

**LEGISLATIVE SUMMARY SHEET**

**Tracking No.** 0014-16

**DATE:** January 8, 2016

**TITLE OF RESOLUTION:** AN ACTION RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, NAABIK'ÍYÁTI' COMMITTEES AND THE NAVAJO NATION COUNCIL; APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF ONE MILLION SIX HUNDRED THOUSAND DOLLARS (\$1,600,000) FOR RENOVATION OR REPLACEMENT OF EXISTING HOMES IN THE FORMER BENNETT FREEZE AREA AND WAIVING 12 N.N.C. §§ 820 AND 860

**PURPOSE:** This resolution, if approved, will approve supplemental funding from the Unreserved, Undesignated Fund Balance for home renovation or replacement in the Former Bennett Freeze Area and waive certain sections of the Finance Act related to capital improvement.

**This written summary does not address recommended amendments as may be provided by the standing committee. The Office of Legislative Counsel requests each committee member to review the proposed resolution in detail.**

5-DAY BILL HOLD PERIOD: None  
Website Posting Time/Date: 9:00pm 1/13/2016  
Posting End Date: 1/13/2016  
Eligible for Action: 1/14/2016

Resources & Development Committee

THENCE

Budget & Finance Committee

THENCE

Naa'bik'íyáti' Committee


THENCE

Navajo Nation Council

PROPOSED NAVAJO NATION COUNCIL RESOLUTION


23<sup>rd</sup> NAVAJO NATION COUNCIL—Second Year, 2016

INTRODUCED BY

  
OTTOTS



Primary Sponsor

  
(Walter Phelps) (Tuckaway Shon)

TRACKING NO. 0014-16

AN ACTION

RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE,  
NAABIK'ÍYÁTI' COMMITTEES AND THE NAVAJO NATION COUNCIL;  
APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED,  
UNDESIGNATED FUND BALANCE IN THE AMOUNT OF ONE MILLION SIX  
HUNDRED THOUSAND DOLLARS (\$1,600,000) FOR RENOVATION OR  
REPLACEMENT OF EXISTING HOMES IN THE FORMER BENNETT FREEZE  
AREA AND WAIVING 12 N.N.C. §§ 820 AND 860

BE IT ENACTED:

SECTION 1. FINDINGS

- A. Pursuant to 12 N.N.C. § 820 (L), "[t]he Navajo Nation Council may adopt and approve supplemental appropriations to the Annual Comprehensive Budget during the fiscal year. Supplemental appropriations of General Funds within the current fiscal year are permitted, if and when additional sources of revenues above and beyond the initial or current revenue projections are projected and which are also in excess of the reserve amount set forth at § 820(J)."
- B. Pursuant to 2 N.N.C. § 164 (A)(9), a proposed resolution that requires final action by the Navajo Nation Council shall be assigned to the Naabik'íyáti' Committee before it is heard by the Navajo Nation Council.

- 1 C. Pursuant to 2 N.N.C. § 300 (C)(1)(3) and (4) the Budget and Finance Committee is  
2 authorized to recommend adoption of resolutions related to the expenditure of the  
3 Nation's financial resources.
- 4 D. Pursuant to 2 N.N.C. § 501 (C)(1), the Resources and Development Committee  
5 exercises oversight authority over chapter activities, and economic and community  
6 development, for the purpose of establishing Navajo Nation policy with respect to the  
7 optimum utilization of all Navajo Nation resources and to protect the rights, interests,  
8 sacred sites and freedoms of the Navajo Nation and People to such resources, now  
9 and for future generations; and to promote, review, coordinate and approve projects to  
10 be financed by funds designed for capital improvement.
- 11 E. The Navajo Nation President and Vice-President, on two separate trips, visited  
12 impacted Chapters on the Former Bennett Freeze Area in October 2015 and as a  
13 result of the visits launched the Former Bennett Freeze Area Action Team whose  
14 short term focus is on the immediate rehabilitation of homes in the impacted  
15 communities.
- 16 F. The existing housing units in the impacted Chapters are in need of renovation or  
17 replacement and will be categorized by Major Repair Work, Modernization of  
18 Existing Homes, and Replacement of Existing Homes.
- 19 G. The proposed budget for the renovation or replacement of existing housing units in  
20 the Former Bennett Freeze Area is One Million Six Hundred Thousand Dollars  
21 (\$1,600,000). FY 2016 Budget forms attached as Exhibit A.
- 22 H. The Title 12 Finance Act Supplemental Appropriation requirements include:
- 23 1. Pursuant to 12 N.N.C. § 820(M), all requests for annual operating funds and  
24 supplemental funds shall be submitted to the Office of Management and  
25 Budget ("OMB") for budget impact analysis. A preview of the appropriation  
26 legislation is available to the OMB for their budget impact analysis response.
- 27 2. Pursuant to 12 N.N.C. § 820(L), when the Controller identifies additional  
28 sources of revenues above and beyond the initial or current revenue  
29 projections, supplemental appropriations may be allocated by the Navajo  
30



1 Nation Council. The attached memorandum, Exhibit B, from the Office of the  
2 Controller has identified the additional revenues.

3 I. The Title 12 Capital Improvement Process includes:

4 1. Pursuant to 12 N.N.C. § 810(F), "Capital Improvement" means a major  
5 project undertaken by the Navajo Nation that is generally not recurring on  
6 an annual basis and which fits within one or more of the following  
7 categories:

8 (1) All projects requiring debt obligation or borrowing;

9 (2) Any acquisition or lease of land;

10 (3) Purchase of major equipment or vehicles, with a life expectancy of five  
11 years or more, valued in excess of an amount to be established by the  
12 Controller;

13 (4) Major building improvements that are not routine maintenance expenses  
14 and that substantially enhance the value or extend the useful life of a  
15 structure;

16 (5) Construction of new buildings or facilities including engineering,  
17 design, and other pre-construction costs with an estimated cost in excess  
18 of an amount to be determined by the Controller; and/or

19 (6) Major equipment or furnishing required to furnish new buildings or  
20 other projects, the cost of which is above a certain amount to be  
21 established by the Controller.

22 2. Pursuant to 12 N.N.C. § 820 (I), the "[d]evelopment of the Capital Budget  
23 shall be coordinated with development of the Operating Budget. All budget  
24 requests for capital improvements shall be in compliance with an adopted  
25 Capital Improvement Plan and shall not be approved unless in compliance  
26 with the Plan."

27 3. Pursuant to 12 N.N.C. § 820 (M), the Office of Management and Budget  
28 shall coordinate the overall preparation, adoption and implementation of  
29 both the annual operating and capital budgets of the Navajo Nation. All  
30 requests for annual operating funds and supplemental funds shall be

submitted to the Office of Management and Budget for budget impact analysis and other appropriate action.

4. Pursuant to 2 N.N.C. § 501 (B)(4)(c), the Resources and Development Committee is to review and recommend to the Navajo Nation Council through the appropriate process supplemental appropriations to the capital improvement projects annual budget to fund necessary additional capital improvement projects.

5. Pursuant to 12 N.N.C. § 860 (C)(2) “[t]he appropriation portion of the Capital Improvement Plan is subject to approval of the Navajo Nation Council upon recommendation of the Budget and Finance Committee. Any modification or amendment affecting the approved Capital Improvement Plan is subject to review and concurrence by the Resources and Development Committee prior to consideration by the Navajo Nation Council.”

J. Any modification or amendment affecting the approved Capital Improvement Plan is subject to review and concurrence by the Resources and Development Committee prior to consideration by the Navajo Nation Council. 12 N.N.C. § 860.

K. The Navajo Nation finds it in the best interest to waive 12 N.N.C. §§ 820(I) and 860 (C), regarding the Capital Improvement Plan, for the renovation or replacement of existing housing units in the Former Bennett Freeze Area.

L. It is in the best interest of the Navajo Nation to appropriate One Million Six Hundred Thousand Dollars (\$1,600,000), under 12 N.N.C. § 820(O), to the Division of Community Development, FBFA Housing Project, Business Unit New. Exhibit A.

**SECTION 2. WAIVING 12 N.N.C. §§ 820(I) 1 AND 860 (C) REGARDING THE RENOVATION OR REPLACEMENT OF EXISTING HOMES IN THE FORMER BENNETT FREEZE AREA**

1 The Navajo Nation Council hereby waives 12 N.N.C. §§ 820(I) and 860(C) with  
2 regard to renovation or replacement of existing housing units in the Former Bennett  
3 Freeze Area.  
4

5 **SECTION 3. APPROVING SUPPLEMENTAL FUNDING FROM THE**  
6 **UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF**  
7 **ONE MILLION SIX HUNDRED THOUSAND DOLLARS (\$1,600,000) FOR THE**  
8 **RENOVATION OR REPLACEMENT OF EXISTING HOMES IN THE FORMER**  
9 **BENNETT FREEZE AREA**  
10

11 A. The Navajo Nation, having received certification by the Office of the Controller  
12 of the availability of certain funds from the Unreserved, Undesignated Fund  
13 Balance (UUFb) for supplemental appropriation hereby approves the  
14 supplemental appropriation of One Million Six Hundred Thousand Dollars  
15 (\$1,600,000) for the renovation or replacement of existing homes in the Former  
16 Bennett Freeze Area, and as further described in budget documents attached as  
17 Exhibit A.

18 B. This supplemental appropriation of One Million Six Hundred Thousand Dollars  
19 (\$1,600,000) shall be to the Division of Community Development, FBFA  
20 Housing Project, Business Unit Number New, as identified in Exhibit A, and from  
21 that amount of funds that exceeds the minimum fund balance of the UUFb.  
22  
23  
24  
25  
26  
27  
28  
29  
30



FY 2016

# THE NAVAJO NATION PROGRAM BUDGET SUMMARY

EXHIBIT

tabbies

A

Page 1 of 6

<b>PART I. Business Unit No.:</b> NEW		<b>Program Title:</b> DCD/ FBFA Housing Project I		<b>Division/Branch:</b> Office of the President/Vice President	
<b>Prepared By:</b> Eric Descheenie		<b>Phone No.:</b> (928) 871-7000		<b>Email Address:</b> <a href="mailto:ericdescheenie@navajo-nsn.gov">ericdescheenie@navajo-nsn.gov</a>	

<b>PART II. FUNDING SOURCE(S)</b>	<b>Fiscal Year Term</b>	<b>Amount</b>	<b>% of Total</b>	<b>PART III. BUDGET SUMMARY</b>				
					(A)	(B)	(C)	
					Fund Type Code	NNC Approved Original Budget	Proposed Budget	Difference (Column B - A)
Navajo Nation UUFB	FY 2016 - FY2017	\$1,600,000	100%	2001	Personnel Expenses		\$198,879.00	\$198,879.00
				3000	Travel Expenses		\$42,714.00	\$42,714.00
				3500	Meeting Expenses			\$0.00
				4000	Supplies		\$12,000.00	\$12,000.00
				5000	Lease and Rental		\$60,000.00	\$60,000.00
				5500	Communications and Utilities			\$0.00
				6000	Repairs and Maintenance		\$18,000.00	\$18,000.00
				6500	Contractual Services			\$0.00
				7000	Special Transactions		\$1,582.00	\$1,582.00
				8000	Public Assistance		\$1,266,825.00	\$1,266,825.00
				9000	Capital Outlay			\$0.00
				9500	Matching Funds			\$0.00
				9500	Indirect Cost			\$0.00
				<b>TOTAL</b>		\$0.00	\$1,600,000.00	\$1,600,000.00

<b>PART IV. POSITIONS AND VEHICLES</b>	(D)	(E)
Total # of Positions Budgeted:		3
Total # of Permanently Assigned Vehicles:		0

<b>TOTAL:</b>	\$1,600,000	100%
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**PART V. I HEREBY ACKNOWLEDGE THAT THE INFORMATION CONTAINED IN THIS BUDGET PACKAGE IS COMPLETE AND ACCURATE.**

*Eric Descheenie* 1/8/16

SUBMITTED BY: Program Manager's Printed Name and Signature / Date

*Robert J. ...* 1-8-2016

APPROVED BY: Division Director/Branch Chief's Printed Name and Signature / Date





**THE NAVAJO NATION**  
**DETAILED LINE ITEM BUDGET AND JUSTIFICATION**

**PART I. PROGRAM INFORMATION:**

Program Name/Title: \_\_\_\_\_

DCD/ FBFA Housing Project I

Business Unit No.: \_\_\_\_\_

NEW

**PART II. DETAILED BUDGET:**

(A)	(B)	(C)	(D)
Object Code (LOD 6)	Object Code Description and Justification	Total by DETAILED Object Code	Total by MAJOR Object Code
	<b>2001 PERSONNEL EXPENSES</b>		<b>\$198,879</b>
	Employees' salary and fringe benefits for three personnel.		
2320	Temporary 2320 Person - Tempora FT One senior carpenter and two carpenters. AB62A 4172 Senior Carpenter 4,160 hrs x \$16.36/hr = \$68,057.68 AB60A 4173 Carpenters 4,160 hrs x \$13.75/hr x 2 carpenters = \$114,400.00	\$182,458	
2900	Fringe Benefits \$182,458.00 x 9.00% = \$16,421.22	\$22,737	
	<b>3000 TRAVEL EXPENSES</b>		<b>\$42,714</b>
	One Class IV (3/4 Ton Pickup Truck, 4WD) Vehicle on rental basis. Meals, Lodging and POV Mileage		
3110	Fleet 3112 Daily/Temp \$32/day x 25/days/mo x 24 mos = \$19,200.00 3113 Mileage \$.33/mi x 1,500/mi/mo x 24 = \$11,880.00 \$31,080 x 5% NN Taxes = \$1,554.00 = \$32,634.00 Total	\$32,634	
<b>TOTAL</b>		<b>\$237,829</b>	<b>\$241,593</b>

**THE NAVAJO NATION**  
**DETAILED LINE ITEM BUDGET AND JUSTIFICATION**

<b>PART I. PROGRAM INFORMATION:</b>			
Program Name/Title: <u>NHLCO - FBFA Housing Project</u>		Business Unit No.: <u>NEW</u>	
<b>PART II. DETAILED BUDGET:</b>			
(A)	(B)	(C)	(D)
Object Code (LOD 6)	Object Code Description and Justification	Total by DETAILED Object Code	Total by MAJOR Object Code
3230	Personal Travel 3240 Per Diem Meals 3250 Lodging 3260 POV Mileage \$140/mo x 3 carpenters x 24 mos = \$10,080.00	\$10,080	
	<b>4000 SUPPLIES</b>		<b>\$12,000</b>
	To purchase fuel for construction equipment to be utilized by the carpenters at the project sites (i.e., generators, cement mixers, air compressors)		
4700	Fuel 4710 Gasoline 4720 Diesel \$500/mo x 24 mos = \$12,000.00	\$12,000	
	<b>5000 LEASE &amp; RENTAL</b>		<b>\$60,000</b>
	Rental & Lease of Construction Equipment (i.e., backhoes, compactors, welding machines, generators, air compressors, paint sprayers, etc.); rental of three storage bins.		
5310	Building/Space \$500/mo x 3 storage bins x 24 mos = \$36,000.00	\$36,000	
5360	Equipment/Supplies 5370 Equipment Rental \$1,000/mo x 24 mos = \$24,000.00	\$24,000	
<b>TOTAL</b>		<b>\$94,080</b>	<b>\$90,000</b>

**THE NAVAJO NATION**  
**DETAILED LINE ITEM BUDGET AND JUSTIFICATION**

<b>PART I. PROGRAM INFORMATION:</b>			
Program Name/Title: _____		Business Unit No.: _____	
<b>PART II. DETAILED BUDGET:</b>			
(A)	(B)	(C)	(D)
Object Code (LOD 6)	Object Code Description and Justification	Total by DETAILED Object Code	Total by MAJOR Object Code
	<b>6000 REPAIRS &amp; MAINTENANCE</b>		<b>\$18,000</b>
	For proper disposal of construction debris, concrete, etc.		
6200	External Contractors	\$12,000	
	6250 Waste Disposal		
	\$500/mo x 24 mos = \$12,000.00		
6910	Other Contractual Services	\$6,000.00	
	Expenses for housing inspections for electrical wiring and plumbing for all 12 homes.		
	\$500/per home x 12 homes = \$6,000.00		
	<b>7000 SPECIAL TRANSACTIONS</b>		<b>\$1,582.09</b>
	Coverage for Insurance Premiums.		
7710	Insurance Premiums	\$1,582.09	
	7765 Policy Payment		
	\$198,879/\$100 = \$1,988.79 x \$0.19 = \$377.87		
	7767 Workers' Comp Premium		
	\$182,458/\$100 = \$1,824.58 x \$0.66 = \$1,204.22		
	<b>8000 ASSISTANCE</b>		<b>\$1,266,825.00</b>
	To purchase housing materials for 12 homes, appliances, cabinets, wood-burning stoves, septic tank, etc. Expenses to include paying for delivery charges.		
8500	Infrastructure (non cap)	\$1,266,825.00	
	8510 Housing Construction Materials		
	\$20,108.33 x 63 homes = \$1,266,824.79		
<b>TOTAL</b>		<b>\$1,268,407.09</b>	<b>\$1,268,407.09</b>



**PART I. PROGRAM INFORMATION:**

**Program Name/Title:** DCD/ FBFA Housing Project I

Business Unit No.: NEW

**PART II. PERSONNEL/POSITION CHANGES:**

[illegible]



**THE NAVAJO NATION**

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



**MEMORANDUM:**

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

FROM : Robert Willie  
Robert Willie, Accounting Manager  
Office of the Controller

DATE : January 8, 2016

SUBJECT : 164 Review-005249-DCD/FBFA Housing Project

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

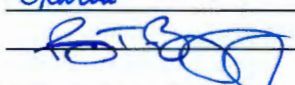
1. The balance of the UUFB is \$14,407,443 as of December 29, 2015.
2. The requested supplemental request is for the amount of \$1,600,000.
3. Budget forms attached have "new" for business unit. There would be three positions that would be funded under this supplemental.

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

Document No. 005249Date Issued: 01/08/2016**SECTION 164 REVIEW FORM**Title of Document: DCD / FBFA Housing Project IContact Name: DESCHEENIE, ERIC FProgram/Division: DIV. OF COMMUNITY DEVELOPMENTEmail: ericdescheenie@navajo-nsn.govPhone Number: 928-871-7000Division Director Approval for 164A: 

**Check document category: only submit to category reviewers. Each reviewer has a maximum 7 working days,** except Business Regulatory Department which has 2 days, to review and determine whether the document(s) are sufficient or insufficient. If deemed insufficient, a memorandum explaining the insufficiency of the document(s) is required.

**Section 164(A) Final approval rests with Legislative Standing Committee(s) or Council**

<input type="checkbox"/>	Statement of Policy or Positive Law:		Sufficient	Insufficient
	1. OAG: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	IGA, Budget Resolutions, Budget Reallocations or amendments: (OMB and Controller sign ONLY if document expends or receives funds)			
	1. OMB: <u>Abigail - memo forthcoming</u>	Date: <u>1-8-16</u>	<input type="checkbox"/>	<input type="checkbox"/>
	2. OOC: <u>Review</u>	Date: <u>1-8-16</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	3. OAG: 	Date: <u>1-8-16</u>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 164(B) Final approval rests with the President of the Navajo Nation**

<input type="checkbox"/>	<b>Grant/Funding Agreement or amendment:</b>			
	1. Division: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
	2. OMB: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
	3. OOC: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
	4. OAG: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<b>Subcontract/Contract expending or receiving funds or amendment:</b>			
	1. Division: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
	2. BRD: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
	3. OMB: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
	4. OOC: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
	5. OAG: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<b>Letter of Assurance/M.O.A./M.O.U./Other agreement not expending funds or amendment:</b>			
	1. Division: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
	2. OAG: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<b>M.O.A. or Letter of Assurance expending or receiving funds or amendment:</b>			
	1. Division: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
	2. OMB: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
	3. OOC: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
	4. OAG: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>





# THE NAVAJO NATION

RUSSELL BEGAY **PRESIDENT**  
JONATHAN NEZ **VICE PRESIDENT**

DCDA-M16023

**CHAVEZ JOHN**  
Acting Division Director

**DIVISION OF  
COMMUNITY  
DEVELOPMENT**

PO Box 1904  
Window Rock, AZ  
86515

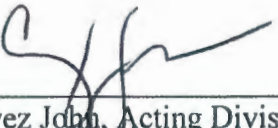
PH: 505.371.8466  
Fax: 505.371.8472

**WEBSITES:**  
NNDCCD.org  
NavajoChapters.org

**MISSION:**  
*Provide  
opportunities for  
the Navajo  
communities to be  
self-governing and  
self-sufficient.*

## MEMORANDUM

TO : All Concerned

FROM :   
Chavez John, Acting Division Director  
Division of Community Development


DATE : January 5, 2016

SUBJECT : **Delegation of Authority**

In my absence from the office on January 6, 2016 at 9:00 AM to January 8, 2016 at 5:00 PM, Ms. Marie R. Begay will assume the delegation of authority to act in my capacity. She will be delegated to handle administrative matters and have signatory authority for routine documents, except those matters that she feels require my attention.

Your cooperation and assistance is expected and appreciated.


Acknowledged by:

  
Marie R. Begay, Contract Analyst  
Capital Improvement Office  
Division of Community Development



## MEMORANDUM

**TO:** Honorable Walter Phelps  
23<sup>rd</sup> Navajo Nation Council

**FROM:**   
Levon B. Henry, Chief Legislative Counsel  
Office of Legislative Counsel

**DATE:** January 8, 2016

**SUBJECT:** AN ACTION RELATING TO RESOURCES AND DEVELOPMENT, BUDGET AND FINANCE, NAABIK'ÍYÁTI' COMMITTEES AND THE NAVAJO NATION COUNCIL; APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF ONE MILLION SIX HUNDRED THOUSAND DOLLARS (\$1,600,000) FOR RENOVATION OR REPLACEMENT OF EXISTING HOMES IN THE FORMER BENNETT FREEZE AREA AND WAIVING 12 N.N.C. §§ 820 AND 860

Pursuant to your request, attached is the above-referenced proposed resolution and associated legislative summary sheet. Based on existing law, the resolution as drafted is legally sufficient. However, as with all legislation, it is subject to review by the courts in the event of a challenge.

The Office of Legislative Council confirms the appropriate standing committee(s) reviews based on the standing committees powers outlined in 2 N.N.C. §§ 301, 401, 501, 601 and 701. Nevertheless, "the Speaker of the Navajo Nation Council shall introduce [the proposed resolution] into the legislative process by assigning it to the respective oversight committee(s) of the Navajo Nation Council having authority over the matters for proper consideration." 2 N.N.C. § 164(A)(5).

Please review the proposed resolution to ensure it is drafted to your satisfaction. If this proposed resolution is acceptable to you, please sign it where it indicates "Prime Sponsor", and submit it to the Office of Legislative Services for the assignment of a tracking number and referral to the Speaker.

If the proposed resolution is unacceptable to you, or if you have further questions, please contact me at the Office of Legislative Counsel and advise me of changes you would like made to the proposed resolution. You may contact me at (928) 871-7166. Thank you.

THE NAVAJO NATION  
LEGISLATIVE BRANCH  
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: \_0014-16\_\_\_\_\_

SPONSOR: Walter Phelps

**TITLE: An Action Relating To Resources And Development Budget And Finance, Naabik'iyati' Committees And The Navajo Nation Council; Approving Supplemental Funding From The Unreserved Undesignated Fund Balance In The Amount Of One Million Six Hundred Thousand Dollars (\$1,600,000) For Renovation Or Replacement Of Existing Homes In The Former Bennett Freeze Area And Waiving 12 N.N.C. §§ 820 And 860**

**Date posted: January 8, 2016 at 9:00pm**

Digital comments may be e-mailed to [comments@navajo-nsn.gov](mailto:comments@navajo-nsn.gov)

Written comments may be mailed to:

Executive Director  
Office of Legislative Services  
P.O. Box 3390  
Window Rock, AZ 86515  
(928) 871-7590

Comments may be made in the form of chapter resolutions, letters, position papers, etc. Please include your name, position title, address for written comments; a valid e-mail address is required. Anonymous comments will not be included in the Legislation packet.

**Please note:** This digital copy is being provided for the benefit of the Nav, ajo Nation chapters and public use. Any political use is prohibited. All written comments received become the property of the Navajo Nation and will be forwarded to the assigned Navajo Nation Council standing committee(s) and/or the Navajo Nation Council for review. Any tampering with public records are punishable by Navajo Nation law pursuant to 17 N.N.C. §374 *et. seq.*



**THE NAVAJO NATION  
LEGISLATIVE BRANCH  
INTERNET PUBLIC REVIEW SUMMARY**

**LEGISLATION NO.:** 0014-16

**SPONSOR:** Honorable Walter Phelps

**TITLE:** Relating To Resources And Development Budget And Finance, Naabik'iyati' Committees And The Navajo Nation Council; Approving Supplemental Funding From The Unreserved Undesignated Fund Balance In The Amount Of One Million Six Hundred Thousand Dollars (\$1,600,000) For Renovation Or Replacement Of Existing Homes In The Former Bennett Freeze Area And Waiving 12 N.N.C. §§ 820 And 860.

**Posted:** January 8, 2016 at 9:00pm

**5 DAY Comment Period Ended:** January 13, 2015

**Digital Comments received:**

<b>Comments Supporting</b>	<i>None</i>
<b>Comments Opposing</b>	<i>None</i>
<b>Inclusive Comments (1)</b>	1. LoTonia B. Johnson, Acting Asst. Attorney General; Economic/Community Development Unit, Department of Justice.

C. P. I.

\_\_\_\_\_  
**Executive Director  
Office of Legislative Services**

1/14/2016 - 9:50 AM

\_\_\_\_\_  
**Date/Time**

## Legislation No. 0014-16

Angee Holtsoi <aholtsoi@nndoj.org>

Wed 1/13/2016 10:31 AM

To: comments <comments@navajo-nsn.gov>;

Cc: LaTonia Becenti-Johnson <lbjohnson@nndoj.org>; Rodgerick Begay <rbegay@nndoj.org>;

1 attachment

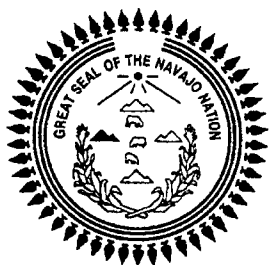
2016-01-16 LBJ M NNC Leg 0014-16 Renovation or Replacement of FBFA Existing Homes.PDF;

See attached memorandum regarding Legislation No. 0014-16. Please disregard the previous email. Thank you.

Angee Holtsoi, Sr. Legal Secretary  
NAVAJO NATION DEPARTMENT OF JUSTICE  
Economic/Community Development Unit  
Post Office Box 2010  
Window Rock, AZ 86515  
(T) 928.871.6933  
(F) 928.871.6200  
[aholtsoi@nndoj.org](mailto:aholtsoi@nndoj.org)



*This message is intended only for the use of the Addressee and may contain information that is PRIVILEGED and CONFIDENTIAL. If you are not the intended recipient, please delete the email and inform the sender immediately. Thank you.*



**NAVAJO NATION DEPARTMENT OF JUSTICE**  
**OFFICE OF THE ATTORNEY GENERAL**

ETHEL B. BRANCH  
ATTORNEY GENERAL

RODGERICK T. BEGAY  
ACTING DEPUTY ATTORNEY GENERAL

M E M O R A N D U M

TO: Navajo Nation Council

FROM: 

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

DATE: January 13, 2016

SUBJECT: Legislation No. 0014-16: An Action Relating to Resources and Development, Budget and Finance, Naabik'iyati Committees and the Navajo Nation Council; Approving Supplemental Funding from the Unreserved, Undesignated Fund Balance in the Amount of One Million Six Hundred Thousand Dollars (\$1,600,000) for Renovation or Replacement of Existing Homes in the Former Bennett Freeze Area and Waiving 12 N.N.C. §§820 and 860

The above-mentioned document was submitted through the 164B process. Because this document was deemed time sensitive, the Department of Justice (DOJ) was not able to outline the issues in a written form. As such, the DOJ is taking the opportunity to provide its comments during the legislation 5-day comment period. In reviewing the legislation, the purpose is to request for supplemental appropriation from the Undesignated Unreserved Fund Balance (UUFB) to renovate and replace existing housing units in the Former Bennett Freeze Area. Specifically, the funding is to fund the following<sup>1</sup>: (1) Temporary salary; (2) Fringe Benefits; (3) Fleet; (4) Personnel Travel; (5) Fuel; (6) Building/Space; (7) Equipment/Supplies; (8) External Contractors; (8) Other Contractual Services; (10) Insurance Premiums; and (11) Infrastructure. The legislation also

<sup>1</sup> Please note that if the budget forms are amended to reflect additional or deletions of line-items, this written comment may be amended to reflect the new information.



Memorandum to: Navajo Nation Council  
RE: Legislation No. 0014-16  
January 13, 2016  
Page 2

requires the waiver of 12 N.N.C. §§ 820 and 860, which requires the development of a Capital Budget and deems the purpose of the request to be a Capital Improvement Project.

UUFB:

Pursuant to 12 N.N.C. § 820(J), the UUFB "shall not be utilized for funding recurring expenditures or operations of the Navajo Nation government." As noted above, the request is to renovate and replace existing housing units. To the DOJ's knowledge, this legislation is the first request. Specifically, the budget is to hire individuals on a temporary basis and it appears that the cost (i.e., Fringe Benefits, Fuel, etc.) associated with the hiring of the temporary individuals is also on one-time cost/request. In other words, the expenditure of this request is temporary and non-recurring. As such, this request appears to be consistent with the limitation of the UUFB. It should be noted that any future requests for this same purpose may be limited and may be deemed as a recurring cost.

Capital Projects:

All supplement requests must be made consistent with the Budget Instruction Manual (BIM) and Appropriation Act (Act), 12 N.N.C. § 800 et. seq. Section 810(F) of the Act notes the definition of "Capital Improvement" as follows:

generally not recurring on an annual basis and which fits within one or more of the following categories:

1. All projects requiring debt obligation or borrowing;
2. Any acquisition or lease of land;
3. Purchase of major equipment or vehicles, with a life expectancy of five years or more, valued in excess of an amount to be established by the Controller;
4. Major building improvements that are not routine maintenance expenses and that substantially enhance the value or extend the useful life of a structure;
5. Construction of new buildings or facilities including engineering, design, and other pre-

Memorandum to: Navajo Nation Council

RE: Legislation No. 0014-16

January 13, 2016

Page 3

construction costs with an estimated cost in excess of an amount to be determined by the Controller; and/or  
6. Major equipment or furnishings required to furnish new buildings or other projects, the cost of which is above a certain amount to be established by the Controller.

Section 810(N) provides the definition of "Local Government Project" as government improvement projects that include, but are not limited to, house wiring, bathroom additions and projects that address individual or community needs but which may not meet the requirements for, or definition of, capital improvement projects. Section XI(E) of the BIM also provides that all supplemental requests for capital projects are to be submitted to the Capital Improvement Office (CIO) for proper review pursuant to the established Capital Plan.

In practice, the Capital Plan has been the Transportation and Community Development (TCDC) Objective Criteria, Resolution No. TCDCJY-77-99. The TCDC Objective Criteria outlines the process to develop a Capital Plan, list the "Capital Improvement" and "Local Government" projects and the required documents that need to be submitted and the duties of various entities that assist in the development and review of the Capital Plan. The TCDC Objective Criteria includes projects such as, but not limited to powerline extensions, renovation and construction of Senior Citizen Centers/Chapter House and bathroom additions. See Section XV of the TCDC Objective Criteria.

CIO has noted that upon completion of the projects, the projects constitute as the Navajo Nation's asset and it is the responsibility of the Navajo Nation to pay the insurance premium except for the "Local Government" projects. In this case, it appears that the renovation and replacement of homes would constitute as "Local Government" projects not a "Capital Improvement" project. Therefore, it is recommended that the legislation is amended to deem that this request is a "Local Government" project.

Memorandum to: Navajo Nation Council  
RE: Legislation No. 0014-16  
January 13, 2016  
Page 4

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

LBJ/ah/7

xc: Chavez John, Division Director  
Division of Community Development

Casey Begay, Department Manager  
Capital Improvement Office  
Division of Community Development

**RESOURCES AND DEVELOPMENT COMMITTEE  
OF THE 23rd NAVAJO NATION COUNCIL**

**SECOND YEAR 2016**

**COMMITTEE REPORT**

Mr. Speaker,

The **RESOURCES AND DEVELOPMENT COMMITTEE** to whom has been assigned

**Legislation # 0014-16:** An Action Relating to Resources and Development Committee, the Budget and Finance Committee, Naabik'Iyati Committee and the Navajo Nation Council; Approving Supplemental Funding from the Unreserved, Undesignated Fund Balance in the Amount of One Million Six Hundred Thousand Dollars (\$1,600,000) for Renovation or Replacement of Existing Homes in the Former Bennett Freeze Area and; Waiving 12 N.N.C. §§820 (I) and 860. *Sponsor: Honorable Walter Phelps.*

Has had it under consideration and report the same that the matter was approved with one amendment, extract attached Exhibit "A" and replace with corrected program budget summary as the new Exhibit "A", and thereafter respectfully referred the matter to the Budget and Finance Committee.

Respectfully submitted,



Benjamin Bennett, Vice-Chairperson  
Resources and Development Committee  
of the 23<sup>rd</sup> Navajo Nation Council

Date: January 15, 2016  
Main Motion: Davis Filfred  
Second: Leonard Pete  
Vote: 3-0-1



**THE NAVAJO NATION  
PROGRAM BUDGET SUMMARY**

**EXHIBIT "A"**

<b>PART I. Business Unit No.:</b> <u>        New        </u> <b>Program Title:</b> <u>        Former Bennett Freeze Area - Housing        </u> <b>Division/Branch:</b> <u>        Community Development        </u>			
<b>Prepared By:</b> <u>        Brenda Holgate        </u> <b>Phone No.:</b> <u>        928/871-7173        </u> <b>Email Address:</b> <u>        bholgate@nndcd.org        </u>			

PART II. FUNDING SOURCE(S)	Fiscal Year Term	Amount	% of Total	PART III. BUDGET SUMMARY	(A)	(B)	(C)	
General Funds (UUFB)	FY2016	\$1,600,000	100%		Fund Type Code	NNC Approved Original Budget	Proposed Budget	Difference (Column B - A)
				2001 Personnel Expenses			854,953	854,953
				3000 Travel Expenses			94,088	94,088
				3500 Meeting Expenses			0	0
				4000 Supplies			20,000	20,000
				5000 Lease and Rental			30,000	30,000
				5500 Communications and Utilities			0	0
				6000 Repairs and Maintenance			20,000	20,000
				6500 Contractual Services			60,000	60,000
				7000 Special Transactions			8,997	8,997
				8000 Public Assistance			511,962	511,962
				9000 Capital Outlay			0	0
				9500 Matching Funds			0	0
				9500 Indirect Cost			0	0
				<b>TOTAL</b>		\$0	\$1,600,000	\$1,600,000

<b>PART IV. POSITIONS AND VEHICLES</b>	(D)	(E)
Total # of Positions Budgeted:		28
Total # of Permanently Assigned Vehicles:		3


  

<b>TOTAL:</b>	\$1,600,000	100%
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**PART V. I HEREBY ACKNOWLEDGE THAT THE INFORMATION CONTAINED IN THIS BUDGET PACKAGE IS COMPLETE AND ACCURATE.**

 1.12.16

SUBMITTED BY: Program Manager's Printed Name and Signature / Date

 1/12/16

APPROVED BY: Division Director/Branch Chief's Printed Name and Signature / Date

FY 2016

THE NAVAJO NATION  
PROGRAM PERFORMANCE CRITERIA

Page 2 of 6

## PART I. PROGRAM INFORMATION:

Business Unit No.: NewProgram Name/Title: Former Bennett Freeze Area - Housing

## PART II. PLAN OF OPERATION REFERENCE/LEGISLATED PROGRAM PURPOSE:

## PART III. PROGRAM PERFORMANCE CRITERIA:

1st QTR		2nd QTR		3rd QTR		4th QTR	
Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual

## 1. Program Performance Area:

Providing Housing Construcion activities within the Former Bennett Freeze Area

Goal Statement:

To improve the quality of life for construction 10 Housing Units by the end of 4th Quarter.

						10	
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## 2. Program Performance Area:

Goal Statement:

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## 3. Program Performance Area:

Goal Statement:

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## 4. Program Performance Area:

Goal Statement:



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## 5. Program Performance Area:

Goal Statement:

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

 1.12.16  
Program Manager's Printed Name and Signature/Date 1/12/16  
Division Director/Branch Chief's Printed Name and Signature/Date

**THE NAVAJO NATION**  
**DETAILED LINE ITEM BUDGET AND JUSTIFICATION**

<b>PART I. PROGRAM INFORMATION:</b> Program Name/Title: <u>Former Bennett Freeze Area - Housing</u> Business Unit No.: <u>New</u>				
<b>PART II. DETAILED BUDGET:</b>				
(A)	(B)	(C)	(D)	
Object Code (LOD 6)	Object Code Description and Justification	Total by DETAILED Object Code	Total by MAJOR Object Code	
	<b>2001 PERSONNEL EXPENSES</b> Employee salary and fringe benefits. Salary adjustment not paid by the Personnel Lapse Fund. Merit payment for eligible personnel.			854,953
2310	Temporary AB64A 3503 Project Manager 25ppe \$19.43 x 2000 hrs = 38,860.00 AB63A 1519 Accountant 25ppe \$17.82 x 2000 hrs = 35,640.00 AB63A 3515 Construction Inspector 24ppe \$17.82 x 1920 hrs = 34,214.40 AB62A 3501 Construction Supervisor 24ppe \$16.36 x 1920 hrs = 31,411.20 AB62A 3501 Construction Supervisor 24ppe \$16.36 x 1920 hrs = 31,411.20 AB62A 4174 Senior Electrician 24ppe \$16.36 x 1920 hrs = 31,411.20 AB62A 4179 Senior Plumber 24ppe \$16.36 x 1920 hrs = 31,411.20 AB60A 4181 Welder 20ppe \$13.75 x 1600 hrs = 22,000.00 AB60A 4173 (20) Carpenters \$13.75 x 1920 = \$26,400 \$26,400.00 x 20 ea = 528,000.00 <div style="text-align: right; border-top: 1px solid black;">784,359.20</div>	784,360		
2900	Fringe Benefits Temporary: \$784,359.20 x 9.00% = \$70,592.33		70,593	
<b>TOTAL</b>		854,953		854,953



**THE NAVAJO NATION**  
**DETAILED LINE ITEM BUDGET AND JUSTIFICATION**

<b>PART I. PROGRAM INFORMATION:</b>				
Program Name/Title: <u>Former Bennett Freeze Area - Housing</u>		Business Unit No.: <u>New</u>		
<b>PART II. DETAILED BUDGET:</b>				
(A)	(B)	(C)	(D)	
Object Code (LOD 6)	Object Code Description and Justification	Total by DETAILED Object Code	Total by MAJOR Object Code	
	<b>3000 TRAVEL EXPENSES</b> Monthly fleet rental and Monthly mileages. Meals, lodging, and air fare directly related to program business and other miscellaneous travel expenses.		94,088	
3110	Fleet (3) Vehicles 3111 Monthly/Perm Vehicle Class IV, 3/4 Ton Pickup Trucks, 4WD $\$460.00 \times 12 \text{ mos} = \$5,520.00 \times 3 \text{ vehicles} = \$16,560.00$ $\$16,560.00 \times 5\% = \$828.00$  3113 Mileage $5000 \text{ month} \times \$0.30 \text{ mile} = \$1,500.00 \times 3 \text{ ea} = \$4,500.00 \times 12 \text{ mos} = \$54,000.00$ $\$54,000.00 \times 5\% = \$2,700.00$	74,088		
	<div style="float: right;">             Monthly Fee: \$16,560.00              N.N. 5% Tax: \$828.00              Total: \$17,388.00           </div> <div style="float: right;">             Mileage: \$54,000.00              N.N. 5% Tax: \$2,700.00              Total: \$56,700.00  <b>\$74,088.00</b> </div>			
3230	Personal Travel (Utilize by Electrician/Plumber, Office Staff) 3240 Per Diem Meals 3250 Lodging 3260 POV Mileage 3290 Other Travel Expenses Estimated: \$20,000.00	20,000		
	<b>4000 SUPPLIES</b> Purchase fuel for construction equipments (backhoe, generators, cement mixers, air compressors, paint sprayers, skid steers, etc) Equipments are utilized at project sites.		20,000	
4700	Fuel 4710 Gasoline 4720 Diesel	20,000		
<b>TOTAL</b>		114,088	969,041	

**THE NAVAJO NATION**  
**DETAILED LINE ITEM BUDGET AND JUSTIFICATION**

<b>PART I. PROGRAM INFORMATION:</b> Program Name/Title: <u>Former Bennett Freeze Area - Housing</u> Business Unit No.: <u>New</u>			
<b>PART II. DETAILED BUDGET:</b>			
(A)	(B)	(C)	(D)
Object Code (LOD 6)	Object Code Description and Justification	Total by DETAILED Object Code	Total by MAJOR Object Code
	<b>5000 LEASE AND RENTAL</b> Rental & Lease of Construction Equipments; Backhoes, generators, compactors, paint sprayers, welding machines, air compressors, utility trailers, portable johns, storage bins, etc.		30,000
5360	Equipment & Supplies	30,000	
	5370 Equipment Rental		
	<b>6000 REPAIRS AND MAINTENANCE</b> For proper waste disposal of construction debris, concrete, etc.		20,000
6200	External Contractors	20,000	
	6250 Waste Disposal		
	<b>6500 CONTRACTUAL SERVICES</b> For soil compaction/testing and feasibility studies/environmental assessment for upcoming projects.		60,000
6820	Geo Tech Services (non cap)	30,000	
	6823 Fees		
	6824 Expenses		
	Estimated cost: \$3000 x 10 units = \$30,000.00		
6830	Other Technical Services	30,000	
	6840 Feasibility Studies		
	6845 Environmental Assessment/Survey		
	6865 Technical Services Expense		
	Estimated cost: \$3000 x 10 units = \$30,000.00		
<b>TOTAL</b>		110,000	1,079,041

**THE NAVAJO NATION**  
**DETAILED LINE ITEM BUDGET AND JUSTIFICATION**

<b>PART I. PROGRAM INFORMATION:</b> <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="width: 60%;">           Program Name/Title: <u>Former Bennett Freeze Area - Housing</u> </div> <div style="width: 40%;">           Business Unit No.: <u>New</u> </div> </div>				
<b>PART II. DETAILED BUDGET:</b>				
(A)	(B)	(C)	(D)	
Object Code (LOD 6)	Object Code Description and Justification	Total by DETAILED Object Code	Total by MAJOR Object Code	
	<b>7000 SPECIAL TRANSACTION</b> Insurance Premiums Coverage			8,997
7710	Insurance Premiums 7740 Vehicle - Auto Liability                      \$106.12 x 3 vehicles x 1yr = \$318.36                      \$318.36 7750 Vehicle - Auto Physical Damage                      \$125.96 x 3 vehicles x 1yr = \$377.88                      \$377.88 7765 Policy Payment General Liability Coverage                      \$854,953 / \$100 = \$8,549.53 x \$0.19 = \$1,624.41                      \$1,624.00 7766 Deductible Expense                      \$500 x 3 vehicles x 1 yr= \$1,500.00                      \$1,500.00 7767 Workers' Comp Premium (General)                      \$784,360 / \$100 = \$7,843.60 x \$0.66 = \$5,176.78                      \$5,177.00 <div style="text-align: right; border-top: 1px solid black;">\$8,997.24</div>	8,997		
	<b>8000 ASSISTANCE</b> Purchase housing, electrical, plumbing, ramp/welding materials, appliances, cabinets, ready-mix concrete, sand/gravel, septic tank, etc.: Include delivery/freight charges. Materials for new construction from a hogan to 4-bedroom house.			511,962
8500	Infrastructure (non cap) 8510 Housing Construction Materials Proposed (10) New Construction Homes Estimated Cost per home (varies on the number of bedroom(s): \$41,196 x 10 units = \$411,960 + \$100,000 for additional expense.	511,962		
<b>TOTAL</b>		520,959		1,600,000



**23<sup>rd</sup> NAVAJO NATION COUNCIL**

Second Year 2016

Mr. Speaker:

The **BUDGET & FINANCE COMMITTEE** to whom has been assigned

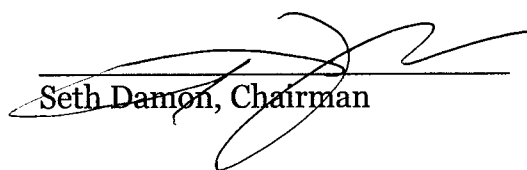
**NAVAJO LEGISLATIVE BILL # 0014-16:**

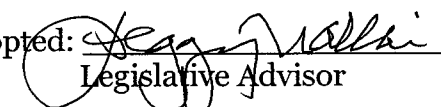
An Action Relating to Resources and Development, Budget and Finance and Naabikiyati Committees and Navajo Nation Council; Approving Supplemental Funding from the Unreserved, Undesignated Fund Balance in the amount of One Million Six Hundred Thousand Dollars (\$1,600,000) for Renovation or Replacement of Existing Homes in the former Bennett Freeze Area; Waiving 12 N.N.C. §§820 and 860 *Sponsored by Walter Phelps and Otto Tso, Council Delegates*

has had it under consideration and reports the same with the recommendation that It **Do Pass** without amendment.

And therefore, referred to the **NAABIKIYATI** Committee

Respectfully submitted,

  
Seth Damon, Chairman

Adopted:   
Legislative Advisor

Not Adopted: \_\_\_\_\_  
Legislative Advisor

**20 January 2016**

The vote was **3** in favor **0** opposed  
Excused: Tom T. Chee, Dwight Witherspoon