



WHITE MOUNTAIN APACHE TRIBE

*A Sovereign Nation Exercising Self-Governance
Over the Fort Apache Indian Reservation*

Resolution No. 06-2012-83

(Approving the Report of the Fort Apache Heritage Foundation to the Tribal Council of the White Mountain Apache Tribe for the Year 2011 and the Proposed Budget for the Use of Fort Apache Settlement Fund Monies for 2012)

WHEREAS, the Tribal Council of the White Mountain Apache Tribe (“Tribe”) is entrusted by the Tribe’s Constitution to act in all matters that concern the welfare of the Tribe, to manage all economic affairs and enterprises of the Tribe, and to regulate subordinate organizations for economic and other purposes; and

WHEREAS, the Fort Apache Heritage Foundation, Inc. (Foundation) was chartered by the Tribal Council of the White Mountain Apache Tribe in 1998 to provide technical, financial, and other support to the Tribe’s heritage perpetuation and economic development efforts; and,

WHEREAS, the Settlement Agreement entered into between the Tribal Council of the White Mountain Apache Tribe and the United States government in resolution of *WMAT v. US*, 537 U.S. 465 (2003), and other authorities calls for the Foundation to manage the preservation, rehabilitation, and adaptive reuse of portions of the Fort Apache/Theodore Roosevelt School Trust Asset for the benefit of the White Mountain Apache Tribe; to utilize funds paid to the Tribe as part of the Settlement (Fort Apache Preservation Fund) for that purpose; and to present to the Tribal Council for approval an annual budget outlining planned expenditures from the Fort Apache Settlement Fund; and

WHEREAS, the Memorandum of Agreement entered into between the Tribal Council of the White Mountain Apache Tribe and the Fort Apache Heritage Foundation, Inc., calls for the Foundation to make an annual report to the Tribal Council; and,

WHEREAS, the Foundation has presented a report to the Tribal Council of the White Mountain Apache Tribe accounting for its activities during the year 2011; and

WHEREAS, the Foundation has presented a proposed budget to the Tribal Council of the White Mountain Apache Tribe detailing planned expenditures from the Fort Apache Preservation Fund for the year of 2012, and the Council has reviewed said proposed budget.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it approves the Report of the Foundation for the year 2011, attached hereto.

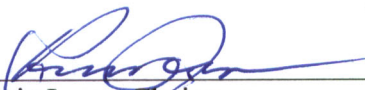
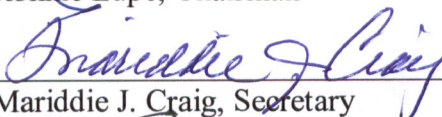
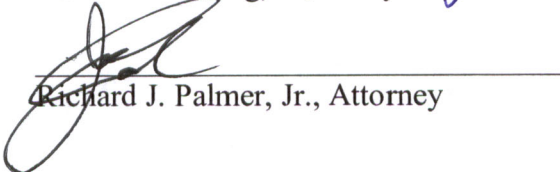
BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it approves the proposed budget for the use of Fort Apache Preservation Fund monies by the Fort Apache Heritage Foundation, Inc., for the year 2012, attached hereto.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby directs that in the event that this Resolution conflicts with a prior Resolution or Policy, this Resolution shall supersede and govern over the conflicting subject matter.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby directs that in the event this Resolution directly conflicts with the Tribal Constitution, Tribal Ordinances or Federal Laws, this Resolution shall be declared null and void and have no legal effect. This Resolution shall not be subject to Judicial Interpretation, only the Tribal Attorney, with the assistance of the Tribal Council Secretary, may opine on Tribal Council intent and the meaning of the language as used herein.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that the Chairman, or in his absence, the Acting Chairman, is hereby authorized to execute any and all documents necessary to effectuate the intent of this Resolution. In the event that the Chairman fails to delegate signatory authority to an Acting Chairman, the Vice-Chairman may sign provided that the Tribal Secretary and a Tribal Attorney attest to the veracity of the subject matter of this Resolution.

The foregoing resolution was on JUNE 12, 2012 duly adopted by a vote of SEVEN for and ZERO against by the Tribal Council of the White Mountain Apache Tribe, pursuant to the authority vested in it by Article IV, Section 1 (a), (b), (g), (h), (i), (j), (k), (s), (t) and (u) of the Tribal Constitution, ratified by the Tribe September 30, 1993, and approved by the Secretary of the Interior on November 12, 1993, pursuant to Section 16 of the Act of June 18, 1934 (48 Stat. 984).

 _____ Ronnie Lupe, Chairman	<u>6-25-12</u> _____ Date
 _____ Mariddie J. Craig, Secretary	<u>06/25/2012</u> _____ Date
 _____ Richard J. Palmer, Jr., Attorney	<u>6-28-12</u> _____ Date

Report of the Fort Apache Heritage Foundation, Inc.
to the
Tribal Council of the White Mountain Apache Tribe
for the Year 2011

Summary:

2011 marked the fourth full year of the Fort Apache Heritage Foundation, Inc.'s management of the Tribe's Fort Apache/Theodore Roosevelt School historic district trust assets. Having addressed many of the district's most critical preservation and maintenance needs in the first three and a half years of management, in 2011 we continued to work toward the complete rehabilitation of individual buildings. We completed the rehabilitation of Building 104, the Commanding Officer's Quarters, and initiated the total interior rehabilitation of Building 105, the BIA Clubhouse. Significant maintenance and rehabilitation work was completed on an additional eight buildings.

The Foundation continued its planning efforts with two formal board meetings in May and November. In association with the November meeting representatives from the Board and Foundation staff met with the Foundation's Tribal Council Liaison Councilman Cline Griggs, leaders of a number of community organizations and Tribal programs, representatives from Theodore Roosevelt School, and elders to discuss how the Fort Apache/TRS district can be best used to benefit the community.

Planning work continued toward identifying rent-paying tenants for some of the buildings. Agreement was made with the Tribe's Hydrology and Water Resources program and some additional Tribal programs to lease Building 105 (the Clubhouse) upon the completion of its rehabilitation in 2012. Discussions continued with the Fort Apache Agency, Bureau of Indian Affairs regarding the possible relocation of the agency to Building 116, the former Boys' Dorm.

In 2011 the Foundation added a new, full-time business manager, bringing the organization's permanent staff to four, three of whom are Tribal members. The Foundation also provided temporary employment and skills training for four additional Tribal members. With the departure of the Foundation's facilities manager who had been

with us since 2008, we took the opportunity to begin issuing small contracts to Tribal member entrepreneurs to complete facilities projects.

In 2011 the Foundation utilized \$537,444 from the Tribe's Fort Apache Fund, more than \$225,000 of which was used directly for the rehabilitation of buildings 104, 105, and 112.

Preservation, Rehabilitation, and Major Maintenance Treatments:

Significant treatments were made to the following buildings:

- Building 101 ("General Crook's" log cabin) - Plumbing work
- Building 102 (Captain's Quarters, current THPO and FAHF offices) - Mechanical system, repair/repaint exterior trim and windows
- Building 103 (Captain's Quarters) - Repair/repaint exterior trim and windows
- Building 104 (Commanding Officer's Quarters) Completion of total interior rehabilitation
- Building 105 (BIA Clubhouse) - Completion of environmental hazards mitigation (asbestos, lead based paint, biological hazards), preparation of interior for total rehabilitation
- Building 106 (Officers' Quarters) - Repair/repaint exterior trim and windows
- Building 111 (BIA/Officers' Quarters) - New windows throughout; plumbing, electrical, flooring, interior paint, wood stove repair; new cooking stove and refrigerator for one of the units
- Building 112 (BIA Teacher's Cottage) - Mechanical system repair following faulty installation in 2010
- Building 115 (Adjutant's Office – Fort Apache Post Officer) - Exterior repaint, also repair/repaint exterior trim
- Building 116 (Boys' Dorm) - Window repair
- Building 124 (Quartermaster's Corral) – Documentation and disassembly of collapsed wing

Staff and Capacity Building

Following an extensive search, FAHF hired an experienced Business Manager, Ms. Shawna Shorty, in June. Ms. Shorty began full time work for the Foundation in July, and spent the remainder of the year organizing and professionalizing the Foundation's business operations. In August facilities technicians Dempsey Quintero and Mark Antonio attended a Lead Based Paint (LBP) mitigation refresher workshop to maintain their LBP certification.

Educational/Community Programs and Projects

On May 14 the Foundation, along with the WMAT Heritage Program and other partners hosted the 12th Annual Ndee La Ade/Gathering of the People--Great Fort Apache Heritage Reunion. The Boeing Company, a long-time partner in the Foundation's programming efforts, provided a \$5,000 grant to the Foundation to support the Reunion event. In addition to the Apache Song and Dance Celebration, which for the last seven years has been a central part of the Reunion, this year the Foundation helped the Nohwike' Bágowa Museum and the Arizona Office of Tourism celebrate the designation of the Museum as an official Arizona Local Visitor Information Center. This is the first LVIC on Tribal lands in Arizona.

Also in May the Foundation assisted the Nohwike' Bágowa Museum in hosting the Smithsonian Institution's traveling exhibit "Key Ingredients: America By Food." The traveling show was displayed in the newly-rehabilitated Building 104, the Commanding Officer's Quarters, marking the first time the building had been open to the public in many years. The exhibit, part of the Smithsonian's Museum on Main Street program and made possible by collaboration with the Arizona Humanities Council, was shown at six Arizona venues in 2010 and 2011. The Foundation received a small grant from the Arizona Humanities Council that allowed us to support the Museum's development of an exhibit on Apache foods that was installed in Nohwike' Bágowa in conjunction with the Key Ingredients exhibit.

In June and July the Foundation hosted the White Mountain Apache Tribe/University of Arizona Western Apache Ethnography and GIS Research Experience for Undergraduates program. This program, funded by the National Science Foundation

and directed by Nohwike' Bágowa Museum and Foundation Director Karl Hoerig, brought eight undergraduate college students (four of whom are WMAT members) together for six weeks to learn about heritage perpetuation research and the use of Geographic Information Systems for natural and cultural resource management and interpretation. Participating students worked closely with Heritage Program staff, Tribal natural resource managers, and elders to document a variety of natural resource and cultural/geographical topics for the benefit of the Tribe. The Foundation provided tuition scholarships to the four participating WMAT member students.

The Foundation received a \$2,000 grant from the Anthropology and the Environment Section of the American Anthropological Association to sponsor meetings of representatives from the Four Western Apache Tribes to plan for collaborative efforts to document and perpetuate Western Apache cultural-environmental knowledge. Successful meetings were held in May at Fort Apache and in October at Camp Verde.

Economic Development

In 2011 the Foundation initiated a program of awarding small contracts to Tribal member business-people for the completion of defined preservation and rehabilitation projects. In accordance with the Foundation's priority to provide opportunities for Tribal members to develop small business administration capacities, this program includes an open bid process which requires participants to plan and budget for project completion. Contracts awarded this year included work to disassemble a portion of the Quartermaster's Corral (124) that had begun to collapse and the completion of earth work to correct grades around the Clubhouse (105).

Organizational Development

In 2011 two new Board committees were established to help guide the development and utilization of the Fort Apache/Theodore Roosevelt district, the FAHF Site Strategic Planning Committee and the FAHF Programming Committee. In November 2011, members of these committees met on site with leaders from diverse community groups, tribal programs, the TR School board, elders, and Tribal Council liaison Councilman Cline Griggs to discuss the community's wants and needs for the site.

Meeting participants outlined a vision for the site with educational, recreational, and work opportunities for many different groups within the community and for visitors, providing valuable guidance for the Board's work. Additional such meetings are planned to continue the dialogue, and will play a prominent role in ongoing planning efforts.

Two new prospective Board members have been identified for confirmation by the Tribal Council, Dr. Rafael Payan, Director of the Pima County Parks and Recreation Department, and Ms. Rochelle Lacapa, Site Coordinator for the Whiteriver office of the Johns Hopkins Center for American Indian Health. Their biographies are included with a proposed Tribal Council resolution confirming their addition to the Board.

Plans for 2012

2012 will be a watershed year for the Foundation as we begin to move from basic preservation and rehabilitation activities to add new uses and programs for the facilities. The strategic planning efforts initiated in 2011 will be expanded as the Foundation continues to work with community representatives and knowledgeable advisors to chart a path for the site's future.

Work has begun on the complete rehabilitation of Building 105, the BIA Clubhouse, for use as a multi-tenant office space. Upon its completion, the building will house the Tribe's Hydrology and Water Resources, Environmental Planning, GIS, and additional programs. The Foundation will relocate its offices from the second floor of Building 102 to the second floor of Building 104, the Commanding Officer's Quarters. Occupation of this building will allow the ground floor to be opened to the public for site interpretation. The building will also include a meeting room and kitchen that will be available for conference rental, providing an alternative meeting space for Tribal and other local organizations.

Building on the initial success of the small contracts program for site preservation and rehabilitation, the Foundation will engage Tribal member businesspeople for an increasing number of projects in 2012 including building stabilization, property boundary posting, landscaping, and other rehabilitation work.

The Foundation will also take on management of the Nohwike' Bágowa Museum's retail operation as approved by the Tribal Council in 2011, seeking to return that operation to profitability for the Tribe and the Foundation.

**Fort Apache Heritage Foundation, Inc., Board of Directors, Staff, and Advisors
(May 2012)**

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Proposed New Board Members:

Rochelle Lacapa, M.P.H., is Whiteriver Site Coordinator for the Johns Hopkins University Center for American Indian Health. She holds a B.A. in Interdisciplinary Studies from American University and a Masters in Public Health (M.P.H.) from the Bloomberg School of Public Health at Johns Hopkins. She is a White Mountain Apache Tribal member. Ms. Lacapa brings to the Foundation Board valuable perspectives based on her personal experience and her professional work in the White Mountain Apache community.

Rafael Payan, Ph.D., has served as the Director of Pima County Natural Resources, Parks and Recreation in Tucson since 1999. He previously served in a variety of capacities for Arizona State Parks, including Assistant Director from 1997-1999. He holds Bachelors degrees in Landscape Architecture and Parks Administration from Texas Tech University, a Masters of Public Administration from Arizona State University and recently completed his Ph.D. in Arid Lands Resource Sciences from the University of Arizona. Dr. Payan will use his extensive experience in park planning, operation, and administration to help guide the continuing development of the Fort Apache/Theodore Roosevelt National Historic Landmark for the benefit of the White Mountain Apache people.

Fort Apache Heritage Foundation, Inc.

Proposed Budget for Use of Monies from the

White Mountain Apache Tribe Fort Apache Preservation Fund, 2012

The Fort Apache Preservation Fund was established from the proceeds of the Settlement provided to the Tribe from the United States government to resolve U.S. Court of Federal Claims Docket No. 99-148L, White Mountain Apache Tribe v. United States of America. The suit was filed against the U.S. for the Bureau of Indian Affairs' failure to maintain the Fort Apache/Theodore Roosevelt School facilities, a WMAT Trust Asset.

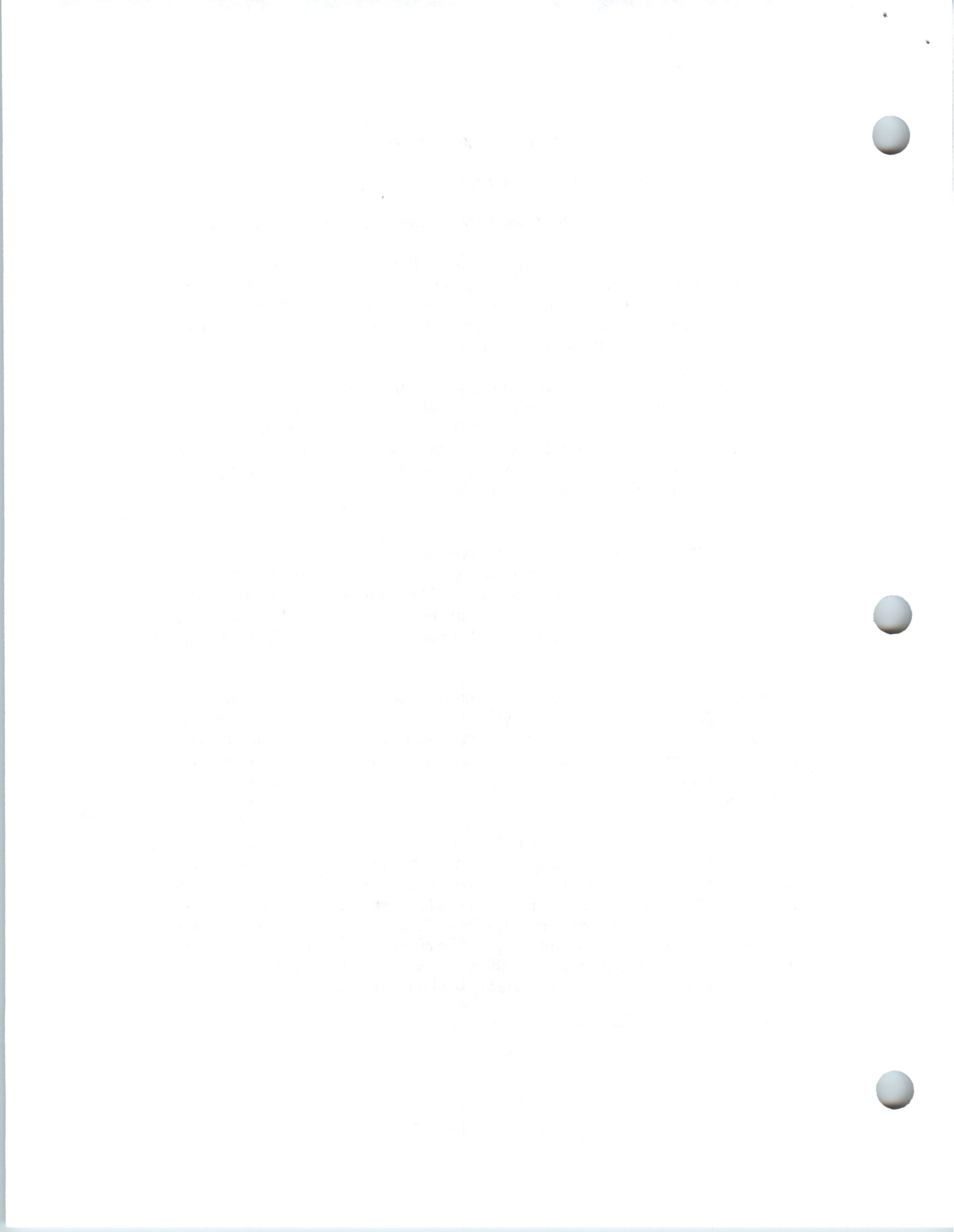
Under the terms of the Settlement Agreement, monies from the Fort Apache Fund may only be used for the preservation, rehabilitation, and maintenance of the Fort Apache facilities. The Fort Apache Heritage Foundation is charged with responsibility for completing this work, utilizing an annual budget from the Fund approved by the Tribal Council. Up to one half of the original principal balance of the Fund may be expended (approximately \$6.5 million), with remainder held as an endowment for long term ongoing maintenance.

The attached Proposed Budget includes two expense columns; the first is for the Foundation's administrative costs, authorized under Section II.B.1.a of the Settlement Agreement. Up to \$150,000 each year may be used for administration, an amount which may be adjusted for inflation. The second column is for expenses directly related to facility preservation, rehabilitation, and maintenance, authorized under Section II.B.1.c of the Settlement Agreement.

The basic operating budget for 2012 is very similar to the budget approved by the Council for 2011. Minor adjustments have been made to match anticipated changes in some expense items. We have also reallocated some funding to support consultation with an accounting firm that is helping the Foundation to achieve auditable books and with a site planning firm that is providing guidance on the long-term development of the site for the benefit of the community.

A significant departure from previous budgets comes in the Foundation's plan to complete two associated major construction and rehabilitation projects: the completion of the rehabilitation of the 6,000 square foot Clubhouse and the construction of a centralized mechanical plant for the property. These combined projects, with a cost of up to \$2.5 million, will require for the first time expenditure of Fund capital. The Foundation Board has determined that this expenditure is appropriate at this time, because it will bring one of the site's larger buildings back into productive use, and will create infrastructure necessary for the long term maintenance and use of the entire Fort Apache/TRS property.

Total Budget Request for 2012: \$3,054,800.00



Fort Apache Heritage Foundation, Inc.
2012 Proposed Budget

	Admin (Sect. II.B)	Building-Rehab (II.B.1.c)
SALARIES		
Exec. Director	\$22,000.00	\$12,000.00
Development	0. (*for 2012 the \$30k of this line to "Consultants")	
Business Manager	\$21,000.00	\$21,000.00
Facilities/Rehab Manager		\$50,000.00
Facilities Technicians		\$54,080.00
Temp Hires		\$31,200.00
Employee Bonus Program		\$2,500.00
Payroll taxes and	\$21,500.00	\$84,140.00
TOTAL SALARY	\$64,500.00	\$254,920.00
Consultants	\$50,000.00	\$15,000.00
Legal	\$5,000.00	\$5,000.00
Utilities	\$0.00	\$0.00
Phone/Internet	\$2,250.00	\$2,250.00
Electricity	\$2,200.00	\$4,000.00
Office Supplies	\$7,000.00	\$2,000.00
Postage	\$500.00	\$0.00
Op Materials/Supplies	\$1,200.00	\$9,600.00
Travel Expense	\$10,000.00	
Vehicle Operation	\$1,200.00	\$2,000.00
Bank Fees	\$180.00	
Memberships/	\$500.00	
Insurance	\$1,000.00	\$0.00
Training/Certification	\$1,000.00	\$4,000.00
Staff Uniform		\$1,500.00
BUILDING REHAB		
#104		\$8,000.00
#105 and Central Mechanical		\$2,500,000.00
#116		
other needs as identified		\$100,000.00
TOTALS	\$146,530.00	\$2,908,270.00
Less Rehab		\$300,270.00

Max total (less rehab) \$446,800.00
 Max monthly (less rehab) \$37,233.33
 Max Total (incl. max rehab) \$3,054,800.00

