

# HOPI TRIBE | ANNUAL REPORT | JULY 2011



THE CHAIRMAN AND VICE CHAIRMAN OF THE HOPI TRIBE HAVE ACCOMPLISHED MANY THINGS IN PARTNERSHIP WITH THE TRIBAL COUNCIL SINCE BEING ELECTED IN LATE 2009. THIS ANNUAL REPORT PROVIDES YOU, OUR TRIBAL MEMBERS, WITH AN UPDATE AND HIGHLIGHTS OF OUR ACTIVITIES.

# GOVERNMENTAL ACTIVITIES

- Reorganization of Hopi Tribe. We rescinded a resolution that reorganized the Hopi Tribe, stabilizing the governing process, restoring the Chairman as the CEO of the Hopi Tribe and establishing a clear line of authority for tribal operations.
- Hopi Tribe Finances. We conducted an independent investigation into the Tribe's finances over a four-year period (2007 to 2010). Based on the findings, we voted to remove the treasurer from his position due to "Serious Neglect of Duty." That was demonstrated by his failure to ensure that the Tribe's investments conformed to the Tribe's investment policies and procedures, and permitted risky investments that jeopardized the tribe's assets. We have since appointed a new Tribal Treasurer and have issued a request for proposals from investment firms to oversee the Tribe's investments and will soon begin the interview process.
- Budget Oversight Team. We have changed the budgeting process to be more open and provide more opportunities for the directors to have input into the funding of specific programs.
- Hopi Emergency Response Team. We have developed and adopted policies to manage emergencies and have received funding from the Federal Emergency Management Agency and Indian Health Services. We successfully managed the 2009 winter snow storm on the Hopi and Navajo reservations as well as successfully managed a rock slide at Moencopi that blocked a major thoroughfare. The Hopi Rangers received an award from the Arizona Department of Transportation for their efforts during this emergency situation.
- 2010 Census. We met with the U.S. Census director for our region to resolve the inaccuracies of the Census map that showed errors with the boundaries of Hopi land, making it difficult to correctly count the members of the Tribe. The enumeration effort was successfully conducted and we continued to support quality assurance efforts on the Hopi reservation throughout June 2011.



- Hopi Legislative Issues. We supported and worked to ensure the passage of SCR1009 by the Arizona State Legislature which officially recognizes the Hopi Code Talkers, who served during WWII. We met with Gov. Jan Brewer to ensure that Homolovi State Park remains open; a precedentsetting intergovernmental agreement as the operation of the park will be funded by the state of Arizona and the Tribe. We terminated our relationship with long-time lobbying firm Husk Partners due to the firm's association with the Fiesta Bowl organization and their involvement with alleged schemes and improper political campaign contributions.
- Inter-Tribal Council of Arizona. ITCA is an organization made up of Arizona Tribal Leaders who advocate on behalf of Arizona tribes and their common interests. The Chairman was elected as secretary of the organization, furthering our commitment to engage with other tribes across the state.
- We supported and worked to ensure the passage of SCR1009 by the Arizona State Legislature
- Spider Mound Community. The Tribal Council voted to approve an operating budget for Spider Mound, pending the completion of a financial audit. Spider Mound had gone unfunded for two years. This action is in accordance with our commitment and our responsibility to make prudent fiscal decisions.

# LEGAL ACTIVITIES

- Court settlements. Within the last several months, the Hopi Tribe's legal counsel has successfully settled three long-standing court cases resulting in the Tribe receiving \$14.1 million in settlements and judgments.
- Owelty Case: \$2.1 million. This case involved a decades-old dispute between the Hopi Tribe and the Navajo Nation over the value of land received after partition and the value of rental income from trading posts on that land. The 9th Circuit Court of Appeals rejected the Navajo Nation's claim and limited the Hopi Tribe's claim to the loss of income from various trading posts. The value of the rental income was originally set at \$800,000 with about half of that going to the Hopi Tribe. However, adding interest from 1979



increased the Hopi Tribe's claim to \$2.8 million. Rather than continue to litigate and expend further time and resources, the Hopi Tribe settled for approximately \$2.1 million – well above any previous offers.

- Rental Case: \$6 million. Originally filed in 1985, this case involves claims for damages to the Hopi people caused by Navajo people trespassing on Hopi land. Following a series of appeals and reversals, in March 2010 the U.S. District Court issued a decision awarding the Hopi Tribe \$6 million in damages for past rent payments, plus interest. Some aspects of this case remain open today, pending the failure of the BIA to provide rental calculations.
- Peabody Case: \$6 million. The Navajo Nation and the Hopi Tribe had brought claims against Peabody Coal Company and others
  for alleged breach of trust and other unfair dealing based on the manner in which royalties for coal extraction were established.
   After years of litigation and more than 100 depositions, the U.S. Supreme Court denied the Navajo claim and sent the case back to
  the Trial Court for further proceedings. In recognition of the risks involved in the proceedings, the unfavorable Supreme Court ruling
  and the generous offer by Peabody, the Tribe and Peabody recently settled the case for \$6 million.

# JUSTICE SYSTEM

- Hopi Appellate Court. With the new Indian Law and Order Act, requiring tribal judges and prosecutors to be properly credentialed and in good-standing with their state bar, our administration continues to make the necessary changes to comply with federal law. The Tribal Council has reappointed Judges Robert Clinton, Fred Lomayesva and Patricia Sekaquaptewa to the Hopi Appellate Court; Richard Trujillo has been named Chief Judge and Albert Flores has been appointed as an Associate Judge for the tribal courts. Judge Delfred Lesley continues to serve as the other tribal court associate judge.
- Prosecutor's Office. We continue to hire prosecutors to fill vacancies in the office. Jill Engel, JD, an attorney from Wisconsin with training in Indian law, has been hired as deputy prosecutor. We are working diligently to meet the requirements mandated by the new federal laws regarding sexual-offender registration and the Amber Alert System used to locate abducted or missing children.
- Crime. The Chairman and other Arizona tribal leaders met with U.S. Attorney Eric Holder to discuss the need to increase prosecution of domestic violence, violent assaults, and other serious crimes on tribal lands. These discussions continue.

#### WATER RIGHTS

• Little Colorado River Water Rights Negotiations. Negotiations have been ongoing for 13 years and we are close to a final settlement that will include construction of a pipeline on the Hopi Reservation to deliver fresh water to our villages. We are committed to continue working in good faith until a final settlement is reached and approved.



# ECONOMIC DEVELOPMENT

- Hopi Telecommunications, Inc.(HTI). We successfully coordinated the settlement of a three-year-old BIA contract in which more than \$500,000 was owed to the Tribe for a telephone line relocation project. The Chairman conducted a reservation-wide tour of HTI's infrastructure to gain a better understanding of the HTI master plan. We accepted a \$5 million grant from the Federal Communications Commission to bring new technology to the Hopi Reservation.
- Hopi Tribal Economic Development Corporation (HTEDC).
   The HTEDC is the Tribe's economic development division tasked with exploring, managing and securing growth opportunities for the Tribe. We rescinded a resolution that dissolved the HTEDC board of directors and have appointed a new board that will help guide the Tribe's economic development efforts and outside business interests.
- Moencopi Legacy Inn. We supported the grand opening of the hotel, an economic success for Moencopi. The Moencopi Legacy Inn has hosted many directors meetings as well as conferences sponsored by Hopi programs.

- Navajo Generating Station. The Chairman has met with the EPA, which has threatened to shut down the NGS and has established unrealistic deadlines for implementing cleaner burning facilities. The Chairman has testified on behalf of the Hopi Tribe in Washington, D.C. to let federal officials know the Tribe's stance on the new proposed EPA standards.
- Carbon Dioxide Sequestration Project (CDSP). We rejected a proposal approving the project, which could have had a long-term detrimental impact on our groundwater sources and air quality.
- Hopi Tutuveni Newspaper. We have rescinded a resolution dissolving the paper and have begun the search for an editor to bring the paper back into print.
- Hopi Senom Transit Program. We supported the Hopi Senom Transit System in its establishment of an all-Native national transit organization. The system operates two fixed routes servicing medical, employment, commercial, human service programs, and low income or public housing locations to and from Keams Canyon, Moencopi, Flagstaff, Tuba City and Kykotsmovi. The transit service also provides vanpool-type service between Flagstaff and Kykotsmovi.

# **HEALTH & HUMAN SERVICES**

- Hopi Human Resources. We have reorganized the Hopi Personnel Office by adding additional staff and created human resources best practices for Tribal employment. In addition, we have increased benefits for Hopi tribal employees in several areas, including their first cost of living increase in 10 years.
- Indian Health Services. We met with Dr.Yvette Roubideaux, director of IHS, to discuss issues related to the Hopi Tribe. These issues included quality of service, timeliness of service and expanded specialized medical care for patients at the Hopi Healthcare Center.
- Department of Health Services Secretary's Tribal Advisory Committee (STAC). Vice Chairman Herman Honanie has been appointed to serve on this committee. The primary purpose of the committee is to seek consensus, exchange views, share information, provide advice and/or recommendations and facilitate any other interaction related to intergovernmental responsibilities or administration of HHS programs, including those that arise explicitly or implicitly under statute.

# **EDUCATION**

Hopi Head Start
Program. We purchased
and delivered five new
buses for the Head Start
Centers on the Hopi
Reservation. These
new buses include
state-of-the-art safety
technologies to protect
our children. A new Head



Start building has been purchased for Polacca Head Start and will be located at the First Mesa Elementary School.

- The Tribal Council has directed the Hopi Board of Education to continue overhauling Hopi Ordinance 36 which governs Hopi schools on the reservation. We hope to have a final draft presented to the Tribal Council for its approval in August 2011.
- The Chairman's staff has met with Northland Pioneer College representatives to expand post-secondary education opportunities for people living on the Hopi Reservation.