



The 21st Navajo Nation Council
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FOR IMMEDIATE RELEASE

Budget and Finance Committee passes pieces of legislation amending term sheets for Fire Rock, Upper Fruitland and Twin Arrows

WINDOW ROCK Ariz. — On July 26, the Budget and Finance Committee passed several pieces of legislation sponsored by Honorable Hoskie Kee (Littlewater/Baca-Prewitt/Casamero Lake) that modified term sheets for the Fire Rock Navajo Casino, Upper Fruitland Casino and Twin Arrows Casino and Resort.

Upon the recommendations of the Navajo Nation Department of Justice, Special Counsel and Financial Advisor, the Navajo Nation Investment Committee passed resolutions for term sheet modifications. Pursuant to Resolution BFJA-01-08, the Navajo Nation Investment Committee has the authority to approve and recommend investments to the Budget and Finance Committee.

One of the Budget and Finance Committee's first action item was passing legislation modifying the \$35 million term sheet for the Fire Rock Casino by rescinding Resolution BMFY-16-10, which was approved by the committee on May 18. Unlike Resolution BMFY-16-10, the latest piece of legislation adds the Navajo Nation Master Involvement Polices and Navajo Nation Tribal Sub-policy as new provisions for approving the term sheets.

This new legislation also creates construction escrow accounts for the proposed Upper Fruitland Casino and Twin Arrows Casino and Resort. The investment monies come from the Navajo Nation Master Trust Fund.

Mark Grant, controller for the Navajo Nation, said, "The modifications extend the terms of the loan up to five years so it could compliment the other loans."

In other related matters, two pieces of legislation provide new investment amounts of \$35 million for the Upper Fruitland Casino and \$100 million for the Twin Arrows Casino and Resort. The modified term sheet investments will be used for preopening and construction of the two facilities.

These two pieces of legislations repeal paragraphs one and two of Resolution BFMY-17-10. Initially on May 18, the committee passed Resolution BFMY-17-10, which provided fixed income investments of \$50 million for the Upper Fruitland Casino and \$125 million for Twin Arrows Casino and Resort.

In addition, the Navajo Nation Gaming Enterprise (NNGE) passed resolutions (Resolution NNGEJUL-003-10 and Resolution NNGEJUL-004-10) requesting for modification in term sheet amounts and will contribute \$5 million to the Upper Fruitland Casino and \$10 million for the Twin Arrows Casino and Resort.

With the NNGE's contribution, the total funding available for the Upper Fruitland Casino totals \$40 million and \$110 million for the Twin Arrows Casino and Resort.

The reduction of the new term sheets drew major concerns from members of the committee as the two facilities would have to adjust their size and plans to the new modifications.

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Bob Winters, CEO of Navajo Gaming Enterprise, said, "We are still in the process of reduction but Twin Arrows will be a resort with a pool, exercise room, suites and gaming space. We are still competitive and hopeful."

The Upper Fruitland Casino is anticipating a reduction in the size of its office space and dining areas. For the Twin Arrows Casino and Resort, there is anticipation to reduce the number of suites from 60 to 20, eliminating the proposed European Spa, reduction in warehouse space and the removal of one restaurant space. The gaming space for Twin Arrows will see no reduction in size.

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