

LEGISLATIVE SUMMARY SHEET

Tracking No. 0108-16

DATE: March 31, 2016

TITLE OF RESOLUTION: PROPOSED NAVAJO NATION COUNCIL RESOLUTION; AN ACTION RELATING TO RESOURCES AND DEVELOPMENT COMMITTEE, BUDGET AND FINANCE COMMITTEE, NAABIK'ÍYÁTI' COMMITTEE AND THE NAVAJO NATION COUNCIL; APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$947,613 TO COMPLETE THE CONVENIENCE STORE, FUEL STATION, AND LAUNDROMAT AT SHONTO CHAPTER; WAIVING 12 N.N.C. §§ 820(I) AND 860(C) RELATING TO THE CAPITAL IMPROVEMENT PROCESS

PURPOSE: This resolution, if approved, will approve supplemental funding from the unreserved, undesignated fund balance (UUFB) in the amount of \$947,613.00 to complete the convenience store, fuel station, and laundromat at Shonto Chapter, waiving 12 N.N.C. § 820(I) and § 860(C) relating to the Capital Improvement Process. The Shonto Chapter request for a convenience store, fuel station, and laundromat at Shonto Chapter is not included in the Title 12 Capital Improvement Plan as approved by Navajo Nation Council Resolution CAP-18-14.

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: Latanya Baly
Website Posting Time/Date: 5:35pm 4-4-16
Posting End Date: 4-9-16
Eligible for Action: 4-10-16

Resources & Development Committee
THENCE
Budget & Finance Committee
THENCE
Naa'bik'íyáti' Committee
THENCE
Navajo Nation Council

PROPOSED NAVAJO NATION COUNCIL RESOLUTION
23rd NAVAJO NATION COUNCIL—Second Year, 2016

INTRODUCED BY



Primary Sponsor

TRACKING NO. 0108-16

AN ACTION

RELATING TO RESOURCES AND DEVELOPMENT COMMITTEE, BUDGET AND
FINANCE COMMITTEE, NAABIK'ÍYÁTI' COMMITTEE AND THE NAVAJO
NATION COUNCIL; APPROVING SUPPLEMENTAL FUNDING FROM THE
UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF
\$947,613 TO COMPLETE THE CONVENIENCE STORE, FUEL STATION, AND
LAUNDROMAT AT SHONTO CHAPTER; WAIVING 12 N.N.C. §§ 820(I) AND
860(C) RELATING TO THE CAPITAL IMPROVEMENT PROCESS

BE IT ENACTED:

SECTION ONE. AUTHORITIES

- 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. § 300 (C)(1)(3) and (4) the Budget and Finance Committee is authorized to recommend adoption of resolutions related to the expenditure of the Nation's financial resources.

1 C. Pursuant to 2 N.N.C. § 501 (C)(1), the Resources and Development Committee is
2 the oversight committee for the Navajo Nation Chapters.

3 D. Pursuant to 2 N.N.C. § 164 (A)(9), a proposed resolution that requires final action
4 by the Navajo Nation Council shall be assigned to the Naabik'iyáti' Committee
5 before it is heard by the Navajo Nation Council.
6

7 **SECTION TWO. TITLE 12 FINANCE ACT SUPPLEMENTAL**
8 **APPROPRIATION PROCESS AND THE TITLE 12 CAPITAL**
9 **IMPROVEMENT PROCESS**

10 A. The Title 12 Finance Act Supplemental Appropriation requirements include:

- 11 1. Pursuant to 12 N.N.C. § 820(L), when the Controller identifies additional
12 sources of revenues above and beyond the initial or current revenue projections,
13 supplemental appropriations may be allocated by the Navajo Nation Council.
- 14 2. Pursuant to 12 N.N.C. § 820 (L), "Supplemental appropriations made from non-
15 recurring revenues shall only be made for non-recurring operations or purposes,
16 as set forth at § 820 (F). The Controller of the Navajo Nation shall be
17 responsible for designating recurring and non-recurring revenues and purposes."
- 18 3. Pursuant to 12 N.N.C. § 820(M), all requests for annual operating funds and
19 supplemental funds shall be submitted to the Office of Management and Budget
20 ("OMB") for budget impact analysis.

21 B. The Title 12 Capital Improvement Process includes:

- 22 1. Pursuant to 12 N.N.C. § 810(F), "Capital Improvement" means a major project
23 undertaken by the Navajo Nation that is generally not recurring on an annual
24 basis and which fits within one or more of the following categories:
 - 25 (1) All projects requiring debt obligation or borrowing;
 - 26 (2) Any acquisition or lease of land;
 - 27 (3) Purchase of major equipment or vehicles, with a life expectancy of five
28 years or more, valued in excess of an amount to be established by the
29 Controller;
- 30

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

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

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

10 2. Pursuant to 12 N.N.C. § 820 (I), the “[d]evelopment of the Capital Budget shall
11 be coordinated with development of the Operating Budget. All budget requests
12 for capital improvements shall be in compliance with an adopted Capital
13 Improvement Plan and shall not be approved unless in compliance with the
14 Plan.”

15 3. Pursuant to 12 N.N.C. § 820 (M), the Office of Management and Budget shall
16 coordinate the overall preparation, adoption and implementation of both the
17 annual operating and capital budgets of the Navajo Nation. All requests for
18 annual operating funds and supplemental funds shall be submitted to the Office
19 of Management and Budget for budget impact analysis and other appropriate
20 action.

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

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

5 A. Shonto Chapter is requesting \$947,613.00 from the Unreserved, Undesignated Fund
6 Balance (UUFb) to complete the convenience store, fuel station, and laundromat at
7 Shonto Chapter. The Shonto Chapter withdrew 10 acres at the southeast corner of
8 US 160 and SR 98 for economic development activities which include the
9 development of the convenience store, fuel station, and laundromat. Shonto
10 Chapter has relied on its own limited liability company to secure grant money from
11 the BIdF and the Navajo Nation Department of Transportation and has obtained a
12 loan from a Community Development Financial Institution. The economic
13 development project is under construction; however due to delays in regulatory
14 approvals by state and tribal entities and several required redesigns, the winter
15 weather conditions and increasing costs, Shonto Chapter is seeking the
16 supplemental appropriation of \$947,613. The Shonto Community Governance
17 memorandum dated March 28, 2016 describes the economic development project
18 and is attached as **Exhibit C**. The budget documents regarding this request are
19 attached as **Exhibit D**.

20 B. The Shonto Chapter request for a convenience store, fuel station, and laundromat at
21 Shonto Chapter is not included in the Title 12 Capital Improvement Plan as
22 approved by Navajo Nation Council Resolution CAP-18-14.

23 C. Pursuant to 12 N.N.C. § 820(L), the attached memorandum, **Exhibit A**, dated April,
24 2016 from the Office of the Controller has identified the additional revenues above
25 and beyond the initial or current revenue projections.

26 D. Pursuant to 12 N.N.C. § 820(M), the attached memorandum, **Exhibit B**, dated
27 April, 2016 contains the Office of Management and Budget budget impact analysis.

28 E. Pursuant to 12 N.N.C. § 820 (L), the attached memorandum, **Exhibit A**, dated
29 April, 2016 from the Office of the Controller has determined whether this request
30

1 for supplemental appropriation is from recurring or non-recurring revenues and
2 whether it is for recurring or non-recurring purposes.

3 F. The Navajo Nation finds it in the best interest to waive 12 N.N.C. §§ 820(I) and 860
4 (C) regarding Shonto Chapter's request for funds to complete the convenience
5 store, fuel station, and laundromat at Shonto Chapter.

6 G. The Navajo Nation finds it in the best interest to approve Supplemental
7 Appropriation of \$947,613.00 to complete the convenience store, fuel station, and
8 laundromat at Shonto Chapter.

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10 **SECTION FOUR. WAIVING 12 N.N.C. §§ 820(I) AND 860 (C) REGARDING**
11 **THE CAPITAL IMPROVEMENT PROCESS AND THE COMPLETION OF**
12 **THE CONVENIENCE STORE, FUEL STATION, AND LAUNDROMAT AT**
13 **SHONTO CHAPTER**

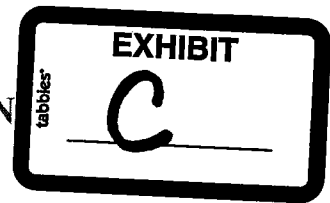
14
15 The Navajo Nation Council hereby waives 12 N.N.C. §§ 820(I) and 860(C) with
16 regard to the Capital Improvement process and the completion of the convenience
17 store, fuel station, and laundromat at Shonto Chapter.

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19 **SECTION FIVE. APPROVING SUPPLEMENTAL FUNDING FROM THE**
20 **UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF**
21 **\$947,613.00 TO COMPLETE THE CONVENIENCE STORE, FUEL STATION,**
22 **AND LAUNDROMAT AT SHONTO CHAPTER**

23
24 A. The Navajo Nation Council, having received certification by the Office of the
25 Controller of the availability of certain funds from the Unreserved, Undesignated
26 Fund Balance (UUFB) for supplemental appropriation hereby approves the
27 supplemental appropriation of \$947,613.00 to complete the convenience store, fuel
28 station, and laundromat at Shonto Chapter, as further described in budget
29 documents attached as **Exhibit D**.

1 B. This supplemental appropriation of \$947,613.00 shall be from that amount of funds
2 that exceeds the minimum fund balance of the UUFB.
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**SHONTO COMMUNITY GOVERNANCE
SHONTO ECONOMIC DEVELOPMENT CORPORATION
SHONTO COMMERCIAL, LLC**



OUT OF OFFICE MEMORANDUM

TO: Herman Daniels, Council Delegate

FROM: Board of Directors (Baje Whitethorne, Sr., Boyce Bedoni and Felix Fuller),
Shonto Economic Development Corporation (SEDC), sole member of Shonto
Commercial and Shonto Community Governance Officials (Elizabeth
Whitethorne Benally, Stanley Yazzie, Freida Laughter and Robert Black)

DATE: March 28, 2016

SUBJECT: Request for Funding to Complete the Convenience Store/Fuel
Station/Laundromat at Shonto Chapter

Introduction:

The Shonto Chapter, a governance certified chapter of the Navajo Nation, has been focused for the last decade at developing an economy for Shonto and the neighboring communities. The Chapter dedicated and withdrew 10 acres at the southeast corner of US 160 and SR 98 for economic development activities. The first phase was the construction of a C-store/fuel station on the site. The first phase was expanded to include a laundromat and possible post office boxes. (The C-store/fuel station/Laundromat is identified herein as the "Project".) Key challenges have included (i) sufficient funding and (ii) identification of a developer/operator for the Project. There were a number of starts and eventually, Shonto relied on its own limited liability company to secure grant money from BIDF and Navajo Nation Department of Transportation and to obtain a loan from a Community Development Financial Institution.

The Project is under construction and current schedule is that some of the facilities may be able to open as early as late Spring, 2016. However, due to substantial delays in regulatory approvals by state and tribal entities and several required redesigns, the winter weather conditions and increasing costs of certain items, Shonto is seeking an additional \$950,000 of funding to complete the Project. See Budget attached.

The Project:

Shonto Commercial has a Business Site Lease for 4.32 acres. The 4.32 acres is part of a 10 acre site that was withdrawn by the Shonto Chapter for economic development. Shonto Commercial is constructing a building that can house, a Convenience Store/Fuel Station, Laundromat, post office boxes, and a deli. At build out the 10-acre site will also include a hotel and artisan travel center and fast food restaurant.

Shonto Commercial obtained a grant from the Business and Industrial Development Fund ("BIDF") which was supplemented with a loan from a Community Development Financial Institution ("CDFI"). An architect was retained, construction documents were completed, and, in May 2015, Shonto Commercial bid the project through the required procedures of the Business Opportunity Act.

The SEDC Board of Directors as sole member of Shonto Commercial executed construction contracts with Woodruff Construction (General Contractor) and Cochise (Fuel System provider) in August 2015. Construction has commenced on the site. Delays ensued for months at a time as the architect/engineer team attempted to deal with the myriad of changes and delays and further changes and delays from NTUA. The cost of construction continued to escalate and still the ancillary approvals of ADOT and SRP have not been received. NTUA approved the offsite infrastructure last week.

Shonto Commercial has funding to finish the building structure. With the current funding there are insufficient funds to connect the convenience store/fuel station/Laundromat to the wastewater system across US Highway 160 and the SRP rail line at the NHA Housing Development. Without the connection to the sewer system, there cannot be Laundromat operations. No additional economic development activities can be planned on the 10-acre site without the connection to the sewer system. In addition there are not sufficient funds to locate postal boxes on site, provide the appropriate security and signage and purchase all of the FF&E.

Request for Funding:

The Shonto Chapter in support of the SEDC Board is requesting your assistance in obtaining Navajo Nation financial support for the following:

Offsite Utility Infrastructure: In order to fully develop the 10 acre site, the Project needs to drill under Highway 160 and the SRP rail line and connect to the wastewater system at the NHA Housing development. The design has been reworked several times to deal with objections raised by NTUA. To finalize the design we are seeking the sum of \$38,440 and to construct the offsite infrastructure we are seeking \$264,216. SEDC was able to obtain a Right of Entry from NHA but ADOT and SRP have still not provided the Rights of Way for the Project. We anticipate that some design changes may be required.

Laundromat Build-out: The connection to the regional wastewater system will allow the Project to open the Laundromat. The cost to complete the Laundromat design is \$40,030 and the buildout is \$218,500. To operate the Laundromat will require the purchase of furniture, fixtures and equipment at a cost of \$240,298.

Furniture, Fixtures and Equipment for the C-Store: The FF&E for the C-Store includes Building signage (\$24,798); Building security (\$22,478); Shelving, beverage dispensers, display cases, shelving, tables and chairs (\$42,478); and Deli fixtures tables, sinks, cooler, slicers, oven, and storage racks (\$43,897).

USPS Post Boxes: Mail boxes to replace the boxes at the old Trading Post (\$12,478).

Timing is critical. Shonto has been requesting additional funding for more than the last 6 months. It has been told that the Project was on the capital funding list, that various departments had funding, that funding was available from the settlement fund. Representatives of the Chapter and its wholly owned company spent time and resources tracking down the funding only to find over and over that there wasn't any funding.

Benefits to the Navajo People:

The C-store/Fuel Station will have substantial benefits to Navajo people. As designed the C-store will be able to support product that would otherwise not be available without driving long distances to Tuba City or Kayenta. There are no modern laundromats in the vicinity of Shonto and this facility will serve the needs of the housing project as well as the broader residents of Shonto and the neighboring communities. The addition of the laundromat will generate sufficient funds to repay the loan that the company obtained to construct the Project. Taxes will be generated from the sale of fuel and C-store products. Jobs will be generated. Shonto will be in the vanguard of Chapters that are self-promoters. We are asking the Nation to help the Chapter see this Project to fruition, a Project that might have come in close to budget but for the regulatory red-tape and the cost of construction on the Navajo Nation.

-- Thank you --



March 22, 2016

Shonto Commercial LLC, Shonto Economic Development Corporation
and Shonto Community

Subject: **Requested Laundromat and Off-Site Sewer Line Budget**
Shonto Commercial C-Store, Fuel Station and Laundromat Building
Junction of Arizona 98 and US 160
Shonto, Navajo County, Arizona

FM GROUP INC has been requested to provide a Budget Summary for needed funds to complete interior amenities of the C-Store, in addition to the Community's requested Laundromat and Off-Site Sewer line components of the Shonto Commercial C-Store, Fuel Station and Laundromat Building currently under construction. Our Budget Summary has been developed from either actual bids or confirmed budgets requested of involved contractors and vendors.

1	Laundromat Design and Build-out Drawings	Prepare Drawings for the Laundromat Design and Build-out – FM GROUP INC Change Orders.	\$40,030
2	Laundromat Build-out	This budget includes all interior finishes, required plumbing systems, mechanical systems, electrical (power and lighting fixtures) Budget was prepared by the contractor – BWA Enterprises, Inc, dba Woodruff Construction	\$218,500
3	Laundromat Fixtures, Furniture and Equipment	This budget includes commercial washers, dryers, water heater, hot water storage tank, expansion tank, tables and chairs, coin changer. Bid prepared by Coin & Professional Equipment Co.	\$240,298
4	Building Signage	This budget includes Monument Sign and Building signage. Budget prepared by 1 Stop Signs Co.	\$24,798
5	Building Security	This budget includes exterior and interior cameras, motion detectors and installation of the security system. Budget prepared by Amer-X Security	\$22,478
6	C-Store Fixtures, Furniture and Equipment	This budget includes merchandisers, beverage dispensers, food equipment. Display cases, shelving, table and chairs. Budget prepared by Katayst.	\$42,478
7	Deli Fixtures, Furniture and Equipment	This budget includes deli tables, sinks, reach-in coolers and freezers, refrigerated sandwich unit, slicer, oven, storage racks mailboxes. Budget prepared by Katayst.	\$43,897
8	USPS Postal Boxes	This budget includes required Postal mailboxes. Budget prepared by Amer-X Security	\$12,478
9	Off-Site Sewer Design and Drawings	Prepare Drawings for the Laundromat Build-out – XCL Engineering Change Orders.	\$38,440
10	Off-Site Sewer Installation	This budget includes construction of the new sewer line up to the existing Neighborhood north on Arizona 98 – including boring under the US160 and the SRP railroad tracks. Budget was prepared by the contractor – BWA Enterprises, Inc, dba Woodruff Construction	\$264,216
		Subtotal	947,613

Michael T. Fries, AIA
President

THE NAVAJO NATION PROGRAM BUDGET SUMMARY

EXHIBIT

A

.s2q0e

PART I. Business Unit No.: 108121 Program Title: Shonto Chapter Division/Branch: Div. of Comm. DevelopmentPrepared By: Linda Youvella, NNCO Phone No.: (928)871-6383 Email Address: lindayouvella@navajo-nsn.gov

PART II. FUNDING SOURCE(S)	Fiscal Year Term	Amount	% of Total	PART III. BUDGET SUMMARY				
					Fund Type Code	(A) NNC Approved Original Budget	(B) Proposed Budget	(C) Difference (Column B - A)
Undesignated Unreserved Fund Balance	4/1/16 - 09/30/16	\$ 947,613.00	100%					
				2001 Personnel Expenses				0
				3000 Travel Expenses				0
				3500 Meeting Expenses				0
				4000 Supplies				0
				5000 Lease and Rental				0
				5500 Communications and Utilities				0
				6000 Repairs and Maintenance				0
				6500 Contractual Services				0
				7000 Special Transactions				0
				8000 Public Assistance				\$ -
				9000 Capital Outlay	1		\$ 947,613.00	\$ 947,613.00
				9500 Matching Funds				0
				9500 Indirect Cost				0
				TOTAL		\$0.00	\$ 947,613.00	\$ 947,613.00
				PART IV. POSITIONS AND VEHICLES				
						(D)	(E)	
				Total # of Positions Budgeted:		0	0	
				Total # of Permanently Assigned Vehicles:		0	0	
TOTAL:		\$ 947,613.00	100%					

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

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

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

**THE NAVAJO NATION
PROGRAM PERFORMANCE CRITERIA**

PART I. PROGRAM INFORMATION:Business Unit No.: 108019Program Name/Title: Shonto Chapter**PART II. PLAN OF OPERATION REFERENCE/LEGISLATED PROGRAM PURPOSE:**

CAP-34-98: To direct the chapter administration and management control-system, by promoting efficiency and accountability to the chapter membership, and to effecuate plans of action to improve standard of living for chapter membership.

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:

Provide funds for economic development endeavors for the community of Shonto.

Goal Statement:

To better the economic development for the community, by completion of convenience store/fuel station and laundromat.

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2. Program Performance Area:

Funds for several phases of the proposed economic development for the community.

Goal Statement:

Completion of designs for the laundromat building, fuel station, etc.

				2		2	
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3. Program Performance Area:

To better the living standard of residents within community by providing economic development.

Goal Statement:

Job opportunities will be afforded to the community members as well as surrounding communities.

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4. Program Performance Area:

Goal Statement:

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5. Program Performance Area:

Goal Statement:

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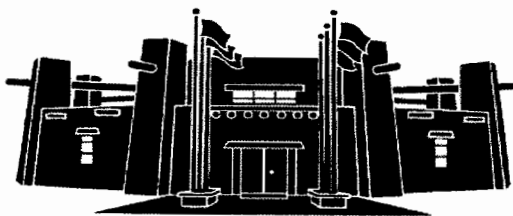
PART IV. I HEREBY ACKNOWLEDGE THAT THE ABOVE INFORMATION HAS BEEN THOROUGHLY REVIEWED.

Program Manager's Printed Name and Signature/Date

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: <u>Shonto Chapter</u>		Business Unit No.: <u>108121</u>	
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
	9000 CAPITAL OUTLAY Funds for the Offsite Utility Infrastructure, Laundromat Building, Fixtures, Furniture and Equipments for C-Store and USPS Post Boxes.		947,613
9020	INFRASTRUCTURE	264,216	
	9042: Water/Wastewater \$ 264,216.00		
9070	CAP-PRO.TECH SERVICES		
	9074: CAP-Architecture/Design \$ 78,470.00	78,470	
9110	FURNITURE & FIXTURES		
	9112: Furniture \$ 98,853.00	98,853	
	9114: Fixtures \$ 218,500.00	218,500	
9140	EQUIPMENT		
	9142: Equipment \$ 287,574.00	287,574	
	TOTAL \$ <u>947,613.00</u>		
TOTAL		\$947,613.00	\$947,613.00



MEMORANDUM

TO: Honorable Herman Daniels, Jr.
Shonto, Naatsi'is'aán, Oljato, and Ts'ah Bii Kin Chapters

FROM:

Mariana Kahn

Mariana Kahn, Attorney
Office of Legislative Counsel

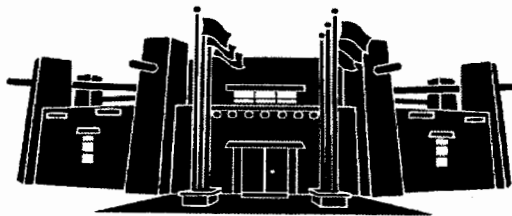
DATE: March 31, 2016

SUBJECT: PROPOSED NAVAJO NATION COUNCIL RESOLUTION; AN ACTION RELATING TO RESOURCES AND DEVELOPMENT COMMITTEE, BUDGET AND FINANCE COMMITTEE, NAABIK'ÍYÁTI' COMMITTEE AND THE NAVAJO NATION COUNCIL; APPROVING SUPPLEMENTAL FUNDING FROM THE UNRESERVED, UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$947,613 TO COMPLETE THE CONVENIENCE STORE, FUEL STATION, AND LAUNDROMAT AT SHONTO CHAPTER; WAIVING 12 N.N.C. §§ 820(I) AND 860(C) RELATING TO THE CAPITAL IMPROVEMENT PROCESS

As requested, I have prepared the above-referenced proposed resolution and associated legislative summary sheet pursuant to your request for legislative drafting. Based on existing law and review of documents submitted, the resolution as drafted is legally sufficient. As with any action of government however, it can be subject to review by the courts in the event of proper challenge. Please ensure that his particular resolution request is precisely what you want. You are encouraged to review the proposed resolution to ensure that it is drafted to your satisfaction.

The Office of Legislative Counsel confirms the appropriate standing committee(s) 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).

If the proposed resolution is unacceptable to you, please contact me at the Office of Legislative Counsel and advise me of the changes you would like made to the proposed resolution.



MEMORANDUM

TO: Honorable Herman Daniels, Jr.
Shonto, Naatsi'is'aán, Oljato, and Ts'ah Bii Kin Chapters

FROM:

Mariana Kahn

Mariana Kahn, Attorney
Office of Legislative Counsel

DATE: March 31, 2016

SUBJECT: Exhibits A and B need to be attached to proposed resolution

You submitted a request for legislation regarding a supplemental appropriation request for \$947,613 for purposes of completing the convenience store, fuel station, and laundromat at Shonto Chapter. I have drafted the legislation; however, before the legislation is completely ready to be introduced into the legislative process, reviews by the Office of the Controller (OOC) and the Office of Management and Budget (OMB) are necessary; the OOC and OMB memorandums will become Exhibits A and B.

A request for supplemental appropriation requires a review of the budget documents by the OOC and the OMB. I prepared a review cover form for the OOC and OMB reviews. The review cover form (with the budget and Shonto resolution) were delivered to the OCC yesterday by a staff member from the Delegates' Office (I usually ask the Sponsor's LDA to submit these type of documents to the OOC and OMB; however, I learned that you do not currently have an LDA that is why I asked a Delegates Office staffer to take the documents to the OOC.). I have attached a copy of the review cover form which was submitted to OOC to this memorandum. As you will see, I put your phone number on the review cover form. This is so that when OOC has completed its review of the request for supplemental appropriation, OOC will call your phone number and tell you the review is completed. You then pick up the review documents and take them to OMB for that office's review. When OMB finishes its review, OMB will call you and tell you to come and pick up the documents.

The memorandums which will be completed by OOC and OMB, after they have reviewed the documents submitted to their offices, will be attached to your supplemental appropriation legislation as Exhibit A and Exhibit B. Your legislation will then be ready to be submitted to the Office of Legislative Services; your legislation will then have all its required Exhibits.

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

No. 5251

SECTION 164 REVIEW PROCESS

Navajo Nation Council Delegate
NAME: Herman Daniels, Jr. DEPT.: Legislative Branch PHONE: 928 380-7281

DOCUMENT: Supplemental Appropriation request DATE: 3.29.16
from the U.U.F.B. in the amount of \$947,613.00
to complete the convenience store, fuel station
and laundromat at Shonto Chapter

Babe Whitehorne 928. 853. 1854, member Board of Directors
Felix R. Fuller 928. 640. 7428, member Board of Directors

SURNAME

1. Office of the Controller (with regard Date: _____
2. to 12 NNC § 820(L) and (identification of Date: _____
3. additional revenue); 12 NNC § 820 (L) (designa- Date: _____
4. ting recurring and nonrecurring revenues Date: _____
5. and purposes) Date: _____
6. Date: _____
7. Office of Management and Budget Date: _____
- With regard to 12 NNC § 820 (M) a budget
impact analysis of this supplemental appropriation request

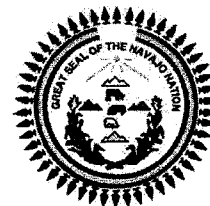
Date Signed: _____ No. of Signatures: _____

Disposition: _____ Initial: _____

WHITE • Original

CANARY • Department

THE NAVAJO NATION
LEGISLATIVE BRANCH
INTERNET PUBLIC REVIEW PUBLICATION



LEGISLATION NO: _0108-16_

SPONSOR: Herman Daniels, Jr.

TITLE: An Action Relating To Resources And Development Committee, 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 \$947,613 To Complete The Convenience Store, Fuel Station, And Laundromat At Shonto Chapter; Waiving N.N.C §§ 820(1) And 860(C) Relating To The Capital Improvement Process

Date posted: April 4, 2016 at 5:35 PM

Digital comments may be e-mailed to 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) 871-7586**

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 Navajo 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.: 0108-16

SPONSOR: Honorable Herman Daniels, Jr.

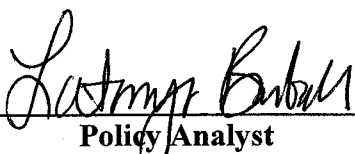
TITLE An Action Relating To Resources And Development Committee, Budget And Finance Committee, Naabik'iyati' Committee And The Navajo Nation Council; Approving Supplemental Funding From The Unreserved, Undesignated Fund Balance In The Amount Of \$947,613 To Complete The Convenience Store, Fuel Station, And Laundromat At Shonto Chapter; Waiving 12 N.N.C. §§ 820(I) And 860(C) Relating To The Capital Improvement Process

Posted: April 4, 2016 at 5:35 pm

5 DAY Comment Period Ended: April 9, 2016

Digital Comments received:

Comments Supporting	<i>None</i>
Comments Opposing	<i>None</i>
Inclusive Comments	<i>None</i>



**Policy Analyst
Office of Legislative Services**

4-10-16 5:40pm
Date/Time

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

SECOND YEAR 2016

COMMITTEE REPORT

Mr. Speaker,

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

LEGISLATION # 0108-16: 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 \$947,613 TO COMPLETE THE CONVENIENCE STORE, FUEL STATION, AND LAUNDROMAT AT SHONTO CHAPTER, WAIVING 12 N.N.C. §§820(I) and 860(C) RELATING TO THE CAPITAL IMPROVEMENT PROCESS. Sponsor: Honorable Herman Daniels, Jr.

Has had it under consideration and report the same with a **DO PASS** with one amendment:

Amendment # 1: Incorporate Robert Willie, Accounting Manager, Office of the Controller's Memorandum Dated April 6, 2016 as Exhibit "A"; and incorporate Dominic Beyer, Executive Director of OMB's memorandum date April 11, 2016 at Exhibit "B".

Directive: To have Sponsor and Agent obtain all the required signatures on the proposed budget documents attached as Exhibit D, prior to consideration by the Navajo Nation Council.

thereafter referred the matter to Budget and Finance Committee.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Benjamin Bennett', with a large, sweeping flourish at the end.

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

COMMITTEE REPORT
LEGISLATION # 0108-16
Page Two

Date: April 11, 2016
Main Motion: Honorable Davis Filfred (Including Directive)
Second: Honorable Leonard Pete
Vote: 3-0-1 (VCNV)

AMENDMENT # 1:

Motion: Honorable Walter Phelps
Second: Honorable Davis Filfred
Vote: 3-0-1 (VCNV)



THE NAVAJO NATION

RUSSELL BEGAYE PRESIDENT
JONATHAN NEZ VICE-PRESIDENT

MEMORANDUM:

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

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

DATE : April 6, 2016

SUBJECT : 164 Review-5251-Supplemental Request UUFB in the amount of \$947,613
to complete convenience store, fuel station and Laundromat at Shonto
Chapter

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

1. The balance of the UUFB was \$13,175,943 before the Navajo Nation Council Special Session held March 23, 2016. There were four (4) supplemental requests which passed during this Special Session. These are pending Navajo Nation President signature. If the President does sign these legislation the balance of the UUFB would be \$9,604,215.
 2. These supplemental request is for the amount of \$947,613 which would include costs for Laundromat Design and buildout drawings, Laundromat Build-out, Laundromat Fixtures, Furniture and Equipment, Building Signage, Building security, C-Store Fixtures, Furniutre and Equipment, Deli Fixtures, Furniture and Equipment, USPS Postal Boxes, Off-site sewer design and drawings, and Off-Site Sewer Installation.
 3. At the Budget and Finance meeting held April 5, 2016 there was an amount included in the Permanent Fund legislation for a Shonto C-Store. This was part of the report "Recommendations Re:FY 2016 Budget from the Office of the President/Vice President" this would be funded in the 1st year of the PTF-5 Year Plan.
- If you should have any questions you can contact me at tribal extension X6125.



THE NAVAJO NATION

RUSSELL BEGAYE PRESIDENT
JONATHAN NEZ VICE PRESIDENT



The Office of Management and Budget

Memorandum

To: 164 Reviewers
From: 
Dominic Beyer, Executive Director
Date: April 11, 2016
Subject: Legislation 0108-16, Shonto Convenience Store, \$947,613.00, Supplemental Funding Proposal

The Office of Management and Budget has reviewed the above referenced document. Upon review of the proposed supplemental funding proposal, OMB notes the following:

1. The Navajo Nation Capital Improvement Plan 2013-2018 (CAP-18-14) does not include this as an approved project for a convenience store, fuel station, and laundromat at Shonto Chapter. The Appropriations Act, Section 820 (I), the Capital Budget states: "All budget requests for capital improvements shall be in compliance with an adopted Capital Improvement Plan and shall not be approved unless in compliance with the Plan." It is recommended that duly approved Capital Plan projects be funded before other capital projects are considered. Otherwise, why approve a plan if it is not used?
2. The BIDE (Business Industrial Development Fund) is mentioned as a possible fund source. Has this been explored further? Division of Economic Development should advise.
3. The Program Budget Summary and the Program Performance Criteria forms are lacking the appropriate signatures.
4. OMB has seen that a Shonto Convenience Store project in the amount of \$1,000,000 is proposed as an amendment for possible funding from the Permanent Trust Fund income. This legislation is sponsored by Delegate Seth Damon.

If there are any questions, contact OMB at (928) 871-6470.



23rd NAVAJO NATION COUNCIL

Second Year 2016

Mr. Speaker:

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

NAVAJO LEGISLATIVE BILL # 0108-16:


An Action Relating to Resources and Development Committee, Budget and Finance Committee, Naabikiyati Committee and the Navajo Nation Council; Approving Supplemental Funding from the Unreserved, Undesignated Fund Balance in the Amount of \$947,613 to Complete the Convenience Store, Fuel Station and Laundromat at Shonto Chapter; Waiving 12 NNC§§ 820(I) and 860(C) *Sponsored by Herman Daniels, Jr., Council Delegate*

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

13 April 2016

The vote was **2** in favor **1** opposed
Absent: Lee Jack, Sr., Mel R. Begay

23rd NAVAJO NATION COUNCIL
Naabik'iyáti' Committee
Second Year 2016

Mr. Speaker:

The **Naabik'iyáti' Committee** to whom has been assigned:

NAVAJO LEGISLATIVE BILL #0108-16

An Action Relating to Resources and Development Committee, 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 \$947,613 to Complete the Convenience Store, Fuel Station and Laundromat at Shonto Chapter; Waiving 12 N.N.C. §§ 820(I) and 860(C)

Sponsored by: Honorable Herman Daniels, Jr.

Has had it under consideration and reports the same with the recommendation that legislation
PASSED WITH NO AMENDMENT

And therefore, referred to the **NAVAJO NATION COUNCIL**

Respectfully Submitted,



*Honorable LoRenzo C. Bates, Chairman
Naabik'iyáti' Committee*

14 APRIL 2016

MAIN MOTION:

*Motioned: Honorable Davis Filfred
Seconded: Honorable Benjamin Bennett*

VOTE: 12 in Favor, 00 Opposed (Chairman Bates not voting)

22nd Navajo Nation Council - Naabik'iyati' Committee

Naabik'iyati' Committee

Thursday, April 14, 2016

0108-16 - Main Motion - M: Filfred; S: Bennett

ALL DELEGATES:

	Yea	Nay
BATES, LoRenzo		
BEGAY, Kee Allen Jr.		
BEGAY, Mel R.		
BEGAY, Norman M.	1	
BEGAYE, Nelson	1	
BENNETT, Benjamin L.	1	
BROWN, Nathaniel		
CHEE, Tom T.	1	
CROTTY, Amber K.		
DAMON, Seth	1	
DANIELS, Herman Jr.	1	
FILFRED, Davis	1	
HALE, Jonathan L.	1	
JACK, Lee Sr.		
PERRY, Jonathan	1	
PETE, Leonard H.		
PHELPS, Walter		
SHEPHERD, Alton Joe		
SLIM, Tuchoney Jr.	1	
SMITH, Raymond Jr.		
TSO, Otto	1	
TSOSIE, Leonard	1	
WITHERSPOON, Dwight		
YAZZIE, Edmund		

GRAND TOTAL

12 0

BY COMMITTEE:

BFC:

BEGAY, Mel R.	0	0
CHEE, Tom T.	1	0
DAMON, Seth	1	0
JACK, Lee Sr.	0	0
SLIM, Tuchoney	1	0
WITHERSPOON, Dwight	0	0

HEHSC:

BEGAY, Norman M.	1	0
BEGAYE, Nelson	1	0
BROWN, Nathaniel	0	0
CROTTY, Amber K.	0	0
DANIEL, Herman Jr.	1	0
HALE, Jonathan L.	1	0

LOC:

BEGAY, Kee Allen Jr.	0	0
PERRY, Jonathan	1	0
SMITH, Raymond Jr.	0	0
TSO, Otto	1	0
YAZZIE, Edmund	0	0

RDC:

BENNETT, Benjamin L.	1	0
FILFRED, Davis	1	0
PETE, Leonard H.	0	0
PHELPS, Walter	0	0
SHEPHERD, Alton Joe	0	0
TSOSIE, Leonard	1	0

SPEAKER:

BATES, LoRenzo	0	0
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Yea Nay TOTAL

0	0	
1	0	
1	0	
0	0	
1	0	
0	0	3

1	0	
1	0	
0	0	
0	0	
1	0	
1	0	4

0	0	
1	0	
0	0	
1	0	
0	0	2

1	0	
1	0	
0	0	
0	0	
0	0	
1	0	3

0	0	
12	0	

CERTIFICATION:



Honorable LoRenzo Bates
Speaker