



FOR IMMEDIATE RELEASE  
September 14, 2012

**MEDIA CONTACTS**  
Jerome Clark | 928.637.5603  
Carmenlita Chief | 928.255.3428  
nnlb.communications@gmail.com

## **Resources and Development Committee approves amendment to five-year economic development plan, also authorizes a BIA funding contract**

ST. MICHAELS, Ariz. – The Resources and Development Committee on Tuesday voted in favor of two pieces of legislations – one authorizing a Navajo Nation water resources entity to negotiate a contract with a federal agency to secure funds for water rights litigation-related activities, and the other approving an addendum to the Nation’s Five-Year Economic Development Plan.

Committee approval of Legislation No. 0374-12, sponsored by Council Delegate LoRenzo Bates (Nenahnezad, Newcomb, San Juan, T’iis Tsoh Sikaad, Tsé Daa’ Kaan, Upper Fruitland) authorized the Navajo Nation Department of Water Resources Water Management Branch to negotiate a contract under P.L. 93-638 with the Bureau of Indian Affairs for funds the branch received in FY12.

The funds allow for the branch to provide technical support for litigation, negotiation, and settlement activities related to water rights cases.

Authorization of the new contract was approved with a vote of 4-0 in favor.

Legislation No. 0378-12 was also passed with a committee vote of 4-0 in favor, thereby approving an addendum to both the Division of Economic Development’s five-year economic development plan for calendar years 2010-2014 and the bond finance project list.

The five-year plan lists shovel-ready projects that “will generate revenue, provide employment, and generate taxes,” said Council Delegate Katherine Benally (Chilchinbeto, Dennehotso, Kayenta), the legislation’s sponsor, who also cited as a benefit the curbing Navajo dollars spent off the reservation by these projects.

The Navajo Nation Appropriations Act and The Bond Financing Act, among others, requires a multi-year economic development plan be created for all projects requiring debt obligation or borrowing.

The Nation’s five-year economic development plan was approved via Resolution EDC-MY-19-10 by the former Economic Development Committee of the 21<sup>st</sup> Navajo Nation Council in 2010. It has since been reaffirmed by the current Resources and Development Committee.

A number of shovel-ready projects – from convenient stores to office building – are assigned to a specific year within the five-year plan.

These are projects that the nation can consider for bond financing, said Raymond Nopah, Chief Financial Officer at the Navajo Nation Division of Economic Development.

“These projects give back to the community,” said Delegate Benally to the committee. “They’ll strengthen the families in your communities. They’ll keep the money in your communities.”

The legislative addendum adds ten additional projects to the projects list under “Year 1.” In effect, this amendment pins on an additional \$18.2 Million to the previous \$74 Million that was calculated for all Year 1 projects.

The addendum also includes projects by the Navajo Tribal Utility Authority that require upgrades to support the proposed developments.

During discussion, Council Delegate Roscoe Smith (Crystal, Fort Defiance, Red Lake, Sawmill) expressed favor for approving the addendum while Council Delegates Leonard Tsosie (Baca/Prewitt, Casamero Lake, Counselor, Littlewater, Ojo Encino, Pueblo Pintado, Torreon, Whitehorse Lake) and Leonard Pete (Chinle) expressed reservations on the topic of the Nation proceeding with bond financing to fund the projects under the five-year plan.

“Some of us believe, I for one, that we should not put the Navajo Nation in so much debt,” said Delegate Tsosie, who also believes that the Nation does have money to fund economic development projects, and that it is a matter of reprioritizing set-aside monies.

Delegate Tsosie added that maybe it was time for the Nation to consider a “sovereign-to-sovereign” nation loan that Wes Medford, an Australian guest speaker with expertise in strategic and operational management, mentioned in his talk at the committee’s Nation Building Summit last month.

“The way I understood him was that [through this loan], you could literally have an interest-free loan for ten years, and then after that, it would be 1-2 percent,” noted Delegate Tsosie. “That is a way better deal [than bond financing].”

Though Delegate Tsosie eventually voted in favor of the addendum approval, he said his vote was not a guarantee for an approval vote on the bond when the issue returns to the committee.

Discussion on bond financing of the projects listed within the five-year economic development plan will continue in an ongoing effort to grow economic development and keep dollars within the Nation’s economy base, the committee stated.

Legislation No. 0378-12 is also assigned for consideration by the Budget and Finance Committee and the Naa’bik’iyati’ Committee.

###