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President Shelly disappointed with council decision to remove people's authority



Navajo Nation President Ben Shelly is disappointed by the Navajo Nation Council's decision to eliminate the voting authority of the Navajo people from the federal charter for the Navajo Nation Oil and Gas Company. (Photo by Rick Abasta)

WINDOW ROCK, Ariz.— Enterprises of the Navajo Nation cannot sidestep the influence of the Navajo people in their decision-making processes.

President Ben Shelly expressed disappointment with the Navajo Nation Council's recent decision to remove the agency council and president's voting authority in the Navajo Nation Oil and Gas Co. federal charter.

The agency council has the pulse of the chapters and they speak on behalf of their constituents. The removal of the agency council's five votes from the NNOGC Board will

have serious ramifications from the standpoint of the chapter members.

The voice of the people will be silenced, said President Shelly.

The council approved the charter on April 24 by a vote of 16-2. The next step is approval by the U.S. Department of Interior.

President Shelly is writing a letter to the secretary of interior to express his concern regarding the council's decision to eliminate the voting members who speak on behalf of the people.

The NNOGC is owned by the Navajo Nation and is

thereby owned by the Navajo people, he explained. He noted that the lopsided authorities in the new charter are solely to the advantage of the council.

"Leaving out the voting representatives of the Navajo people from the board is irresponsible," President Shelly said. "The Navajo people own this company and we must protect their assets.

"We need to look at this charter objectively," he said.

Sponsored by LoRenzo Bates (Nenahnezad, Newcomb, San Juan, T'iis Tsoh Sikaad, Tse'Daa'Kaan, Upper Fruitland), the legislation and amendments to the federal charter arrive more than 21 years after the company was established as a Navajo corporation.

In 1997, NNOGC was chartered as a Section 17 corporation under the Indian Reorganization Act. A year later, the federal incorporation was achieved and the entity became wholly owned company of the Navajo Nation.

The council approved the charter in 1998 and stipulated that a representative from each of the 11 standing committees of the former 88-member Navajo Nation Council would act as company shareholders on behalf of the Nation.

The shareholder responsibilities are to hold annual meetings to receive updates on the health of the corporation and they have the ability to remove board members for just cause.

A nine-member board of directors is made up of a representative from each agency and four presidential appointments. The board is

responsible for the governance of the corporation.

The removal of the president's authority to appoint board members in the current charter is a usurpation of power, according to President Shelly.

After the 2010 reduction of members in the council from 88 to 24, the standing committees were also reduced from 11 to five. The council only appointed five shareholder representatives.

These changes were not consistent with the current charter and were not approved through proper federal processes.

"In order for the NNOGC to be in compliance with proper authority of shareholders, the council needs to appoint six more to the shareholder representatives," said the president during a recent meeting with three of the shareholders.

"I was voted into office by a majority vote from the Navajo people. I am their ambassador and their voice on issues affecting them," he said.

The Navajo people own the multi-million dollar entity that is NNOGC, the President Shelly said, and the company must still answer to the people.

Unilateral control by the council is not the answer, he added.

President Shelly said, "This results in political entanglement in addition to taking away the people's say with the company. I will be contacting Kevin Washburn with the interior department with my concerns."

The Navajo Nation Supreme Court is currently reviewing the charter and will issue a ruling on its legality soon.