

NAVAJO NATION OIL AND GAS COMPANY

Request for Proposals: Executive Search Services

Louis Denetsosie, Chief Executive Officer

David Rubenking, Chief Financial Officer

Board of Directors

Lennard Eltsosie, Chairperson

Diandra Benally, Vice-Chairperson

Janna Blanter, Secretary

Albert Damon, Jr., Director

Darel Nakai, Director

Wilson Groen, Director

Philip Winner, Director

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I. INTRODUCTION.

The Navajo Nation Oil and Gas Company (“NNOGC” or the “Company”) is a wholly owned economic arm and instrumentality of the Navajo Nation, a federally recognized Indian tribe with a Reservation that covers approximately 27,000 square miles of lands located in the States of Arizona, New Mexico and Utah. The Company is federally chartered as a Section 17 Corporation under the Indian Reorganization Act, 25 U.S.C. § 5124 (formerly 25 U.S.C. § 477), and was created by the Navajo Nation in part to exercise ownership and control over vast Navajo Nation oil, gas and helium resources on the Navajo reservation. The Company has since grown into a fully integrated oil and gas company, with upstream, midstream, and downstream operations under the retail brand Navajo Petroleum. The Company holds significant assets in the public trust on behalf of the Navajo Nation and Navajo people.

II. BACKGROUND

NNOGC is seeking proposals from executive search firms with specific, successful experience in recruiting, placing, and retaining highly qualified executives in mid-sized oil and gas companies.

III. PROJECT SUMMARY AND DESCRIPTION

Upon selection by the Company’s Board of Directors, the successful firm will immediately begin providing services under a consulting services agreement with the Company, in a form provided by the Company (firms shall not expect to use their form of services agreement). The Firm will serve as an independent contractor and consultant.

After careful review of responses received and associated due diligence performed by the NNOGC Board of Directors (“Board”), the Board will select one firm to perform the below-described Executive Search Services. Respondents will be competing against each other for selection to provide the Executive Search Services as more fully described below. The submissions of Respondent firms shall be compared and evaluated pursuant to the evaluation criteria set forth in this RFP and in compliance with the Navajo Business Opportunity Act. Any firm interested in providing the Executive Search Services requested in this RFP must fully respond to this RFP.

IV. SCOPE OF WORK/SERVICES

The selected Executive Search Firm shall assist the NNOGC Board in attracting, interviewing, and hiring one or more executives for NNOGC. Specifically, the selected firm shall:

- A. Collaborate with the CEO, the Board and the Board’s Nominations Committee through meetings and/or interviews to understand the role, responsibilities, qualifications and appropriate experience needed for the position;
- B. Develop a recruitment strategy, process and timetable for completion of the work

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in consultation with the Board and Nominations Committee;

- C. In coordination with the CEO and Human Resources (“HR”) Director, review and comment on executive job descriptions approved by the NNOGC Board, in regard to any proposed changes to be recommended to the Board;
- D. Source job candidates through a number of different channels including advertising in nationally-recognized publications likely to attract qualified candidates, proactively reaching out to candidates in the marketplace that may not be actively seeking the position, accessing the firm’s network of qualified candidates and other best practice recruitment strategies utilized in the executive search industry;
- E. Assess the qualifications of interested candidates against those required in the applicable Job Description (including appropriate executive and/or comprehensive background checks approved by the Company’s HR Department) and recommend potential candidates for interview to the Board, subject to additional background checks and vetting by the Company’s HR Department in accordance with NNOGC’s Bylaws and Policies;
- F. Support the Board in engaging in a rigorous interview, reference-checking and hiring process to select the best candidate(s); and
- G. Recruitment, assessment, and selection of candidates shall be in compliance with the Navajo Preference in Employment Act, 15 N.N.C. § 601 *et seq.*

V. FIRM MINIMUM QUALIFICATIONS

- A. A minimum of fifteen years’ experience in providing executive search services for small to mid-sized oil and gas and other energy companies;
- B. At least ten (10) successful placements of oil and gas or other energy industry senior executives;
- C. Five (5) references from the Boards of Directors of small to mid-sized oil and gas or other energy companies;
- D. Three (3) current references (within five years) from successfully placed oil and gas or other energy industry senior executives; and
- E. Demonstrated substantial experience, competence and knowledge relevant to the Scope of Work/Services.

VI. SPECIAL REQUIREMENTS

Experience with indigenous groups, tribes and/or tribal enterprises is desirable but not

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required. The Company recognizes Navajo and Indian preference in contracting selection and the selection of a firm under this RFP shall comply with the requirements of the Navajo Nation Business Opportunity Act, 5 N.N.C. § 201 *et seq.*

VII. PROJECT TIMETABLE

Proposals are required to be submitted no later than August 16, 2018. The successful firm will be expected to commence Services in September of 2018.

VIII. GENERAL CONDITIONS

A. Limitations. This Request for Proposal (RFP) does not commit the Company to award a contract, to pay any costs incurred in the preparation of the contract in response to this request, or to procure or contract for services or supplies. The Company expressly reserves the right to reject any and all proposals or to waive any irregularity or information in any proposal or in the RFP procedure and to be the sole judge of the responsibility of any Respondent and of the suitability of the materials and/or services to be rendered. The Company reserves the right to withdraw this RFP at any time without prior notice. The Company reserves the right to modify the RFP schedule described above.

B. Award. The Company may ask RFP finalists to present oral presentations regarding their firms and any special expertise in the necessary areas. All finalists may be required to participate in negotiations and submit such price, technical, or other revisions of their proposals as may result from negotiations. The Company also reserves the right to award the contract without discussion, based upon the initial proposals. Accordingly, each initial proposal should be submitted on the most favorable terms from a price and a technical viewpoint.

C. Modifications to RFP Requirements. Any changes to the RFP requirements will be made by written addenda by the Company and shall be considered part of the RFP. Upon issuance, such addenda shall be incorporated in the agreement documents, and shall prevail over inconsistent provisions of earlier issued documentation.

D. Verbal Agreement or Conversation. No prior, current, or post award verbal conversations or agreement(s) with any officer, agent, or employee of the Company shall affect or modify any terms or obligations of the RFP, or any contract resulting from this RFP.

E. Pre-contractual Expenses. Pre-contractual expenses, *which are not chargeable to the Company*, are defined as expenses incurred by Respondents and the selected firm in: preparing proposals in response to this RFP; submitting proposals to the Company; negotiations with the Company on any matter related to proposals; other expenses incurred by a Respondent prior to the date of award of any agreement. In any event, the Company shall not be liable for any pre-contractual expenses incurred by any Respondent or selected firm. Respondents shall not include any such expenses as part of the price proposed in response to this RFP. The Company shall be held harmless and free from any and all liability, claims, or expenses whatsoever incurred by, or on behalf of, any person or organization responding to this RFP.

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F. Signature Authority. The proposal will also provide the following information: name, title, address and telephone number of individual with authority to bind the Respondent and also who may be contacted during the period of proposal evaluation. The proposal shall be signed by an official authorized to bind the Respondent and shall contain a statement to the effect that the proposal is a firm offer for at least a sixty (60) day period. Execution of the contract is expected in September of 2018.

G. Term. The anticipated period of the contract will be negotiated by the Parties.

IX. PROPOSAL CONTENT AND ORGANIZATION

A. Transmittal Letter. The transmittal letter should include the name, title, address, phone number, and original signature of an individual with authority to negotiate on behalf of and to contractually bind the firm, and who may be contacted during the period of proposal evaluation. Only one transmittal letter needs to be prepared to accompany all copies of the technical and cost proposals.

B. Table of Contents. A listing of the major sections in the proposal and the associated page numbers.

C. Introduction. In this section, the Respondent should demonstrate an adequate understanding of the Respondent's role and relationship with the Company.

D. Technical Approach. This should include:

1. A brief description of the Respondent's firm, including the year the firm was established, type of organization of firm (partnership, corporation, etc.), and any variation in size over the last five years, along with a statement of the firm's qualifications (including minimum qualifications as set forth herein) for performing the subject consulting services.
2. A brief description of the Respondent firm's experience with organizations similar to NNOGC and carrying out similar oil and gas operations.
3. An organizational chart depicting the individuals or team proposed by the firm, a summary of their qualifications including requisite certifications, and experience of each member proposed to provide services.
4. Proposed recruitment strategy, process and timetable.
5. Any additional information that would be helpful for the Company in evaluating the Respondent's Proposal.

E. Firm Staff. The Proposal must describe the qualifications and experience of each professional who will participate in the Services, including a resume for each member of Respondent's team providing the Services. A project manager must be designated, and an

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organizational chart showing the manager and all staff must be included.

F. Firm Qualifications and References. The proposal must include a list of current references for similar clients, as set forth in the Minimum Qualifications, above. References should include client contact names, addresses, and phone numbers, descriptions of the type of work performed, approximate dates on which the work was completed and professional staff who performed the work.

G. Cost Proposal and Estimating Methodology. The cost proposal shall describe in detail flat rates, hourly rates, and any expected reimbursement of expenses, including a detailed explanation/justification for how such rates are derived and any and all fees, whether incorporated or additional to such rates. Any applicable Navajo or state taxes are reimbursable by the Company, but should not be included in the cost proposal. Cost estimates shall be fully supported by cost data which are sufficient to establish the reasonableness, consistency, realism and completeness of the proposed cost.

H. Number of Copies. The Respondent must provide four (4) bound copies and one (1) unbound original (suitable for reproduction) of all submittals in response to this Request for Proposals (the unbound original may alternatively be submitted in electronic form on a CD ROM or on a jump drive). All copies should be sealed, and should indicate on the outside whether the submitter is on the Source List of Certified Navajo Businesses and, if so, whether submitter is Priority #1 or #2. **If a Priority #1 Respondent is partnering with or joint venturing with any non-Priority firm, in each such proposal, each partner or joint venturer must certify by affidavit under penalty of perjury that the Priority #1 partner or joint venturer is entitled to at least 51% of the profits from the contract and shall control the partnership or joint venture for the duration of the contract term. Any such joint venture or partnership shall be subject to audit by NNOGC and/or the Navajo Nation Business Regulatory Department to ensure compliance with the Navajo Business Opportunity Act.**

I. Submittal. The Proposal should be hand delivered or submitted via courier (*e.g.*, Federal Express, UPS) no later than 4:00 p.m. mountain daylight time (MDT) on the Proposal due date to:

Navajo Nation Oil and Gas Company
Attn: Human Resources Department
c/o Diandra Benally, Chairperson, Nominations Committee
50 Narbono Circle West
St. Michaels, AZ 86511

X. PAYMENT SCHEDULE

Payments shall be made in accordance with the contract terms.

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XI. CONTACT PERSON(S)

The successful firm will work directly with the CEO, the Chairman of the Board, the Chairperson of the Nominations Committee, and the HR Director. Any questions about the Request for Proposals should be directed to Diandra Benally, Chairperson, Nominations Committee, at 480-773-8648, or to diandra_benally@hotmail.com.