

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

23<sup>RD</sup> NAVAJO NATION COUNCIL - Third Year, 2017

AN ACTION

RELATING TO THE RESOURCES AND DEVELOPMENT COMMITTEE AND THE  
BUDGET AND FINANCE COMMITTEE, RECOMMENDING AND APPROVING  
AMENDMENTS OF THE WATER CODE ADMINISTRATION ENTERPRISE FUND  
MANAGEMENT PLAN

BE IT ENACTED:

SECTION ONE. AUTHORITY

- A. The Resources and Development Committee is the oversight committee for the Department of Water Resources which is within the Division of Natural Resources. 2 N.N.C. § 501(C) (1).
- B. The Budget and Finance Committee approves amendments to the Water Code Administration Enterprise Fund Management Plan upon recommendation of the Resources and Development Committee. Section X, Department of Water Resources Water Code Administration Enterprise Fund Management.

SECTION TWO. FINDINGS

- A. The Water Code Administration Enterprise Fund Management Plan (Fund Management Plan) was established pursuant to BFO-49-05. Budget and Finance Committee Resolution BFO-49-05 and its Exhibit A, Water Resources Water Code Special Revenue Fund, Fund Management Plan are attached as **Exhibit 2**.
- B. The proposed amendments to the Fund Management Plan include changing the name of the Fund Management Plan from Water Code Administration Enterprise Fund Management Plan to Technical, Construction and Operations Branch Enterprise Fund Management Plan and updating the name of the Resources Committee to the Resources and Development Committee. In addition, an amendment to Section VII (C) of the Fund Management Plan would authorize the Navajo

Nation Office of the Controller to approve modifications to the projected revenues thereby streamlining the approval process for the use of the money generated for the purposes stated in Section VIII (C).


- C. The Resources and Development Committee, by its consideration of this legislation, makes a recommendation regarding the amendment to the Water Code Administration Enterprise Fund Management Plan as shown in EXHIBIT 1.
- D. Amendments to the Water Code Administration Enterprise Fund Management Plan are in the best interest of the delivery of services to the Navajo Nation.

### **SECTION THREE. APPROVAL:**

The Navajo Nation hereby amends the Water Code Administration Enterprise Fund Management Plan as shown in **EXHIBIT 1**.

### **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 5 in favor and 0 opposed, this 3<sup>rd</sup> day of October, 2017.



Seth Damon, Chairperson  
Budget and Finance Committee

Motion: Honorable Lee Jack, Sr.  
Second: Honorable Dwight Witherspoon

Document No. 007929Date Issued: 05/01/2017**EXECUTIVE OFFICIAL REVIEW**Title of Document: WATER CODE FUND MANAGEMENT PLAN Contact Name: TARIQ, NAJAM H./Wayne Williams Jr.Program/Division: DIVISION OF NATURAL RESOURCESEmail: najamtariq@navajo-nsn.govPhone Number: 928-729-4003, x4130

<input type="checkbox"/>	<b>Business Site Lease</b>			<b>Sufficient</b>	<b>Insufficient</b>
	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**

*Long* *5/16/2017* *D. Byrd*

1. Office of Management and Budget:	_____	Date: <u>5-20-17</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Office of the Controller:	_____	Date: <u>6/9/17</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Office of the Attorney General:	_____	Date: <u>6/15/17</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
6-12-17 1144a
DATE / TIME
<input type="checkbox"/> 7 Day Deadline
DOC # 007929
SAS #:
UNIT: NRU

☐ 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: 06-12-17	ENTITY/DIVISION: Natural Resources		
CONTACT NAME: Najana Targ	DEPARTMENT: Water Resources		
PHONE NUMBER: 928-729-4040/4003	E-MAIL: najantarg@navajo-nsn.gov		
TITLE OF DOCUMENT: Water Code Fund Management Plan			
DOJ SECRETARY TO COMPLETE			
DATE/TIME IN UNIT: 6/12/17 1:20	REVIEWING ATTORNEY/ADVOCATE: Veronica		
DATE/TIME OUT OF UNIT: 6.15.17 @ 11am B			
DOJ ATTORNEY / ADVOCATE COMMENTS			
Sufficient.			
REVIEWED BY: (PRINT)	DATE / TIME	SURNAMED BY: (PRINT)	DATE / TIME
		V Blackhat	6/15/17 8:50AM
DOJ Secretary Called: Susan		for Document Pick Up on 6.15.17 at 1045 By: B	
PICKED UP BY: (PRINT)	DATE / TIME:		

NNDOJ/DRRF-July 2013

COMPLETED





# NAVAJO NATION DEPARTMENT OF JUSTICE

## DOCUMENT REVIEW REQUEST FORM



DOJ
05/11/17 1151a
DATE / TIME
<input checked="" type="checkbox"/> 7 Day Deadline
DOC #: 007929
SAS #:
UNIT: NRM

☐ RESUBMITTAL

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

CLIENT TO COMPLETE			
DATE OF REQUEST: 5/11/17		ENTITY/DIVISION: DNR	
CONTACT NAME: Najm Tariq / Wayne Williams		DEPARTMENT: Water Resources	
PHONE NUMBER: 928/724-4053/4130		E-MAIL: najmtariq@navajo-nm.gov	
TITLE OF DOCUMENT: Water Code Fund Management Plan			
DOJ SECRETARY TO COMPLETE			
DATE/TIME IN UNIT: 5-11-17 12:07		REVIEWING ATTORNEY/ADVOCATE: Veronica / 5-22-17	
DATE/TIME OUT OF UNIT: 5-11-17 @ 4:05 PM By			
DOJ ATTORNEY / ADVOCATE COMMENTS			
REVIEWED BY: (PRINT)		DATE / TIME	
SURNAMED BY: (PRINT)		DATE / TIME	
DOJ Secretary Called: Wayne Wms for Document Pick Up on 5-11-17 at 4pm By: B			
PICKED UP BY: (PRINT) Marjorie Natmabul		DATE / TIME: 5/11/17 @ 4:20pm enlin	

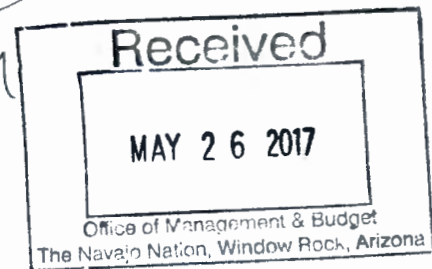
NNDJ/DRRF-July 2013

\*Should be processed under Executive Official Review not 164(B)  
VB 5/11/17

DWR's COPY

May 25, 2017

*Bygel*  
*5/26/17*



**VIEWERS SAS #007929**

The Department of Water Resources currently is updating the current Plan of Operation for the Water Code Enterprise fund.

Under the Old Plan of Operation #GSCJY-50-00, the Water Code Administration was already existing within the Department. With the recent approval of RDCO-79-16 for Division of Natural Resources, amendments were made. Water Code Enterprise Fund will be under Technical, Construction and Operations Branch within the Department.

If additional clarification is needed, please do contact the Department at 729-4003.

Thank You

*for*   
Najam H. Tariq, Principal Geologist  
Technical, Construction & Operations Branch  
Department of Water Resources




**THE NAVAJO NATION**

**RUSSELL BEGAYE PRESIDENT**  
**JONATHAN NEZ VICE-PRESIDENT**

**Memorandum:**

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

From:   
Robert Willie, Accounting Manager  
Office of the Controller

Date: June 8, 2017

Subject: 164 Review-007929-Water Code Fund Management Plan

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

1. This 164 appears to be amending Water Code to Technical, Construction & Operations Branch.
2. **Changes include name of Water Code to Technical, Construction and Operations Branch.**


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



December 02, 2016

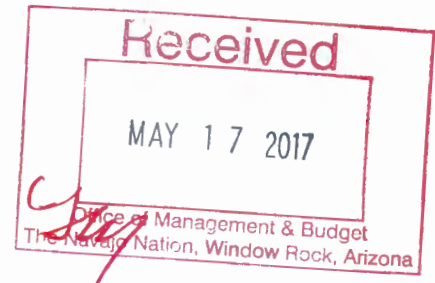
**MEMORANDUM**

**TO: ALL Department Managers  
DIVISION OF NATURAL RESOURCES**

**FROM:**   
Bidtah N. Becker, Division Director  
Navajo Nation Division of Natural Resources

**SUBJECT: DELEGATION OF AUTHORITY**

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Please be advised that in the event that either I, Division Director of the Division of Natural Resources, or Ms. Evangeline Curley-Thomas, Deputy Director, Division of Natural Resources, are not in the office or otherwise unavailable, Mr. Robert O. Allan, Principal Attorney, Division of Natural Resources, shall be delegated authority as the Acting Division Director of the Division of Natural Resources. This is a standing delegation of authority until further notice.

Please cooperate with Mr. Allan in this standing delegation of authority. Should you have any questions, please contact me.

**ACKNOWLEDGED:**

  
Evangeline Curley-Thomas, Deputy Director  
Division of Natural Resources

**ACKNOWLEDGED:**

  
Robert O. Allan, Principal Attorney  
Division of Natural Resources



NAVAJO NATION DIVISION OF NATURAL RESOURCES  
DEPARTMENT OF WATER RESOURCES  
TECHNICAL, CONSTRUCTION AND OPERATIONS BRANCH  
ENTERPRISE FUND MANAGEMENT PLAN  
April 13, 2017

**I. ESTABLISHMENT:**

There is hereby established a Enterprise Fund, for use by the Technical, Construction & Operations Branch (TCOB), Department of Water Resources, Division of Natural Resources.

**II. PURPOSES:**

The TCOB Enterprise Fund shall be used to facilitate administration and implementation of the Navajo Nation Water Code, 22 N.N.C. §§ 1101 *et seq.*, by serving as repository for permit application fees, water use fees, and such other incidental funds that may be collected pursuant to the Navajo Nation Water Code, and related laws, administrative rules, regulations, and policies, and/or duly approved resolutions of the Resources and Development Committee of the Navajo Nation Council or Successor, to improve services and increase revenue generation by facilitating actions necessary to implement the Navajo Nation Water Code.

**III. OBJECTIVES:**

To manage and protect Navajo Nation's waters, and to maximize beneficial use of water. TCOB can utilize the funds more effectively and improve Water Code implementation, performance, administration, technical assistance, compliance, revenue generation, enforcement, and conflict resolution actions relating to the Navajo Nation Water Code, as identified in 22 N.N.C. §§ 1101 *et seq.*, and related laws, administrative rules, regulations, policies, and/or duly approved resolutions of the Resources and Development Committee of the Navajo Nation Council or Successor.

**IV. LEGISLATIVE OVERSIGHT AND AUTHORITY**

**A. Resources and Development Committee of the Navajo Nation Council**

Pursuant to 2 N.N.C. §§ 500(C), 501(A), 501(B)(1), 501(B)(2)(g), and 501(C), the Resources and Development Committee is established as a standing committee of the Navajo Nation Council and is responsible for overseeing all matters pertaining to the development and use of natural resources. Further, under 22 N.N.C §§ 1301 *et seq.*, the Resources and Development Committee has oversight authority over the Navajo Nation Water Code.

**B. Budget and Finance Committee of the Navajo Nation Council**

Pursuant to 2 N.N.C. §§ 371 *et seq.*, the Budget and Finance Committee of the Navajo Nation Council is established as a standing committee of the Council, with a principal

purpose of overseeing and regulating the fiscal, financial, investment, contracting and audit practices of the Nation.

## **V. ADMINISTRATION**

### **A. Technical, Construction and Operations Branch**

The Technical, Construction and Operations Branch, Branch Director, pursuant to 22 N.N.C. § 1101 et, seq., Resources and Development Committee Resolution RCAP-65-97, and delegation memorandum date February 20, 2003, from the Director, Division of Natural Resources, to the Department Manager, Department of Water Resources, (1) May collect all fees and receipts described in part VI. A., below, as Sources of Revenues, (2) prepares an annual budget and expenditure plan for review and approval by the Department Director, Division Director and appropriate administrative and legislative authorities, (3) prepares long and short-term operation and action plans for the TCOB, pursuant to Division-wide and Department-wide management and planning directives, (4) prepares, as needed, equipment service, staff, construction, repair of water facilities, and technology improvement proposals for consideration and potential approval by appropriate offices and authorities, and (5) acquires necessary goods and services through normal procurement and contracting processes and procedures in order to achieve the Objectives of Section II, above.

### **B. Office of the Controller and Office of Management and Budget**

The Accounting Managers within the Office of the Controller and the Office of Management and Budget, in a manner prescribed by Navajo Nation policies, procedures, rules, regulations and laws, have the authority and related responsibilities to (1) establish Enterprise Funds for the deposit and management of all fees, receipts, and revenues described below as Sources of Revenues, (2) review and regulate expenditures from such established Enterprise Fund Accounts to ensure compliance with existing Navajo Nation policies, procedures, rules, regulations and laws regarding such accounts, and (3) maintain an accurate accounting of all transactions in the manner prescribed by Section VII below on Accounting, Expenditure Controls and Cash Management.

## **VI. SOURCES OF REVENUES AND FEE ESTABLISHMENT**

### **A. Sources**

The following sources of revenue are to be deposited in the TCOB Enterprise Fund Account. Permit application and filing fees, water use fees, incidental charges for copies of the water code and other documents. Appropriate fees for any special technical/construction services. Any current or future fines and penalties that may be assessed for violations of applicable provisions the Navajo Nation Water Code and/or related laws, administrative rules, regulations, and policies, and/or duly approved resolutions of the Resources and Development Committee. Such other appropriate fees, fines, or revenue as may be established by a duly approved resolutions or laws of the Resources and Development Committee or the Navajo Nation Council

B. Establishment

Incidental application and other fees, fines and revenues rates shall be established by the Technical, Construction and Operations Branch Director, in consultation with Department Manager of the Department of Water Resources and the Executive Director of the Division of Natural Resources. Water use fees and revisions will be approved by the Resources and Development Committee.

C. Waivers and Limitations

Fees may be waived for emergency purposes, circumstances of bona fide financial hardship (at the discretion of TCOB), or to further special and officially identified projects or policy purposes of the Navajo Nation, or for purposes of the public health, safety and welfare. Waivers can include, but are not limited to such things as fire emergency water uses, public health exigencies, urgent drought responses, and so on, based on the best judgment of the TCOB Branch Director and/or appropriate authorities, such as Directors of the Department of Water Resources and/or Division of Natural Resources, or the Resources and Development Committee or the Navajo Nation Council. All fees shall be on a basis as described in provision VIII. D. below. Extending credit is not to be allowed.

**VII. ANNUAL BUDGET/EXPENDITURE PLAN**

A. Preparation and Review

An annual budget and expenditure plan pertaining to use of the TCOB Enterprise Fund will be prepared for review and approval by the TCOB, Department and Division Directors, and the Resources and Development Committee. This plan will then be incorporated into the regular annual Navajo Nation budget for review and approval by the Budget and Finance Committee and the Navajo Nation Council.

B. Revenue Projection

The plan will include detailed projections of revenues for the upcoming fiscal period and detailed line item expenditures planned for the same fiscal period.

C. Modifications

Any change in projected revenues or planned expenditures will be processed as a budget modification and processed through normal Navajo Nation budget policy and procedures for review and approval of such modifications by the Navajo Nation Office of the Controller.



## VIII. ACCOUNTING AND EXPENDITURE CONTROL

### A. Books of Accounts and Reports

All accounts for TCOB Enterprise Funds shall be maintained by the Controller and Office of Management and Budget in accordance with Navajo Nation accounting policies and procedures. The TCOB shall receive a quarterly report detailing revenues received, expenditures and open commitments.

### B. Deposits and Receipts

All receipts will be recorded for verification and accountability and shall be deposited in an appropriate depository account, on a bi-weekly basis and will be deposited without any delay. Field cash receipts or other equivalent records shall be issued for any fees or other revenues collected regardless of the amount.

### C. Expenditures

Fees and revenues generated and received may be expended for the following purposes, as needed travel and per diem; training; staff salary and fringe benefits; office furniture and operating supplies; rental, lease, and/or purchase of office and field equipment; rental, lease, and/or purchase of cleaning and janitorial equipment, supplies, and services; repair and maintenance of office, water facilities, and support building; contractual commitments; public outreach and/or advertising and promotions; public and in-house TCOB related matters or events. All expenditures must be for the purposes cited. All non-personnel expenditures shall be made by Navajo Nation check and processed through normal Navajo Nation policy and procedures. All expenditures for representing payment of wages, salaries, and benefits shall be made through the Navajo Nation payroll system with appropriate deductions and withdrawals. No expenditure shall be authorized unless such has been approved in the annual Navajo Nation Budget. No expenditure shall be used for illegal or unethical purposes, and finally, no expenditure shall be made to contribute to any political office holder or certificate.

### D. Money Orders, Cashier's Checks, Government Checks, Business Checks, Or Equivalent

The TCOB, DWR, personnel are not authorized to accept cash or maintain cash accounts, and further, it is not authorized to accept individual personal checks. It is, however, authorized to accept all payments by postal and other money orders, cashier's checks, government checks, or business checks, or equivalent of any one of these several types of negotiable instruments.



**IX. AUDITS AND REPORTS**

**A. Account Book Availability**

The books of the Enterprise Fund account for the TCOB, DWR shall be subject to periodic audit in conjunction with-per the regular Navajo Nation audit performed on all financial records of the Nation.

**B. Periodic Reports to the Resources and Development Committee**

The TCOB Branch Director, or designee shall make periodic written reports to the Resources and Development Committee on the status of the Enterprise Funds. Further, any single expenditure in excess of \$10,000 must be detailed and explained separately.

**X. AMENDMENTS**

This enterprise fund management plan may be amended from time to time by the Budget and Finance Committee upon recommendation of the Resources and Development Committee.



Lawrence T. Morgan  
Speaker of the Navajo Nation Council

BFAU-49-05

**RESOLUTION OF THE  
BUDGET AND FINANCE COMMITTEE  
20<sup>th</sup> NAVAJO NATION COUNCIL – Third Year 2005**

**Legislation No. 0615-05  
Sponsored by Honorable Amos Johnson, Council Delegate**

**AN ACTION**

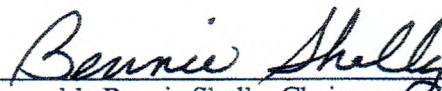
**RELATING TO RESOURCES AND FINANCE, AMENDING RESOLUTION BFO-94-94,  
ESTABLISHING THE NAVAJO NATION DEPARTMENT OF WATER RESOURCES  
WATER CODE SPECIAL REVENUE FUND, AND APPROVING ITS FUND  
MANAGEMENT PLAN.**

**BE IT ENACTED:**

1. The Budget and Finance Committee hereby amends Resolution BFO-94-94 by establishing the Navajo Nation Department of Water Resources Water Code Special Revenue Fund for the use of revenues generated under the Navajo Nation Water Code, 22 N.N.C. §1101 *et seq.*
2. The Budget and Finance Committee hereby approves the Navajo Nation Department of Water Resources Water Code Special Revenue Fund, Fund Management Plan, attached hereto as Exhibit A.
3. The Navajo Nation Division of Natural Resources is hereby directed to submit to the Resources Committee and the Budget and Finance Committee for recommendation to the Navajo Nation Council the annual budget for the Department of Water Resources, Water Code Special Revenue Fund, in accord with the Budget Instructions and Policies Manual for each Navajo Nation fiscal year.
4. The Controller of the Navajo Nation shall establish an account for the Department of Water Resources, Water Code Fund and manage the account in accord with the Department of Water Resources, Water Code Special Revenue Fund, Fund Management Plan, attached hereto as Exhibit A, and the eligibility criteria for the expenditure of revenues generated by programs and departments, as set forth in Resolution BFN-187-03.

## CERTIFICATION

I hereby certify that the foregoing legislation was duly considered by the Budget and Finance Committee of the Navajo Nation Council at a duly called meeting at Window Rock, Navajo Nation (Arizona), at which a quorum was present and that the same was passed by a vote of in 06 favor and 00 opposed, this 31<sup>st</sup> day of August, 2005.

  
Honorable Bennie Shelly, Chairperson  
Budget and Finance Committee

Motion: Harold Wauneka  
Second: Raymond Maxx

Legislation No. 0615-05/BFC

**NAVAJO NATION DIVISION OF NATURAL RESOURCES,  
DEPARTMENT OF WATER RESOURCES,  
WATER CODE ADMINISTRATION**

**ENTERPRISE FUND MANAGEMENT**

**August 30, 2005**

**I. ESTABLISHMENT**

There is hereby established a Water Code Administration Enterprise Fund, for use by the Water Code Administration within the Department of Water Resources, Division of Natural Resources.

**II. PURPOSE**

The Water Code Administration Enterprise Fund shall be used to facilitate administration and implementation of the Navajo Nation Water Code, 22 N.N.C. §§ 1101 *et seq.*, by serving as a repository for permit application fees, water use fees, and such other incidental funds that may be collected pursuant to the Navajo Nation Water Code, and related laws, administrative rules, regulations, and policies, and/or duly approved resolutions of the Resources Committee of the Navajo Nation Council, to provide for a mechanism to improve services of the Water Code Administration and to increase revenue generation by facilitating actions necessary to implement the Navajo Nation Water Code.

**III. OBJECTIVES**

To protect and enhance the people's rights and interests in the waters of the Navajo Nation. And, to more effectively and efficiently manage and employ funds generated by the Water Code Administration, and thereby improve Water Code implementation, performance, administration, technical assistance, compliance, revenue generation, enforcement, and conflict resolution actions relating to the Navajo Nation Water Code, as identified in 22 N.N.C. §§ 1101 *et seq.* and related laws, administrative rules, regulations, policies, and/or duly approved resolutions of the Resources Committee of the Navajo Nation Council.

**IV. LEGISLATIVE OVERSIGHT AND AUTHORITY**

**A. Resources Committee of the Navajo Nation Council**

Pursuant to 2 N.N.C. §§ 691 *et seq.*, the Resources Committee is established as a standing committee of the Navajo Nation Council and is responsible for overseeing all matters pertaining to the development and use of natural resources. Further, under 22 N.N.C. §§ 1301 *et seq.*, the Resources Committee has several specified responsibilities under the Navajo Nation Water Code.



## B. Budget and Finance Committee of the Navajo Nation Council

Pursuant to 2 N.N.C. §§ 371 *et seq.*, the Budget and Finance Committee of the Navajo Nation Council is established as a standing committee of the Council, with a principal purpose of overseeing and regulating the fiscal, financial, investment, contracting, and audit practices of the Nation.

## V. ADMINISTRATION

### A. Water Code Administration

The Water Code Administrator, pursuant to 22 N.N.C. §§ 1101 *et seq.*, Resources Committee Resolution RCAP-65-97, and delegation memorandum dated February 20, 2003, from the Director, Division of Natural Resources, to the Director, Department of Water Resources, (1) collects all fees and receipts described in part VI. A., below, as Sources of Revenues, (2) prepares an annual budget and expenditure plan for review and approval by the Department Director, Division Director, and appropriate administrative and legislative authorities, (3) prepares long- and short-term operation and action plans for the Water Code Administration pursuant to Division-wide and Department-wide management and planning directives, (4) prepares, as needed, equipment, staff, service, and technology improvement proposals for consideration and potential approval by appropriate offices and authorities, and (5) acquires necessary goods and services through normal procurement and contracting processes and procedures in order to achieve the Objectives of Section II, above.

### B. Office of the Controller and Office of Management and Budget

The Accounting Managers within the Office of the Controller and the Office of Management and Budget, in a manner prescribed by Navajo Nation policies, procedures, rules, regulations, and laws, have the authority and related responsibilities to (1) establish Enterprise funds for the deposit and management of all fees, receipts, and revenues described below as Sources of Revenues, (2) review and regulate expenditures from such established Enterprise Fund Accounts to insure compliance with existing Navajo Nation policies, procedures, rules, regulations, and laws regarding such accounts, and (3) maintain an accurate accounting of all transactions in the manner prescribed by Section VII below on Accounting, Expenditure Controls, and Cash Management.

## VI. SOURCES OF REVENUE & FEE ESTABLISHMENT

### A. Sources

The following sources of revenue are to be deposited in the Water Code Administration Enterprise Fund Account. Permit application and filing fees, water use fees, incidental charges for copies of the water code and other documents. Appropriate fees for any special technical services. Any current or future fines and penalties that may



be assessed for violations of applicable provisions the Navajo Nation Water Code and/or related laws, administrative rules, regulations, and policies, and/or duly approved resolutions of the Resources Committee. Such other appropriate fees, fines, or revenues as may be established by duly approved resolutions or laws of the Resources Committee or the Navajo Nation Council.

#### B. Establishment

Incidental application and other fees, fines, and revenue rates shall be established by the Water Code Administrator, in consultation with the Director of the Department of Water Resources and the Director of the Division of Natural Resources. Water use fees, however, will be formally established by no less authority than the Resources Committee.

#### C. Waivers and Limitations

Fees may only be waived for emergency purposes, circumstances of bona fide financial hardship (at the discretion of the Water Code Administrator), or to further special and officially identified project or policy purposes of the Navajo Nation, or for purposes of the public health, safety, and welfare. Waivers can include, but are not limited to, such things as fire emergency water uses, public health exigencies, urgent drought responses, and so on, based on the best judgment of the Water Code Administrator, and/or other appropriate authorities, such as the Directors of the Department of Water Resources and Division of Natural Resources, the Resources Committee, or the Navajo Nation Council. All fees shall be on a basis as described in provision VIII. D. below. Extending credit is not to be allowed.

### VII. ANNUAL BUDGET/EXPENDITURE PLAN

#### A. Preparation & Review

An annual budget and expenditure plan pertaining to use of the Water Code Administration Enterprise Fund will be prepared for review and approval by the Department and Division Directors, and the Resources Committee. This plan will then be incorporated into the regular annual Navajo Nation budget for review and approval by the Budget and Finance Committee and the Navajo Nation Council.

#### B. Revenue Projections

The plan will include detailed projections of revenues for the upcoming fiscal period and detailed line item expenditures planned for the same fiscal period.

#### C. Modifications

Any change in projected revenues or planned expenditures will be processed as a budget modification and processed through normal Navajo Nation budget policy and procedures for review and approval of such modifications.

## VIII. ACCOUNTING AND EXPENDITURE CONTROL

### A. Books of Account & Reports

All books of account for the Water Code Administration Enterprise Fund shall be maintained by the Office of the Comptroller and Office of Management and Budget in accordance with generally accepted accounting principles and Navajo Nation accounting policies and procedures. The Water Code Administrator shall receive a monthly report detailing revenues received, expenditures, and open commitments.

### B. Deposits and Receipts

All receipts shall be deposited in an appropriate depository account, or accounts, on a daily basis, if practical, and in no case shall the deposit be delayed past the close of business the day following receipt, in the absence of verified and recorded mitigating circumstances. Field cash receipts or other equivalent records shall be issued for any fees or other revenues regardless of amount.

### C. Expenditures

Revenue generated and received may be expended for the following, as needed, and where not otherwise covered by general or other approved funds: travel and per diem; training; staff salary and fringe benefits; office furniture and operating supplies; rental, lease, and/or purchase of office and field equipment; rental, lease, and/or purchase of cleaning and janitorial equipment, supplies, and services; repair and maintenance of office and support buildings; contractual commitments; Water Code public outreach and/or advertising and promotion; public and in-house Water Code-related events. All expenditures must be for the purposes cited. All non-personnel expenditures shall be made by Navajo Nation check and processed through normal Navajo Nation policy and procedures. All expenditures representing payment of wages, salaries, and benefits shall be made through the Navajo Nation Payroll System with appropriate deductions and withdrawals. No expenditure shall be authorized unless such has been approved in the annual Navajo Nation Budget. No expenditure shall be used for any illegal or unethical purposes. Finally, no expenditure shall be made to contribute to any political office holder or candidate.

### D. Money Orders, Cashier's Checks, Government Checks, Business Checks, Or Equivalent

The Water Code Administration is not authorized to accept cash or maintain cash accounts. Further, it is not authorized to accept personal checks. It is, however, authorized to accept postal and other money orders, cashier's check, government checks, or business checks, or the equivalent any one of these several types of negotiable instruments.

## IX. AUDITS AND REPORTS

### A. Account Book Availability

The books of account for the Navajo Water Code Administration shall be subject to periodic audit in conjunction with the regular Navajo Nation audit performed on all financial records of the Nation.

### B. Periodic Reports to the Resources Committee

The Water Code Administrator shall make periodic written reports to the Resources Committee on the status of the Fund. Further, any single expenditure in excess of \$10,000 must be detailed and explained separately.

## X. AMENDMENTS

This enterprise fund management plan may be amended from time to time by the Budget and Finance Committee upon recommendation of the Resources Committee.



**RESOLUTION  
OF THE RESOURCES COMMITTEE  
OF THE NAVAJO NATION COUNCIL**

**Approving a Revised Water Code Water Use Fee Structure  
for the Navajo Nation**

**WHEREAS:**

1. Pursuant to 2 N.N.C. § 691, et seq., the Resources Committee is established as a standing committee of the Navajo Nation Council and is responsible for overseeing all matters pertaining to the development and use of natural resources; and

2. Pursuant to 22 N.N.C. § 1307 of the Navajo Nation Water Code, the Resources Committee is authorized to impose reasonable fees for the use of the waters of the Navajo Nation and grant waivers of said fees if the use is of benefit to the Navajo Nation; and

3. By Resolution RCJA-02-97 (Exhibit "A"), the Resources Committee directed the Director of the Department of Water Resources (Department) to perform a comprehensive study of water use fees and waivers within six months of the date of that resolution and formulate recommendations for a new fee structure that "balances the resources related aim of conservation and to obtain the maximum benefit from the Nation's water resource while keeping in mind the economic development related need to create a climate favorable to business"; and

4. By Resolution RCAP-02-97, the Resources Committee directed the Director of the Department of Water Resources (Director) to suspend collection of retroactive fees, and to conduct public hearings and solicit comments on the proposed new fee structure (Exhibit "B"); and

5. The comprehensive study was performed, from which a recommended fee structure was developed (Exhibit "C", Technical Memorandum dated June 18, 1996). Public hearings were held and comments solicited on the proposed new fee structure (Exhibit "D", Summary of Public Hearings dated August 30, 1996). The public comments indicate that many business interests are opposed to any commercial water use fee, while other business interests support the recommended lower commercial water use fee and the suspension of retroactive collections, and recognize that protecting and managing the waters of the Navajo Nation helps to ensure a viable business climate; and

6. After evaluating the public comments, the Department recommends continuing the commercial water use fee of \$0.27 per 1,000 gallons; and

7. The Department recommends continuing the current policy of water fee exemptions for the following uses: Domestic, stock watering, irrigated agriculture, and fish and wildlife; and

8. The Department recommends continuing the following current waiver policies: Waiving 50 percent of the fee for units of local, state and federal governments; and waiving 100 percent of the fee for use of sewer water, use by non-profit institutions; and de minimis uses of less than 10,000 gallons; and

9. The Department recommends continuing the current policy of charging \$2.70 per 1,000 gallons for construction activities and other temporary bulk water uses; and

10. The Department recommends continuing the current water use fee of \$2.70 per 1,000 gallons for industrial and mining activities, except when the rate is set by contract, lease or other agreement, but allowing the Director to consider exceptions on a case by case, industry by industry basis, subject to Resources Committee approval; and

11. The Department recommends continuing the current policy of charging a fixed fee per water well supplying water used to enhance oil recovery; and

12. The Department is hereby directed to waive collection of the water use fee from commercial water users using less than 40,000 gallons of water during any three month billing period; and

13. The Resources Committee believes it will be in the best interests of the Navajo Nation to continue the recommended water use fee structure in Exhibit "B".

**NOW THEREFORE BE IT RESOLVED THAT:**

1. The Resources Committee of the Navajo Nation Council hereby approves the waiver of the commercial water use fee for commercial water users using less than 40,000 gallons in a three month period; the Water Code water use fee structure, attached hereto as Exhibit "B". (See Exhibit "C", Technical Memorandum dated June 18, 1996 and Exhibit "D", Summary of Public Hearings dated August 30, 1996.)

2. Because of the numerous concerns pertaining to retroactive collection of fees, the Resources Committee hereby suspends the collection of all past water use fees owed the Nation prior to January 1, 1997. This suspension is intended to benefit those water users who have not paid because of lack of notice. The suspension does not apply to those water users who have valid permits and contracts with the Navajo Nation which obligate them to pay for water use. While the Resources Committee is considering the matter, no new legal action shall be taken to collect any outstanding fees, no interest shall be asserted nor shall any penalty be imposed for failure to pay during this suspension.



3. The Resources Committee hereby rescinds any prior conflicting authority.

**CERTIFICATION**

I hereby certify that the foregoing resolution was duly considered by the Resources Committee of the Navajo Nation Council at a duly called meeting at Window Rock, Navajo Nation (Arizona), at which a quorum was present and that same was passed by a vote of 4 in favor, 0 opposed and 0 abstained, this 10th day of April, 1997.



Elmer L. Milford, Chairperson  
Resources Committee

Motion: Sylvester Chee  
Second: Harold Tunney