

**DRAFT Minutes of the  
Executive Committee of the  
Board of Directors of the  
Arizona Historical Society**

**May 23, 2022**

*Mission: Connecting people through the power of Arizona's history.*

1. **Call to Order** – Meeting called to order at 11:05 am by President Linda Whitaker
2. **Roll Call** – Whitaker

Committee Members Present:

Robert Ballard, Denise Bauer, Kelly Corsette, Thomas Foster, Bruce Gwynn, Deborah Bateman, Jim Snitzer, Ileen Snoddy

Absent:

Desirae Barquin

Staff Members Present:

David Breeckner

3. **Minutes** – Discussion and action, if any, to approve the draft Minutes of the April 25, 2022, Executive Committee meeting.

No comments or discussion.

Motion to approve by Bruce.

Deborah seconds.

Unanimously approved.

4. **Call to the Public** – No members of the public present.

5. **Board President notes** – Whitaker

a. Policies and By-Laws review and edits.

**Linda:** Provides updates on the Governance Committee's work with Policies and By-Laws. Changes have been made to satisfy compliance with the 2013 Sunset Review.

**Kelly and David:** Describe the extensive work done to the manual and policies, including the involvement of all members of the Governance Committee. Both documents are ready to move forward to the Board for consideration. Many changes pertain to clean-up and removal of outdated language, but also compliance with "new" (2015) State requirements (e.g. 1107 funds, roles of Chapters). Additional consideration has been given to the matter of "Active" vs "Inactive" Chapters, and wholly new language introduced (to satisfy a request by AZ State Boards and Commissions). All changes are highlighted in yellow. All documents will be provided to the State Board and publicly posted within the minimum 30

days notice for the July 29 Board meeting.

**Linda:** Proposes a beta test review of the By-Laws and Policies through the Executive Committee, prior to their presentation to the State Board. A response date of May 31 is set. All comments should be sent to Kelly and David via email.

**Deborah** and **DeNise** voice their support.

6. **Director's Update** – David Breeckner.

a. Sosa-Carrillo House

**David:** Provides an update on the SCH with the Restoration Estimate received 5/16/21 from Michael Becherer and Swaim Architects. This provides AHS a necessary audit on the needs and care required of SCH. The restoration was estimated at \$1,280,935, which is contrasted by the \$1.05 appraisal of the SCH from 12/1/21. The full report of this Estimate has been given to the Executive Committee, while an abbreviated summary has been provided to the State Board. He describes an ongoing policy of open conversation with Rio Nuevo and the two tenants of SCH across these talks.

**Deborah:** How would restoration impact the value of the SCH?

**David:** In the short term, minimal impact on the assessed value from 12/1/21. Comps in the Tucson market, as identified in that appraisal, were capped at \$1.3m. The appraised value of \$1.05m included a \$90k devaluation to consider moderate (now considered insufficient) upgrade costs.

**Linda:** Offers her personal knowledge validating the cost estimates within the Restoration Estimate, citing the estimated costs to perform adobe restoration at Fort Lowell Museum (Tucson). There is only one provider of adobe restoration in the area, and the price of the adobe has increased three-fold.

**Bruce:** Supports Linda with his experience with adobe; he is aware of the cost of restorations and the cost of adobe. "Whatever it costs today, it will cost more tomorrow." He stresses the importance of history preservation: "We must be very careful about what we're doing."

**Linda:** The impact of this new estimate on sale value has not yet been shared with the AG for approval.

**David:** While AHS initially received approval from the AG to move forward with the sale when the offer was below the value of the home, this new arrangement will require Rio Nuevo to obtain clearance to pay ABOVE market value for the home. He proceeds to share how AHS has been fighting to get funding for the restorations done with no success for the last 6 years: CIP has been continually denied, and a strong federal grant in 2020 enjoying city and state support was declined due to higher funding priorities elsewhere.

Rio Nuevo still needs to discuss this sale among their Board, which meets 5/24/22.

He expects a significant reduction in the sale offer, closer to \$100k but with the other conditions of the sale – complete restoration, public access, tenant care, etc –

still honored.

**Linda:** No offer has been made to AHS by RN. The tenants (representatives from Los Descendientes and Borderlands Theater) have been invited to the State Board meeting to speak on the current situation. Fletcher McCusker (Rio Nuevo) will also attend. This meeting is a continuation of a months-long open dialogue between all parties, including the tenants' contributions to the Restoration Estimate.

**Jim:** Even considering a predicted devaluation in the sale offer, upon RN's Sunset AHS will receive back a building with an appreciated and improved market value.

**David:** Affirms that, after RN Sunsets in 2035, the SCH will return to AHS. Any contract would also obligate a \$1/mo. rent for all tenants for 5 years (\$48,000 combined savings).

**Kelly:** Recognizing the significant financial investment needed in SCH and AHS' capacity to address them, he proposes AHS be flexible in its expectations and dealings with RN (while obligating compliance with the restoration).

**David:** Stresses the importance of pursuing the best way to steward a history site. AHS has and will continue fighting for those grants. The Restoration Estimate identified the current state of SCH is a result of continued deferred maintenance by AHS. RN presents the best immediate opportunity, but must only be explored with the conditions of continued public access to the site, compliance with the restoration, and its return to AHS in 2035.

**Ileen:** What are AHS' plans to care for SCH upon its return in 2035? How will then be any different?

**David:** The Capital Campaign should include an allocation to support the maintenance and upkeep of AHS' historic sites and homes. Additionally, he proposes that the proceeds of the sale be deposited into the Capital Campaign for that purpose, to mature over 13 years.

**Linda:** The annual cost of the maintenance is \$11,000. This is not covered by income from SCH tenant rentals. She agrees with Ileen's need to establish long-term care solutions.

**Jim:** Agrees that the proceeds of the sale can be deposited into a "Sinking Fund" to plan for long-term maintenance commitments. Rent at SCH would need to be increased to cover these costs, upon the return of that income stream in 2035.

#### b. Capital Campaign & Friends of AHS

**David:** Shares status on the Capital Campaign, with this year committed to readying for the campaign. He details the steps that Friends of AHS and AHS will be taking. Friends is seeking \$200k to cover their initial set-up operations for 6 months in this effort, with AHS receiving numerous required start-up documents (as per the Feasibility Study recommendations) at the end of this period. A full report will be offered during the State Board meeting, with Becky Jackson (interim Executive

Director, F-AHS) attending to present their proposal.

**Linda:** What is the matter of concern surrounding getting this money to F-AHS?

**David:** The State Board already approved the use of \$1.5m in funds (proceeds from a deeded property sale) for a Capital Campaign in fall 2020. The \$1.5m is currently being managed in an investment account managed by the State Treasurer. AHS can provide these funds to F-AHS through state procurement, by offering the 6-month scope of work as a contract for F-AHS fundraising services. F-AHS will apply for the contract as a single-source vendor, on the grounds of its involvement with the Feasibility Study, its extant handling of AHS fundraising and donor funds, and its existing fundraising contract with AHS. This process meets state compliance, and would still require oversight by AHS while also needing approval from external state authorities.

A larger, second contract would be offered to F-AHS following the 6-month contract. This contract would provide the remaining \$1.3m in funds to operate the logistics of running a capital campaign, with a tentative launch date of summer 2023. Funds would be dispersed in increments over a multi-year period based on benchmarks and deliverables, and would be obligated to an agreed-upon operating budget of 20% expenses to revenue generated.

**Linda:** This is not a Board actionable item. It will also require approval and oversight from the AG.

c. Yuma: Molina Block

**David:** AHS is pursuing a RFP from Design-Build firms to solicit proposals for the Molina Block's proposed outdoor Ag. exhibit. The result will be budgets, timelines, and renderings proposing different visions for the space. This exhibit is a joint venture with YCHS, who is serving as the principal fundraiser. The estimated budget is between \$500k-1m.

**Linda:** Clarifies that this planning is only for the outdoor section of the Molina Block and NOT the adobe structure also present.

**David:** Correct. Existing infrastructure that is present on the site but not included in the scope of the RFP includes the adobe building and soon-to-be outdoor toilets (also fundraised by YCHS).

**Bruce:** YCHS has a potential donor that will take care of the rest of the cost of the proposal, once an adequate prospectus (vision and budget) has been created.

d. Hiring status update

**David:** Shares the issues facing Pioneer Museum in Flagstaff. An individual was interviewed and offered the position of Operations Manager, but declined. The position has been relisted at \$22/hr. Only one application has been received thus-far; the high cost of living in Flagstaff is detrimental even to this increased rate. This leaves two staff members at Pioneers, with one slated to leave at the end of the month. Pioneer has been closed for over 6 months.

Suggests a broader consideration needs to be given to non-conventional staffing to ensure a rapid re-opening. He suggests consideration of volunteers, particularly

NAPHS. He invites a conversation with all Executive Committee members on this matter.

e. Support group contracts: NAPHS, YCHS, Pathfinders, Tucson

**David:** NAPHS continues to review the contract. YCHS had their annual meeting with RCC; the Molina Block project path forward was introduced and approved. We have had no contact with Pathfinders. A group of Tucson residents have expressed an interest in the creation of a new regional Support Group and requires follow up.

7. **Sunset Review** – Breeckner and Whitaker

a. Update on Audit timeline:

**Linda:** Reports from AZ State Boards and Commissions suggest we should not expect to hear from Sunset until Fall 2023.

b. Strategic Plan: SWOT Analysis

**David:** The SWOT Analysis is now complete. This will help inform efforts in writing the Strategic Plan going forward. The full report and a summary of the SWOT Analysis has been provided to all Committee members. Particular attention should be given to the written responses in the full report. Among other things, they reveal an awareness of AHS' issues by Chapters and Support Groups but not of its internal processes and efforts to address them.

c. Sunset Recommendations tracking document

**David:** Beyond tracking compliance with Sunset Recommendations, he and Linda plan to submit a separate report that documents significant progress regarding collection management.

**Linda:** AHS is in 100% compliance with all recommendations (Flagstaff move pending). The Collections Management Report will allow AHS reporting in detail beyond the required paperwork. Collections have traditionally been our weakest point; this will address that.

8. **Announcements** and other matters for consideration in future board or committee meetings.

**Robert:** Any response from Senator Gonzalez since the 2023 Senate Review of Board nominees?

**Linda:** None. We have reached out to her, but no response.

**Ileen:** No word yet, but she will be working with Senator Gonzalez next week and can discuss. It is possible that she has confused AHS with another collecting entity with a similar name. Local tribes are interested in developing their own museums and are reaching out to other institutions to identify indigenous materials.

**Tom:** Thank you to all AHS Board members who participated in the Senate hearing; they represented the Board well in their answer to conflicts of interest.

Executive Committee Schedule: Noon and Virtual unless announced otherwise

June 20, 2022

July 25, 2022

August 22, 2022  
September 26, 2022  
October 24, 2022  
November 28, 2022  
\*December 19, 2022 (tentative)

Upcoming AHS Board Meetings: Noon and Virtual unless announced otherwise

July 29, 2022 – possible in-person, Flagstaff  
September 30, 2022 – Annual and Board Meeting  
\*November 18, 2022, third Friday at noon (tentative)

Adjournment at 11:56am.

Dated this 20th day of May 2022

Arizona Historical Society



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Linda Whitaker, Board President

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