the provision and operation of any facilities provided for under this Agreement or future agreements that may be entered into in conjunction with this project. Further, the Nation waives any claims against IHS for compensation and damages for said rights-of-way.
16. That the Indian Health Service and its representatives will comply with all applicable Federal and Tribal laws and regulations.
17. That the Nation will provide, without charge, assistance in complying with the regulations (36 CFR 800) implementing Section 106 of the National Historic Preservation Act (16 U.S.C. 470f) by informing IHS of any traditional cultural properties which might be affected by construction of the project. The Nation shall take appropriate steps to identify traditional cultural properties which could be affected by the project, including contacting traditional cultural leaders or other tribal members who may have knowledge about such locations, sites, or objects.
18. That the IHS shall consult with the Nation regarding excavations that may result in inadvertent discovery of human remains in accordance with the Native American Graves Protection and Repatriation Act (25 U.S.C. 3001) and the implementing regulations at 43 CFR Part 10. This Agreement shall serve as official notice to the Tribe that the proposed sanitation facilities construction may result in inadvertent discoveries, and that any such discoveries shall be subject to the above regulations, including consultation between the IHS and the tribally designated cultural resources representative and disposition of human



remains or related cultural items.


19. That when the community water supply and waste disposal facilities or each operational unit of the community facilities is completed, it will be inspected by the Indian Health Service with representatives of the Nation and the NTUA to detect possible construction deficiencies. A punch list of these deficiencies, if any, will be compiled and agreed on. These deficiencies will be corrected by the responsible construction agency.
20. That when acceptable to all parties, the operation, maintenance and repair responsibilities for the community facilities or operational unit will be assigned to the Nation/NTUA or a Beneficial Use Permit will be issued to the Nation/NTUA and the facilities or operational unit will be started so as to provide services to the consumer. When started, the operation and maintenance of the facilities will become the responsibility of the Nation/NTUA.
21. That all parties understand that the facilities constructed (including equipment, land, and supplies purchased) through the NECA with IHS contributed funds are at no time the property of the IHS, but rather belong to the Nation, which shall operate and maintain such facilities properly, until or unless transferred to other parties.
  - A. That, because the IHS will not at any time own the facilities constructed by NECA with NECA procured materials, no formal transfer agreement from the IHS to the Nation may be necessary. The IHS will assist the Nation in developing a transfer document to assign operation, maintenance and repair responsibility for community facilities to the NTUA or the designated operation and maintenance organization, and transfer NECA procured and constructed individual facilities to the individual homeowners.
  - B. That the Nation shall transfer on-site water and waste facilities to individual homeowners. Upon completion of the construction the homeowners are responsible for operation and maintenance of the facilities. Facilities constructed under this agreement at all times belong to the Nation until transferred to individual homeowners or other parties.
22. That in consideration of the contributions made and maintenance responsibilities undertaken by the Nation, upon completion of the project, the Indian Health Service will prepare a transfer document that will transfer to the Nation, without charge, all rights, title, and interest in materials, supplies, and equipment provided in accordance with Paragraph 8 B. of this Agreement.
23. That in consideration of the contributions made and responsibilities assumed by the Nation and undertaken by the individual Indian residents participating in this project, upon completion of the project, the Indian Health Service will prepare a transfer document that will transfer to the head of each household, without charge, all rights, title, and interest in the individual facilities and appurtenances provided on the premises and in accordance with Paragraph 8 B. of this Agreement.

24. That the Nation hereby agrees to accept the transfer of such community facilities and to operate and properly and efficiently maintain and repair said facilities and equipment as the property of the Nation so as to keep them in an effective and operating condition.
25. That the Nation or the responsible operation and maintenance organization will properly and efficiently operate, maintain, and repair the community water supply and waste disposal facilities as its own property, so as to keep them in an effective and operating condition. The Indian Health Service shall provide instruction to appropriate Tribal and other officials regarding the proper utilization, maintenance, operation and protection of the water supply and waste disposal facilities constructed under these projects.
26. That the Nation will assign to the NTUA, the operation, maintenance and repair responsibility for all community water supply facilities constructed under these projects which are extensions to or modifications of existing water supply and waste disposal systems being operated by the NTUA.
27. That the NTUA will accept portions of the community water supply and waste disposal facilities constructed under these projects which are extensions to or modifications of existing water and/or sewer systems that the NTUA operates. The NTUA will efficiently and properly maintain and repair said facilities and equipment, as its own property, including the establishment and collection of service charges so as to keep the facilities in an effective and operating condition.
28. That the Indian Health Service will to the extent economically feasible and subject to the availability of funds, provide a one-year warranty on workmanship for all construction performed by the NECA or the Indian Health Service. The one-year warranty period begins when the project (or an operational unit thereof) is put into operation, as defined in Paragraph 20. The Indian Health Service will assist the Nation and/or the NTUA in obtaining warranties from Indian Health Service and NECA vendors and contractors for materials, equipment, and workmanship.
29. That it is important that installation of the facilities provided for herein be completed as soon as is practicable in accordance with the schedule of the Indian Health Service Project Manager.
30. That each agency will participate as described in the Project Summary. If unexpected circumstances occur which significantly change participation such as inability to perform, greater costs than estimated or changes in scope of work, an amendment to this Agreement will be initiated. Increases in project funding will be subject to the availability of funds from the affected agencies.
31. That, should disputes regarding the provisions of this Agreement occur, the parties to this Agreement will first attempt to resolve those disputes through administrative procedures. If disputes cannot be resolved at the local level, then the next administrative procedure shall be an appeals board established at the Indian Health Service headquarters level. Said appeals board will make a recommendation to the Indian Health Service Director, who will exercise final authority for the Indian Health Service in the administrative review of all disputes.



32. If the actual costs of planning, design, and construction of the water supply facilities are less than the cost projected in the Project Summary, the Indian Health Service will refund to the Navajo Nation Department of Water Resources the remaining unspent portion of the contribution amount shown in Table I; or upon approval by the Nation, the remaining funds will be transferred to another Indian Health Service project to provide sanitation facilities to additional Indian homes.
33. If the actual cost to construct this project is greater than the cost projected in the Project Summary, then the Indian Health Service and the Nation will share those additional costs in proportion to the original funding by each agency, subject to the availability of funds.
34. The Indian Health Service shall maintain a set of accounting records for recording all transactions relating to funds received from the Nation for each project and shall provide the Nation's WMB, upon request, with a Summary Development Cost Budget/Cost Statement and narrative description of each project's status. The Indian Health Service shall also provide to the Nation's DWR Program upon request, detailed accounting data relating to costs incurred for each project.
35. Any party to this Agreement may terminate its relationship with the other parties prior to project completion upon 90-days notice in writing to all other parties.

7/5/16

to be  
amended  
in consultation  
with Navajo Area IHS.  


IN WITNESS WHEREOF, the parties hereto have subscribed their names.

FOR THE NAVAJO NATION

\_\_\_\_\_  
Date

\_\_\_\_\_  
President, the Navajo Nation, having been duly authorized to  
enter into this Agreement on behalf of the Navajo Nation

FOR THE NAVAJO ENGINEERING AND CONSTRUCTION  
AUTHORITY

\_\_\_\_\_  
Date

\_\_\_\_\_  
General Manager

FOR THE NAVAJO TRIBAL UTILITY AUTHORITY

\_\_\_\_\_  
Date

\_\_\_\_\_  
General Manager

FOR THE UNITED STATES OF AMERICA

\_\_\_\_\_  
Date

\_\_\_\_\_  
Area Director, Navajo Area Indian Health Service,  
Department of Health and Human Services

Document No. 006165Date Issued: 06/20/2016**EXECUTIVE OFFICIAL REVIEW**Title of Document: Water Management Expenditure Plan Contact Name: JOHN, JASON GProgram/Division: DIVISION OF NATURAL RESOURCESEmail: jasonjohn@navajo-nsn.gov Phone Number: (928) 729-4004☐ **Business Site Lease** Sufficient    Insufficient

1. Division: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. Office of the Controller: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
(only if Procurement Clearance is not issued within 30 days of the initiation of the E.O. review)			
3. Office of the Attorney General: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>

☐ **Business and Industrial Development Financing, Veteran Loans, (i.e. Loan, Loan Guarantee and Investment) or Delegation of Approving and/or Management Authority of Leasing transactions**

1. Division: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. Office of the Attorney General: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>

☒ **Fund Management Plan, Expenditure Plans, Carry Over Requests, Budget Modifications**

1. Office of Management and Budget: <u>[Signature]</u>	Date: <u>6-27-16</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Office of the Controller: <u>[Signature]</u>	Date: <u>6-29-2016</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
3. Office of the Attorney General: <u>[Signature]</u>	Date: <u>6-29-16</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

☐ **Navajo Housing Authority Request for Release of Funds**

1. NNEPA: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. Office of the Attorney General: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>

☐ **Lease Purchase Agreements**

1. Office of the Controller: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
(recommendation only)			
2. Office of the Attorney General: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>

☐ **Grant Applications**

1. Office of Management and Budget: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. Office of the Controller: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
3. Office of the Attorney General: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>

☐ **Five Management Plan of the Local Governance Act, Delegation of an Approving Authority from a Standing Committee, Local Ordinances (Local Government Units), or Plans of Operation/Division Policies Requiring Committee Approval**

1. Division: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. Office of the Attorney General: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>

☐ **Relinquishment of Navajo Membership**

1. Land Department: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. Elections: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
3. Office of the Attorney General: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>

☐ **Land Withdrawal or Relinquishment for Commercial Purposes**

			Sufficient	Insufficient
1. Division:	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. Office of the Attorney General:	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>

☐ **Land Withdrawals for Non-Commercial Purposes, General Land Leases and Resource Leases**

1. NLD	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. F&W	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
3. HPD	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
4. Minerals	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
5. NNEPA	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
6. DNR	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
7. DOJ	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>

☐ **Rights of Way**

1. NLD	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. F&W	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
3. HPD	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
4. Minerals	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
5. NNEPA	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
6. Office of the Attorney General:	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
7. OPVP	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>

☐ **Oil and Gas Prospecting Permits, Drilling and Exploration Permits, Mining Permit, Mining Lease**

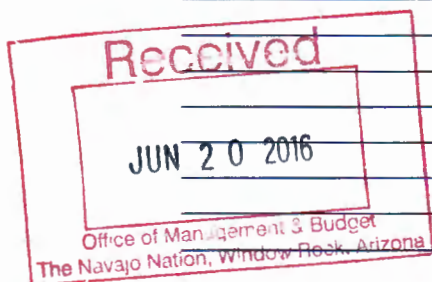
1. Minerals	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. OPVP	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
3. NLD	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>

☐ **Assignment of Mineral Lease**

1. Minerals	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. DNR	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
3. DOJ	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>

☐ **ROW (where there has been no delegation of authority to the Navajo Land Department to grant the Nation's consent to a ROW)**

1. NLD	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. F&W	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
3. HPD	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
4. Minerals	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
5. NNEPA	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
6. DNR	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
7. DOJ	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
8. OPVP	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>



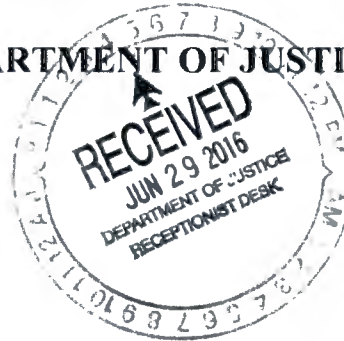
☐ **OTHER:**

1. _____	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
2. _____	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
3. _____	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
4. _____	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
5. _____	_____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>



# NAVAJO NATION DEPARTMENT OF JUSTICE

## DOCUMENT REVIEW REQUEST FORM



DOJ
06/29/16 @ 406pm
DATE / TIME
<input type="checkbox"/> 7 Day Deadline
DOC #: 006165
SAS #:
UNIT: NRW

☐ 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:	6/20/2016	DIVISION:	Natural Resources
CONTACT NAME:	Jason John	DEPARTMENT:	DWR-Water Management Branch
PHONE NUMBER:	(928) 729-4004	E-MAIL:	jasonjohn@navajo-nsn.gov
TITLE OF DOCUMENT: Water Management Water Project Expenditure Plan for the Navajo Nation Water, Wastewater And SDS Projects			

### DOJ SECRETARY TO COMPLETE

DATE / TIME IN UNIT:	6/29/16 4:19pm	REVIEWING ATTORNEY/ADVOCATE:	Veronica
DATE / TIME OUT OF UNIT:			

### DOJ ATTORNEY / ADVOCATE COMMENTS

legally sufficient

REVIEWED BY: (Print)	Date / Time	SURNAMED BY: (Print)	Date / Time
		Veronica Blackhat	6/29/16 4:34pm

DOJ Secretary Called: Shania Morris for Document Pick Up on 6/29/16 at 4:36pm By: SB

PICKED UP BY: (Print)	DATE / TIME:
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**THE NAVAJO NATION  
DEPARTMENT OF WATER RESOURCES  
WATER MANAGEMENT BRANCH**

P.O. BOX 678 \* FORT DEFIANC, ARIZONA 86504 \* (928)729-4004 \* FAX (928)729-4126

RUSSELL BEGAYE  
PRESIDENT

JONATHAN NEZ  
VICE PRESIDENT

DATE: July 5, 2016

TO: Office of Controller  
Division of Finance

FROM:   
Jason John, Branch Manager  
Water Management Branch

**Subject: 164 Review Document 006165 – Response to Comments dated June 29, 2016  
from Office of Controller**

In response to the first comment, the Water Management Branch will work with the Navajo Area Indian Health Service to incorporate into Paragraph 34 of the finalized Memorandum of Agreements language that will state something similar to the following:

The Indian Health Service shall maintain a set of accounting records for recording all transactions relating to funds received from the Nation for each project and shall provide the Nation's WMB, ~~upon request~~ Office of Controller and Office of Management and Budget, with a quarterly Summary Development Cost Budget/Cost Statement, ~~and~~ narrative description of each project's status. ~~The Indian Health Service shall also provide to the Nation's DWR Program upon request, and~~ detailed accounting data relating to costs incurred for each project.

We propose a quarterly reporting cycle, instead of monthly, to be consistent with the proposed Expenditure Plan.

In response to the second comment, the Branch has inserted in to Section E of the Expenditure Plan:

Funds will be drawdown from the Sihasin Fund and deposited into account pursuant to CJA-12-16 and Section III(D).

If these responses satisfy the comments, please change the 164 Review cover to "sufficient." Please call if you have any questions. Thank you

164 JUL 5 PM 2:10



**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 : Jim Parris, CPA, Controller  
Office of the Controller

*Jim Parris* 6-29-2016

DATE : June 29, 2016

SUBJECT : 164 Review-006165-Water Management Expenditure Plan

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

1. The Office of Controller would like to have regular updates on the Memorandum of Agreement with "Navajo Engineering and Construction Authority and The Navajo Tribal Utility Authority, Community Water Supply and Wastewater Facilities, Indian Health Service, Public Law 86-121." Under the Memorandum of Agreement paragraph 34. Relating to the accounting records, "Summary Development Cost Budget/Cost Statement and narrative description of each project's status" should be required to be send to the Office of Controller, Office of Management and Budget in addition to the Water Management Branch on a monthly basis. This was discussed in prior meetings that this type of report would be provided as part of the agreement. Currently as stated in the draft it is only provided upon request of the Water Management Branch to the Water Management Branch.
2. There is no mention of the drawdown of funds that will be allocated to these projects.

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