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NAVAJO NATION

CAPITAL IMPROVEMENT OFFICE

OVERVIEW OF CAPITAL IMPROVEMENT PROGRAMMING
Established in 1985, CIO serves as the Administrative and Monitoring Tribal Office for all Capital Planning and Infrastructure Development Projects funded through tribal General Funds Appropriated by the Navajo Nation Council (NNC) and State Capital Outlay Funds. The CIO is 01 of 07 Programs within the Navajo Nation Division of Community Development. Since 1985, the Navajo Nation Council has appropriated over $100,000,000.00 for Capital Improvement Projects throughout the Navajo Nation.

All Capital Planning and Infrastructure Development Projects involving Tribal General Funds in whole or as Matching Funds, is the Responsibility of Navajo Nation, unless specifically authorized to another Tribal Organization/Entity.

The CIO is responsible for the administration, coordination and development of the Capital Improvement Plan.
CAPITAL IMPROVEMENT

• Designed for Financing of Major Capital Projects and Infrastructure Development to Benefit the General Public.

• Definition: A Major Project undertaken by the Navajo Nation that is generally not recurring on an annual basis, which fits within one or more of the following categories:

1. All projects requiring debt obligations or borrowing.
2. Any acquisitions 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 determined by the controller (currently $50,000 or greater)
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-construction costs with an estimated cost in excess of an amount to be established by the controller (currently $50,000 or greater)
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 (currently $50,000 or greater)

• The Capital Improvement Plan is a six year plan that prioritizes CIP Project for funding based on a prioritization and proposal evaluation process.

• The Capital Improvement Budget is to be appropriated separately from the Annual Tribal Operating Budget based on available funds. The Capital Improvement Budget is the first year of the six year plan.
THE CAPITAL IMPROVEMENT PROGRAM

WHAT IS A CAPITAL IMPROVEMENT PROGRAM?

The CIP is a Tool that help’s governments make wise and well planned decisions on capital projects and funding.

A CIP is a Multi-Year Plan – usually five or six years-identifying capital projects to be funded during the planning period.

A CIP identifies projects to be undertaken, the year in which it will be started, the amounts(s) to be expended, and proposed method of financing.

The CIP should not be confused with the Capital Budget
THE CAPITAL BUDGET

WHAT IS THE CAPITAL BUDGET?

The Capital Budget represents the First Year of the CIP

A Government’s annual appropriation for capital spending and is legally adopted by the legislative body.

Authorizes specific projects and appropriates specific funding for those projects.

Adopted along with the Government’s Operating Budget

Projects and funding sources listed in the CIP after the year are not authorized until the annual budget is legally adopted or additional funds becomes available (i.e., the “out years” serve as a guide for planning, subject to review and modification)
PROPOSE OF THE CIP

WHY DEVELOP A CAPITAL IMPROVEMENT PROGRAM?

Formal Mechanism for Decision Making
Link to Long-Range Plan
Financial Management Tool
Reporting Document
ADVANTAGES OF CAPITAL IMPROVEMENT PROGRAMMING

• A CIP Focuses Attention on Community Goals, Needs and Financial Capability

• A CIP Builds Public Consensus for Projects and Improves Community Awareness

• A CIP Improves Inter-/Inter-governmental Cooperation and Communication

• A Cooperation and Communication

• A CIP Avoids Waste of Resources

• A CIP Helps to Ensure Financial Stability
STEPS IN THE CIP PROCESS

Step 1: Establish the Administrative Structure for the CIP Process

Step 2: Establish the Policy Framework for the CIP

Step 3: Formulate Evaluation Criteria to Determine Capital Spending Levels and to Guide Capital Project Selection

Step 4: Prepare a Capital Needs Assessment

Step 5: Determine Status of Previously Approved Projects and Identify New Projects


Step 7: Evaluate Funding Options

Step 8: Compile, Evaluate and Rank Project Requests and Undertake Financial Programming

Step 9: Adopt a Capital Program and Capital Budget

Step 10: Implement and Monitor the Capital Budget and Projects

Step 11: Evaluate the CIP Process
CIP FUNDING PROPOSAL PROCESS PROJECT PROPOSALS

• Annual Deadline of March 01st at 5:00 pm; Can Be Post Marked Deadline
• No limit on length or Funding Request, dependant on available funds
• Open to Navajo Nation Chapters, Departments, programs, Non-Profit Organizations
• General Proposal Format Available
• Need Valid and Updated Supporting Documents
• Submission of Proposal(s) Does Not Guarantee Funding
• If Unfunded, Explanation Will Be Provided and Placed on Multi-Year Plan to Be Reviewed Annually
• Proposals Can Be Accepted After March 1st, But Will Not Be Immediately Reviewed Until All Others Have Been Acted On First.
• Proposal To Be Reviewed By A Committee
• Final Recommendations and Funding Approved By Navajo Nation Council in Annual Budget Session, Unless Supplemental Funds Is Available
ELIGIBLE PROJECTS

• POWERLINE EXTENSION
• WATER/SEWERLINE EXTENSION
• SEWER LAGOONS
• BATHROOM ADDITIONS
• HOUSE WIRING
• PUBLIC FACILITY CONSTRUCTION
• PUBLIC FACILITY RENOVATION
• RIGHT-OF-WAY CLEARANCES
• FACILITY EQUIPMENT
• MECHANICAL EQUIPMENT
• LAND PURCHASES
• PARKING LOTS
• SOLID WASTE TRANSFER STATIONS
• EROSION CONTROL/IRRIGATION SYSTEMS
• OTHER AS APPROVED
MEMORANDUM:

TO : Navajo Nation Chapter
     Navajo Nation Divisions/Department/Programs
     Navajo Nation Entities

FROM : Casey Begay
       Department Manager II
       Capital Improvement Office
       DIVISION OF COMMUNITY DEVELOPMENT

DATE : February 8, 2006

SUBJECT : CAPITAL IMPROVEMENT PROJECT POLICIES AND PROCEDURES

The Navajo Nation Capital Improvement Office hereby officially release the Capital Improvement Project Policies and Procedures for use by all eligible Navajo Nation chapters, program and entities. This document, in its entirety was approved by the Transportation and Community Development Committee of the Navajo Nation Council (TCDC) through Resolution TCDGJY-77-99 on July 27, 1999.

Please study the document and familiarize yourself with the policies and procedures, which are intended to guide your efforts in the planning of your respective capital projects(s). Be especially cognizant of Section XIV wherein roles and responsibilities are delineated, and Section XV where the required documents are listed for each capital project types.

The Capital Improvement office will be compiling capital project proposals from all eligible parties until March 01st of each year when the office will close all submission and conduct reviews for completeness before convening the Multi-disciplinary Evaluation Committee to rate each proposal. Upon the completion of the rating, each project will be prioritized according to its ranking which becomes a Multi-year Capital Improvement Plan upon the approval of the Navajo Nation Council with recommendations from TCDC. The first year of the CIP Plan becomes the Capital Budget upon recommendation of the Budget and Finance Committee to the Navajo Nation Council as part of the Comprehensive Annual Budget.

Please disseminate copies to all affected offices and officials. Orientations will be scheduled throughout the year with correspondence indicating date, time and location distributed beforehand.

Your cooperation and support is appreciated. Please call the office at (928) 872-6509 if you have any questions. Thank you.

RECEIVED BY: ________________ Chapter Name

Please Print Name

DATE:

ISSUED BY : __________________ DATE:

ATTACHMENT/Distribution
RESOLUTION OF THE
TRANSPORTATION AND COMMUNITY DEVELOPMENT COMMITTEE
OF THE NAVAJO NATION COUNCIL

Rescinding Resolution TCDCMY-47-92 in its Entirety; Approving the "Objective Criteria" to 12 N.N.C. Section 860(A); and Approving the Newly Revised Capital Improvement Projects Guidelines Policies and Procedures

WHEREAS:

1. Pursuant to 2 N.N.C. Section 420, the Transportation and Community Development Committee of the Navajo Nation Council is authorized to promote, review, coordinate, and approve projects to be financed by funds designated for capital improvement. Such projects shall include but not be limited to chapter houses, multipurpose buildings, preschools, senior citizen centers, powerline extensions, housewiring, airports, waterline extensions and other water systems, airport/road infrastructures and other Navajo Nation facilities; and

2. Pursuant to 2 N.N.C. Section 423 (D) (1), the Transportation and Community Development Committee of the Navajo Nation Council is authorized to review and recommend to the Navajo Nation Council through the budget process an annual budget for capital improvement projects utilizing all sources of funds; and

3. Pursuant to 2 N.N.C. Section 423 (D) (2), the Transportation and Community Development Committee of the Navajo Nation Council is authorized 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; and

4. Pursuant to 2 N.N.C. Section 423 (D) (3), the Transportation and Community Development Committee of the Navajo Nation Council is authorized to review, prioritize and approve capital improvement projects funded by all funding sources; and

5. Pursuant to 2 N.N.C. Section 423 (F) (1), the Transportation and Community Development Committee of the Navajo Nation Council has authority to promulgate rules and regulations necessary to accomplish the Committee’s purposes; and

6. By Resolution TCDCMY-47-92, the Transportation and Community Development Committee of the Navajo Nation Council approved the minimal criteria necessary for evaluating and
considering funding of capital improvement projects within the Navajo Nation and adopted the CIP policies and procedures; and

7. The Transportation and Community Development Committee of the Navajo Nation Council deems it necessary and in the best interests of the Navajo Nation to revise the CIP policies and procedures and to establish and approve the CIP Objective Criteria as mandated by the Appropriations Act, 12 N.N.C. Section 860, Chapter 07; and

8. The Transportation and Community Development Committee of the Navajo Nation Council further deems it necessary and in the best interests of the Navajo Nation to reaffirm the duties and responsibilities of all parties (Chapter, Programs, Capital Improvement Office, and TCDC) in order to streamline an efficient application process for capital projects, reviewing and prioritizing projects and funding and implementing Navajo Nation Capital Improvement Projects.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Transportation and Community Development Committee of the Navajo Nation Council hereby rescinds Resolution TCDCMY-47-92 and adopts the newly revised Capital Improvement Projects Guidelines, Policies and Procedures, attached hereto and incorporated herein as Exhibit "A".

2. The Transportation and Community Development Committee of the Navajo Nation Council hereby approves the "Objective Criteria" pursuant to Section 860 (A) 2 of the Appropriations Act which is necessary to evaluate all capital improvement projects funding requests, attached hereto and incorporated herein as Attachment A-1.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the Transportation and Community Development Committee of the Navajo Nation Council at a duly called meeting at Window Rock, Navajo Nation (Arizona), at which a quorum was present, and the same was passed by a vote of 4 in favor, 0 opposed, and 0 abstained, this 27th day of July, 1999.

[Signature]

Lawrence T. Morgan
Chairperson
Transportation and Community Development Committee of the Navajo Nation Council

Motion: Alfred L. Yazzie
Second: Raymond Jones
SECTION I. PURPOSE

These guidelines shall set forth the policies and procedures governing Capital Improvement Projects (CIP) related to proposal development, funding, implementation and close-out processes by which the Capital Improvement Office shall operate under and be guide in its decision making and related actions.

SECTION II. SCOPE

These guideline shall apply to General funded CIP including other external sources of funding, shall identify eligible projects and entities, and identify the responsibilities of the appropriate offices and entities, with the intent to do the following:

A. Promote full understanding of the CIP requirements and processes.
B. Induce cooperation and coordination among the departments, programs, entities, and agencies that have active interest.
C. Increase accountability of funds and resources.
D. Ensure proper planning of CIP.
E. Create efficient and effective implementation of funding projects.
F. Ensure fair and equitable distribution of Navajo Nation General funds and other funds obtained to finance infrastructure and capital improvement projects.
G. Ensure uniform and consistent application of policies, regulations, and laws applicable to the Capital Improvement Process.
H. Provide Navajo Nation employees and other interested parties information on the Capital Improvement Policies and Procedures.

SECTION III. DEFINITIONS

A. Appropriations: Legislative act of designating funds, excluding externally restricted funds, for a specific purpose in accordance with the applicable budgeting principle, policies and procedures contained in the Appropriations Act.

B. Budget Reallocation: The re-designation of appropriated or budgeted funds from one account to another account or to a newly created account for a different use or purpose, pursuant to [2 N.N.C. Section 185(A)].

C. Capital Assets: Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

D. Capital Budget: The funds appropriated for the current year of the Capital Improvement Plan.

E. Capital Improvement: A major project undertaken by the Navajo Nation that is general not recurring on an annual basis, which fits within one or more of the following categories [12 N.N.C. Section 810 (F)]:

1. All projects requiring debt obligations or borrowing.
2. Any acquisition or lease of land.
3. Purchase of major equipment or vehicles with 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-construction costs with an estimated cost in excess of an amount to be determined by the controller.
6. Major equipment or furnishing required to furnish new buildings or other projects, the cost of which is above a certain amount to be established by the controller.

F. **Capital Improvement Office**: An office within the Division of Community Development under the Executive Branch responsible for the administration, coordination and development of the Capital Improvement Plan.

G. **Capital Improvement Plan**: A recurring multi-year plan for capital improvements identifying each capital improvement project, the expected beginning and ending date for each project, the amount to be expended in each year, and the method of financing those expenditures [12 N.N.C. Section 810 (G)].

H. **Capital Projects**: Projects that result in the purchase or construction of capital assets. Capital projects may encompass the purchase of land, construction of a building or facility, or purchase of a major piece of equipment.

I. **Capital Projects Fund**: Funds used to account for the financial resources and expenditure for the acquisition or construction of those capital improvements defined under Capital Improvement with the exception of those financed by proprietary and fiduciary funds.

J. **Comprehensive Budget**: A budget which includes a Capital and Operating Budget covering all governmental proprietary and fiduciary funds for each, annual fiscal year [12 N.N.C. Section 8105 (H)].

K. **Emergency**: The documented condition of a certain building or lack of services considered to be an imminent threat and danger to the health and welfare of the building occupants or general public. Such documentation would be supported by a qualified health and safety officials.

L. **Financing**: The act of identifying and acquiring the funds necessary to accomplish the Capital Improvement Plan. It shall included, among other things, lease/purchase arrangements, multi-year purchase contracts, bond issuance and grants.

M. **Infrastructure**: The basic facilities, services, and installations needed for the functioning of a community or society, such as transportation and communications systems, water and power lines, and public institutions including schools, post offices and prisons.

American Heritage Dictionary 1996

N. **Multidisciplinary Evaluation Committee**: An Ad Hoc team from several disciplines assembled for the purpose of reviewing and rating capital improvement and infrastructure project proposals consisting of the Capital Improvement Office, Design and Engineering Services Department, Office of Management and Budget, Community Development Block Grant Program, Facilities Management Department, Risk Management Department, Indian Health Services, Navajo Tribal Utility Authority, and BIA Branch of Roads. A minimum of one representative from each discipline which will be selected by the CIO Office. The CIO Director will select (appoint) these members.
SECTION IV. TIMELINE, PROCEDURES AND RESPONSIBILITIES

The Capital Improvement Office shall provide copies of the properly approved guidelines, policies and procedures, including timelines for participation in the Nation’s capital improvement and infrastructure development process. To achieve this goal, the Capital Improvement Office shall adhere to the following timelines and procedures in preparing the Annual Capital Budget in accordance with 12 N.N.C. Section 860 (D):

A. By October of each year, the Capital Improvement Office shall make available to Chapters and Programs a Needs Assessment Survey Form that will produce a needs based project proposal, and will verify the need(s) identified in the proposed capital improvement project.

B. By December of each year, the Capital Improvement Office shall complete an inventory of existing Navajo Nation facilities for the purpose of determining the need for retirement, replacement, repair, renovation and additions. The inventory shall be used to further justify the need for expenditures as proposed by the respective sponsors.

C. By January of each year, the Capital Improvement Office shall provide a status report on all previously appropriated CIP projects to all affected offices. The report shall contain information on the programs of each project and make a determination on whether the project will:

   (1) close out;
   (2) continue
   (3) request shortfall funding to achieve completion; or
   (4) discontinue based on justifiable cause.

D. By February of each year, the Capital Improvement Office, in conjunction with the Office of Management and Budget (OMB) and the Office of the Controller, shall perform financial analysis and programming to determine the amount of funding available for capital expenditures for the fiscal year, and to identity all other sources of funding.

E. By March of each year, the Capital Improvement Office shall close all submission of project proposal in order to evaluate and prioritize all project proposals using the approved Objective Criteria.

F. By April of each year, the Capital Improvement Office shall present a six year capital improvement plan to the Transportation and Community Development Committee of the Navajo Nation Council for their review and approval. The Transportation and Community Development Committee of the Navajo Nation Council shall recommend the approved Plan to the Navajo Nation Council.

SECTION V. ELIGIBLE ENTITIES

It shall be the policy of the Capital Improvement Office to identify all eligible participants in the Nation is infrastructure development and capital improvement process. To achieve this policy goal, the following entities are eligible for such participation:

A. All Navajo Nation chapters;
B. All Navajo Nation Divisions, Departments and Programs; and
C. Certain entities serving the Navajo Nation in the capacity of non-profit status.
SECTION VI. ELIGIBLE PROJECTS

It shall be the policy of the Capital Improvement Office to identify all eligible capital projects to be financed by the Navajo Nation Capital Projects Fund and/or other sources of funds to finance infrastructure development and capital improvement projects. To achieve this policy goal the following project types are eligible projects:

A. The construction, renovation(s) repair or expansion of public facilities. i.e., Chapter House, Senior Citizens Centers, Headstart/Preschool buildings, Recreation facilities, Cemeteries, Fire Stations, Solid Waste facilities, Airports, Streets & Lights, Bridges, Warehouses and Storage buildings.

B. Major equipment purchases such as road maintenance equipment, farm equipment, fire fighting equipment, vehicles, school playground equipment, office equipment and furnishings that support new buildings.

C. Acquisitions of manufactured buildings, aircraft, land and/or lease of thereof.

D. The cost for the development of infrastructure such as electric power line, water line, sewer lagoons, waste water treatment facilities, communication and transportation systems, roads and parking lots, Erosion Control Systems, and Irrigation Systems.

E. The installation of bathroom additions and electrical housewiring required as a precedent to planned or current waterline extensions or electrical powerline extensions for the same project.

SECTION VII. PROPOSAL DEVELOPMENT

The Capital Improvement Office shall coordinate with the respective Navajo Nation Chapters and Programs to assist in the development of project proposals at the local level and to ensure pre-planning of the proposed project. Additionally, the Capital Improvement Office shall ensure participation and coordinate with the appropriate entity/entities that have responsibility with the respective project, i.e., IHS, NTUA, CDEC, JMEC, BIA, CDBG, CIO, DESD, NM OIA, NN Headstart Dept., NN Agency On Aging Program, and others not named herein.

SECTION VIII. EVALUATION CRITERIA

The Capital Improvement Office and the Ad Hoc Multidisciplinary Evaluation Committee formerly identified at Section III, K, shall review and rank each project proposal utilizing the Objective Evaluation Criteria. The Objective Evaluation Criteria, is attached hereto and incorporated herein as Attachment “A-1” which has been reviewed and approved by the Transportation and Community Development Committee.

SECTION IX. MATCHING AND LEVERAGING OF FUNDS

The shall be the policy of The Capital Improvement Office that project proposal must included the planning of matching commitment and leveraging from other sources of funds (if any) and ensure that the matching funds are currently available in order to maximize the limited resources and achieve the greatest benefit for each capital project. To achieve this goal, the following funding sources are identified to create the needed partnership:

A. The Navajo Nation Community Development Block Grant.

B. The United States Department of Agriculture-Rural Utilities Services.
C. New Mexico State Legislature.
D. Arizona State Legislature.
E. Utah State Legislature.
F. Utah Trust and other funds.
G. County and City governments.
H. Indian Health Services.
I. Navajo Tribal Utility Authority.
J. Other appropriate utility companies.
K. Bureau of Indian Affairs.
L. Private contributors.

SECTION X. METHOD OF FINANCING

Pursuant to 12 N.N.C Section 860 (D) (4), “the Capital Improvement Office, the Office of Controller and the Office of Management and Budget shall perform the financial analysis and financial programming for the purpose of determining the level of capital expenditure the Navajo Nation can safely afford and determine the selection and scheduling of funding sources to be designated for the Capital Improvement Plan”.

The aforementioned offices shall work and coordinate to propose legislation to fund capital projects from among several options such as a permanent percentage set-aside, bond financing and the use of tax collections and seek support and approval from the Transportation and Community Development Committee and other appropriate standing committees.

SECTION XI. DEVELOPMENT OF THE CAPITAL PLAN

The Capital Improvement Office shall be responsible for the development of the Capital Improvement Plan as mandated in 12 N.N.C. Section 860 which “shall include a listing of projects in order of priority and proposed year of construction or acquisition. Data on each project shall include”:

A. The anticipated capital cost of each project.
B. The anticipated sources of capital funds for each project.
C. The estimated annual operating cost or saving for each project.
D. The estimated completion data of each project.
E. The adopted plan or policy, if any, which each project would help to implement.
F. The viable alternatives that were considered for each project with the reasons the proposed project is the most cost-effective and practical alternative for meeting the stated objective.
G. The project’s ranking in whatever sequence/priority setting is used as a basis for evaluation of capital improvement project proposals.

SECTION XII. TECHNICAL ASSISTANCE

It shall be the policy of the Capital Improvement Office to provide technical assistance to chapters and programs in the areas of proposal development, project management, and project implementation. To achieve this policy goal, the Capital Improvement Office shall provide the following:
A. Provide technical assistance workshops to disseminate information on the content of the infrastructure and capital improvements policies and procedures, the objective criteria and the capital improvement plan;

B. Provide technical assistance to project activities to ensure compliance with construction schedules, codes, regulations, laws and policies;

C. Assist project sponsors with development of construction schedules, manpower needs and materials take-off lists;

D. Assist project sponsors with procurement, contracting, hiring of construction personnel, and resolution writing;

E. Assist with project inspections and close out activities; and

F. Assist with quality assurances.

SECTION XIII. MONITORING

The shall be the policy of the Capital Improvement Office to monitor all capital projects that have been funded and are in the implementation process to ensure compliance with all the appropriate uniform codes, regulations, laws, policies and practices. To achieve this policy goal, the capital improvement office shall:

A. Develop and implement monthly project monitoring schedules;

B. Develop project monitoring forms to retrieve project data that includes the status of progress, problems encountered and exemplary achievements;

C. Prepare monthly CIP progress reports and managerial accounting to the Executive Office and TCDC from the monitoring effort.

D. Prepare quarterly CIP financial accounting and progress reports for all appropriate officials as a result of monitoring.

E. Utilize records maintenance and data management systems to safeguard confidential information, protect project files and compile cost and project data statistics; and

F. Develop Memoranda of Agreement (MOA), Memoranda of Understanding (MOU), Administrative Agreements (AA), Joint Powers Agreements (JPA), to coordinate and implement CIP projects to include, but not limited to the following:

1. Administrative Agreements with the Navajo Nation Design and Engineering Services Department to implement projects that require design and engineering services; Navajo Department of Transportation to implement projects requiring the design and engineering services for Roads, Parking lots, and Airports; and Navajo Housing Services Department for projects requiring design and construction of homes. The Administrative Agreement format will be subject to a one-time approval of TCDC.
2. Memoranda of Agreement with Navajo Tribal Utility Authority (NTUA), Continental Divide Electric Cooperative, Inc. (CDEC), Jemez Mountain Electric Cooperative, Inc. (JMEC), and other utility companies to implement Right-Of-Way (ROW) Clearance and power line constructions.

3. Memoranda of Agreements with Indian Health Services (IHS) to implement water line extensions, sewer lagoons and waste water treatment.

4. Administrative Agreements with the Navajo Nation Community Development Block Grant (CDBG) Program to coordinate and implement CIP “leveraged” projects.

5. Administrative Agreements with Navajo Nation Chapters and Programs to coordinate and implement Bathroom Additions, House Wiring and other similar projects not indicated at A,B,C, or D above.

6. Joint Powers Agreements with the Tri-State governments to implement projects funded and / or match funded by the Navajo Nation.

7. Upon certification of Navajo Nation Chapters in the Five Management System, each Chapter may elect to acquire and administer the Capital Improvement Project funds by adopting ordinances in accordance with 26 N.N.C. Section 103 (E); however, such Navajo Nation Chapter must comply with the ordinance process at 26 N.N.C. Section 2001/ Upon proper approval, such transfer may occur including the development of Joint Power Agreements with the State directly to the Chapter consistent with the Local Governance Act.

G. Issue Notice-to-Process to contractor of records

H. Monitor the Terms and Conditions of the Agreements and Contracts for compliance.

I. Implement project close out by coordinating the required final inspections of projects and the approval of the final payment to constructors of record. The following close out documents are required as applicable:

1. Certificate of Substantial Completion;
2. Certificate of Occupancy;
3. Insurance coverage;
4. Registration with the Office of Property and Supplies; and
5. Other pertinent close out documents.

XIV. ROLES AND RESPONSIBILITIES

It shall be the policy of the Capital Improvement Office to delineate the roles and responsibilities of the Capital Improvement Office, the Navajo Nation Chapters and Programs and the Transportation and Community Development Committee to ensure an efficient process for achieving infrastructure and community development and to ensure a mutual understanding of the said process. To achieve this policy goal, the following responsibilities are identified for each respective governmental office:

A. The Capital Improvement Office shall be responsible for:
1. Receiving the project proposal allocation and logged it-on for the record.

2. Reviewing the application for completeness to ensure that all necessary documents are submitted with the proposal using the approved check-off list.

3. Contracting the Chapter or other entities if additional information is needed to finalize the application.

4. Assisting the Chapter and Programs in obtaining all required and necessary clearance and other documents needed to complete the proposal application.

5. Convening the Ad Hoc Multi-disciplinary Evaluation Committee for the purpose of evaluating and rating the finalized proposal application applications using the approved Objective Evaluation Criteria.

6. Preparing and presenting a six year Capital Improvement Plan for TCDC consideration and approval.

7. Informing the Chapters and Programs of the results of funding recommendation.

8. Setting up project accounts, monitoring the project accounts and compiling project dates through a bonafide records management system, with access of information governed by the Navajo Nation Privacy Act, 2 N.N.C Section 81 et seq.

9. Coordinating with Navajo Nation Design and Engineering Service Department, NDOT, NTUA, IHS and other agencies in implementing, monitoring and completing the respective projects.

B. The Chapter and Program shall be responsible for the following:

1. Conducting the needs assessments utilizing the Land-Use and/or community master plans to identify project priorities. Conducting pre-planning sessions with all the appropriate parties including NN DESD and CIO.

2. Identifying project sites and conducting site analysis. The site analysis shall include soil testing to support the initiative for the location.

3. Obtaining the preliminary consent from the land user(s) on the project sites.

4. Obtaining and making available all “preliminary field work” including archaeological surveys, environmental assessments, preliminary designs, cost estimates, survey for land withdrawals, and land user consents.

5. Finalizing necessary land withdrawals, easements, or right-of-ways, if project requires such clearances.

6. Preparing and completing project proposal application containing all necessary criteria including scope-of-work, plan of operation, cost estimate, status of clearances, planning clearance, matching funds, a Chapter resolution, support letters from other programs, conceptual design and other necessary documents and submitting the said
proposal application to the Capital Improvement Office by or before March 1st of each year.

7. Ensuring that Insurance Coverage is in place for respective buildings and that the buildings are registered with Navajo Nation Property Management Department.

C. The Transportation and Community Development Committee shall exercise its authorities as authorized by 2 N.N.C. Section 423 (D) (1-8) and 12 N.N.C. Section 860, which included, but are not limited to the following:

1. Reviewing and approving the Objective Criteria for evaluating the infrastructure and capital improvement projects, the Policies and Procedures and the Capital Improvement Plan.

2. Recommending the Capital Improvement Plan to Navajo Nation Council.

3. Reviewing and receiving monthly and periodic reports on all CIP projects.

4. Amending the Objective Criteria and the Guideline, Policies and Procedures governing the Infrastructure and Capital Improvement Projects from time to time.

SECTION XV. REQUIRED DOCUMENTATION CHECK-OFF LIST

It shall be the policy of the Capital Improvement Office to utilize the following “Check-Off List” for review and acceptance of project proposal.

A. CHAPTER HOUSE REQUIREMENTS:

1. Application for Construction – DCD/Administration
2. Written documentation of need by the Facilities Inventory which documents the need for replacement, renovation or repair.
3. Chapter Resolution that indicates the need and priority of the proposal project, subject to the local Land-Use Plan.
5. Cost Estimate:
   A. Architect & Engineering (A/E) Cost
   B. Construction Cost
6. Written commitments and encumbrance of other sources(s) of funding.
7. Letters of support from agencies and entities that affirm the emergency situation or need when applicable.
8. Documentation of the clearances, i.e., Archaeological, Environmental Assessments and Land Withdrawals.

B. PRE-SCHOOL AND SENIORS CITISENS CENTER REQUIREMENTS:

1. Application for Construction – DCD/Administration
2. Written documentation of need by the Facilities Inventory which documents the need for replacement, renovation or repair.
3. Chapter Resolution that indicates the need and priority of the proposal project, subject to the local Land-Use Plan.
5. Cost Estimate:
   A. Architect & Engineering (A/E) Cost
   B. Construction Cost
6. Written commitments and encumbrance of other sources(s) of funding.
7. Letters of support from agencies and entities that affirm the emergency situation or need when applicable.
8. Documentation of the clearances, i.e., Archaeological, Environmental Assessments and Land Withdrawals.

C. N. N. OFFICE BUILDING REQUIREMENTS:

1. Application for Construction – DCD/Administration
2. Written documentation of need by the Facilities Inventory which documents the need for construction, replacement, renovation or repair.
3. Appropriate Chapter Resolution and/or NN Oversight Committee Resolution that indicates the need and priority of the proposal project.
5. Cost Estimate:
   A. Architect & Engineering (A/E) Cost
   B. Construction Cost
6. Written commitments and encumbrance of other sources(s) of funding.
7. Letters of support from agencies and entities that affirm the emergency situation or need, enrollment statistics, and justification for square footage.
8. Documentation of the clearances, i.e., Archaeological, Environmental Assessments and ROW and Land Withdrawals.

D. MULTI-PURPOSE BUILDING REQUIREMENTS:

1. Application for Construction – DCD/Administration
2. Written documentation of need by the Facilities Inventory which documents the need for construction, replacement, renovation or repair.
3. Chapter Resolution or appropriate NN Oversight Committee Resolution that indicates the need and priority of the proposal project.
5. Cost Estimate:
   A. Architect & Engineering (A/E) Cost
   B. Construction Cost
6. Written commitments and encumbrance of other funding sources(s).
7. Letters of support from agencies and entities that affirm the emergency situation or need, enrollment statistics, and justification for square footage.
8. Documentation of the required clearances, i.e., Archaeological, Environmental Assessments, ROW and Land Withdrawals.

E. TRIBAL BUILDINGS AND OTHER PUBLIC FACILITIES REQUIREMENTS:

1. Application for Construction – DCD/Administration
2. Written documentation of need by the Facilities Inventory which documents the need for construction, replacement, renovation or repair.
3. Appropriate Chapter Resolution and/or NN Oversight Committee Resolution that indicates the need and priority of the proposal project.
5. Cost Estimate:
   A. Architect & Engineering (A/E) Cost
   B. Construction Cost
6. Written commitments and encumbrance of other sources(s) of funding.
7. Letters of support from agencies and entities that affirm the emergency situation or need, enrollment statistics, and justification for square footage.
8. Documentation of the clearances, i.e., Archaeological, Environmental Assessments and ROW and Land Withdrawals.

F. POWERLINE EXTENSION REQUIREMENTS:

1. Chapter Resolution that indicate the need and priority of the proposal project and in accords with the local Land-Use Plan.
2. Preliminary Cost Estimate by the Utility Companies
3. List of Recipients and Quad Map
4. Status of House Wiring – Certification of Compliance by Contractor or certified electrician.
5. Written commitments of other funding source(s).
6. Written confirmation from NTUA or other companies indicating that the project is on the 2 year construction plan.
7. Documentation of the required clearances, i.e., Archaeological, Environmental Assessments and Land User Consent (ROW).

G. HOUSEWIRING REQUIREMENTS:

1. Chapter Resolution that indicates the need and priority of the proposal project in accords with the local Land-Use Plan.
2. List of clients to be served and a map of the homesites.
3. Information on conditions of existing homes and floors plans.
4. Cost estimates (Average cost per home is $1,800.00).
5. Written commitments and encumbrance of other funding sources(s).
6. Chapter Commitment for Labor by written correspondence or by Resolution.

H. BATHROOM ADDITION REQUIREMENTS:

1. Chapter Resolution that indicates the need and priority of the proposal project in accords with the local Land-Use Plan.
2. List of clients to be served and a map of the homesites.
3. Information on conditions of existing homes and floors plans.
4. Cost estimates (Average cost per home, 6’ X 12’, is $6,000.00).
5. Letter of Support from IHS.
6. Chapter Commitment for Labor by written correspondence or by Resolution.

I. WATERLINE REQUIREMENTS:

1. Chapter Resolution that indicates the need and priority of the proposal project in accords with the local Land-Use Plan.
2. List of clients to be served and a map of the homesites.
3. IHS Feasibility Study.
5. Written commitments and encumbrance of other funding source(s).
6. Letter of Support from IHS.
8. Documentation of the required clearances, i.e., Archaeological. Environmental Assessments and Land User Consent (ROW).

J. SEWER / LAGOON / SEPTIC TANK REQUIREMENTS:

1. Chapter Resolution that indicates the need and priority of the proposal project in accords with the local Land-Use Plan.
2. List of clients to be served and a map of the homesites.
3. IHS Feasibility Study.
5. Written commitments and encumbrance of other funding source(s).
6. Letter of Support from IHS.
7. Documentation of the required clearances, i.e., Archaeological. Environmental Assessments and Land User Consent (ROW).

SECTION XVI. AMENDMENTS

The Capital Improvement Projects Guidelines, Policies and Procedures may be amended from time to time by the Transportation and Community Development Committee of the Navajo Nation Council.
### EVALUATION CRITERIA

**Capital Improvement Projects Proposal Rating Form**

<table>
<thead>
<tr>
<th>Project Sponsor</th>
<th>Location Agency Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Title</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Numerical Value</th>
<th>5</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1</th>
<th>SCORE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FACTORS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td><strong>SCORE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Life, Health &amp; Safety Issues (10 pts.)</td>
<td>Projects that are construction ready with all the required clearances</td>
<td>Projects that eliminate or Minimize an eminent threat to the life, health &amp; safety of the community</td>
<td>Projects that promote a healthy &amp; safe environment of the community</td>
<td>Projects that incorporate handicap accessibility</td>
<td>Projects that incorporate handicap accessibility</td>
<td></td>
</tr>
<tr>
<td>Legal Mandates (10 pts.)</td>
<td>Projects that are construction ready with all the required clearances</td>
<td>Projects that significantly correct a deficiency as mandated by law, regulation or court order</td>
<td>Projects that avoid a potential legal implication</td>
<td>Projects that are supported by Navajo Nation initiatives for community development</td>
<td>Projects that have no legal issues, but address a dire need</td>
<td></td>
</tr>
<tr>
<td>Protection of property &amp; assets (8 pts.)</td>
<td>Projects that are construction ready with all the required clearances</td>
<td>Projects that correct a deficiency in the structural integrity of existing facilities</td>
<td>Projects that will prolong the life of existing facilities</td>
<td>Projects that address maintenance and upkeep of facilities</td>
<td>Projects that provide for equipment to maintain and protect property &amp; assets</td>
<td></td>
</tr>
<tr>
<td>The Matching &amp; Leveraging of Funds (6 pts.)</td>
<td>Projects that are construction ready with all the required clearances</td>
<td>Projects that have matching fund commitments or are leveraged by other funding sources</td>
<td>Projects that have other than monetary commitments from other sources</td>
<td>Projects that have potential for other sources of matching fund commitments</td>
<td>Projects that seek sole funding from Navajo Nation</td>
<td></td>
</tr>
<tr>
<td>Economic Development initiatives (4 pts.)</td>
<td>Projects that are construction ready with all the required clearances</td>
<td>Projects that foster or enhance economic development with Nationwide implication</td>
<td>Projects that foster or enhance economic development that benefit the local level</td>
<td>Projects that have short term economic implication at the national level</td>
<td>Projects that have no economic implication at the national level or local level</td>
<td></td>
</tr>
<tr>
<td>Projects That Reduce The Cost Of Operations or Maintenance (2 pts.)</td>
<td>Projects that are construction ready with all the required clearances</td>
<td>Projects that focus on energy efficiency and conservation</td>
<td>Projects that employ Hi-Tech materials that will prolong the life of a structure with little or no maintenance</td>
<td>Projects that consolidate services to reduce operating expenses</td>
<td>Projects that have short term effect of reducing operating expenses</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL SCORE** 28
THE NAVAJO NATION
CAPITAL IMPROVEMENT OFFICE
PROJECT PROPOSAL GUIDELINES

I. INTRODUCTION

Instructions for preparing and submitting Capital Improvement Project (CIP) Proposals for Navajo Nation Projects are issued under the authority of Title II NNC Section 423 (d) and Transportation and Community Development Committee (TCDC) Resolution TCDCJY-77-99 approved on July 27, 1999.

II. PROPOSAL DEVELOPMENT

Navajo Nation Chapter, Tribal Divisions, Departments and Programs, Enterprises and Non-Profit Entities and are to submit a formal and complete Proposal Packaged in requesting for CIP funds for each project. Applicants are to assemble each Proposal Package in the following order:

A. Cover Sheet

1. Title of Project
2. Location of Project
3. Amount of Funds Requested
4. Entity Submitting Proposal (Sponsor)
5. Date Proposal Submitted

B. Project Data Form

Provides a summary of key data regarding the proposed project. All proposals shall include this form (attached).

C. Table of Contents

The Table of Contents should identify major documents submitted. Include and properly identify all supplemental schedules and/or documents submitted.

D. Project Proposal (Narrative)

Assemble all proposals with the following information. Do not delete any required information from this outline. You may add additional information beyond these minimum requirements.

1. Abstract or Summary

   i. Provides an overview of the proposed project
   ii.
2. Introduction

i. discusses primary intent and outcome of the project
ii. provides a history of the planned project
iii. gives the funding agency background information

3. Need For and Goals of The Project

i. Discusses the need for the project
ii. Describes the people to be served
iii. Addresses the impact and benefits of the project
iv. Specifies the goals, components and design of each module with a description of necessary equipment, materials, labor, contract costs and related activities.

4. Scope of Work

i. defines the roles of the principal consultants, developers, researches and other key personnel that may be involved in the project
ii. describes how and when applicant knows they have reached each significant phase of the project, from planning to construction and closeout activities.
iii. provides a chart showing the relationship of key personnel to each other
iv. provides a projected sequence of activities on a planned schedule (project tracking schedule attached)

5. Budget

i. provides a line item budget for all anticipated expenses utilizing established Navajo Nation Office of Management and Budget (OMB) forms (attached)
ii. explains and justifies elements of the budget

E. Attachments and Exhibits

Provide documentation that supports your need and statements, i.e., Chapter Resolutions, Feasibility Studies, Cost Estimates, Survey Results, Census Data, etc.

F. Additional Supporting Information

Include any additional supporting information such as testimonials, excerpts from meeting minutes, pictures, news clippings and any other information the applicant believes that will support the need for the requested funding.
PROPOSAL TITLE

Powerline Extension Project
(Phase I or Name)

PROJECT LOCATION

Powerline Extension Project begins one mile east of Chapter House and extending seven miles north.
(see topo maps)

AMOUNT OF FUNDS REQUESTED

$32,000.00
(see NTUA’s cost estimate)

SUBMITTED BY:

Jane Doe, Chapter President
Hotrock Chapter
P.O. Box 1003
Sonewheres, Arizona 86600
Telephone # (928)633-0700

DATE

Submittal Date
INSTRUCTIONS FOR COMPLETING
CIO PROJECT DATA FORM

1. Fill in the Heading as Appropriate to Your Specific Capital Improvement Project.

2. Use One (1) Form for Each Request.

3. Be Realistic in Projecting Your Start and End Dates.

4. Impact Analysis
   A. Explain the Benefits to the Users or Recipients of Your Intended Project.
   B. How will this project impact the community as a whole?
   C. What impact will your Project have on the daily operations of the chapter, program or agency?
   D. How will the Benefits reduce or eliminate a deficiency or obstacle to progress?
   E. What Plan or Policy, if any, will your Project help to implement?
   F. What Economic Return, if any, is expected from your Project?
   G. Will this Project Create Jobs? How many?
   H. Will this Project Prevent Job Loss or Reduction in Business Activities?
   I. Where and How much do you estimate to save on your annual operating cost(s) from your Project, e.g., utility expenses, maintenance expenses, costly repair or renovations, personnel time, work performance and salaries, others as applicable.
   J. Is the Navajo Nation obligated to Fund Your Project?

5. Leveraging of Funds
   A. How much funds (in dollars and percentage) does your project request or require from the Navajo Nation?
   B. What internal and external sources have been acquired or committed to date? Expected or planned sources without documented evidence are helpful but do not qualify.
   C. What efforts and sources have been researched, contacted and/ or agreements entered into with, if any?

6. Feasibility Studies
   A. Are feasibility studies completed and available for review?
   B. Who conducted your study and when?
   C. Is your project feasible and consistent with your funding request?
   D. If your project is not feasible,
7. **Extenuating Circumstances**

   A. Please explain your situation(s) and the importance of necessary funding.
   B. What may happen if Project is not funded?

8. **Other Viable Alternatives Considered**

   A. If your Project is not feasible, what option(s) is/are available?
   B. If your Project cannot be immediately funded, what are your contingency plans?
   C. Has phase funding of your Project been considered?
   D. Can your Project be developed without funding?
   E. Has volunteering or consortiums been developed with area businesses, post – secondary institutions or non profit entities?
   F. Have you considered co-sponsoring a Project with surrounding Chapters, programs or agencies?

9. Please attach additional pages if necessary.

10. Leave Priority blank at bottom of page.
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<thead>
<tr>
<th>PERCENTAGE COMPLETE</th>
<th>DESCRIPTION</th>
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</thead>
<tbody>
<tr>
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### PRE - DESIGN
- Resolution/Formal Request
- Needs Assessment
- Scope/Program Master Plan
- Legal Boundary Survey
- Archeological Clearance
- Environmental Clearance
- Site Withdrawn

### ENGINEERING
- Topographical Survey
- Utility Verification
- Grading Drainage
- Final Utility Plan

### SCHEMATICS
- Conceptual Design
- Preliminary Cost Estimate
- Project Master Scheduled
- Site Plan and Calculations
- Outline Specifications
- Soil Report By:

### DESIGN DEV.
- Presentation Drawings
- Review By Other Agencies
- Base Plans To Consultants

### CONSTRUCTION
- Finalize Plans & Specs
- Review of Plans & Specs
- Approval By Other Agencies
- Write Advertisement
- Pre-Qualification (If Required)

### BIDDING/AWARD
- Advertise For Bids
- Addendum #1 #2 #3
- Pre-Bid Conference
- Public Bid Opening # of Contractors
- Tabulate & Evaluate Bids
- Negotiation & Letter of Award
- Execute Contract
- Preconstruction Conference

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34
<table>
<thead>
<tr>
<th>PERCENTAGE COMPLETE</th>
<th>DESCRIPTION</th>
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<tr>
<td>ISSUE NOTICE TO PROCEED</td>
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<tr>
<td>PUNCH LIST</td>
<td>BY:</td>
</tr>
<tr>
<td>FINAL INSPECTION</td>
<td>BY:</td>
</tr>
<tr>
<td>CERTIFICATE OF SUBSTANTIAL COMPLETION</td>
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</tr>
<tr>
<td>OPERATION &amp; MAINTENANCE MANUALS</td>
<td></td>
</tr>
<tr>
<td>RECORD DRAWINGS</td>
<td></td>
</tr>
<tr>
<td>PROJECT CLOSEOUT</td>
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</tbody>
</table>
CONTACT NUMBERS

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