

MINUTES OF MEETING OF THE
GOVERNMENTAL AFFAIRS COMMITTEE
OUACHITA EVENTS BUILDING PONCE DE LEON CENTER, FRIDAY, MAY 6, 2016, 8:00 A.M.

Highlights of the meeting are summarized below.

- Garland County Judge Rick Davis urged public support for the “Pave it Forward” road improvement program in voting on June 28, 2016.
- POA President Mike Medica reported on the Board meeting of April 20, 2016. He noted that the DeSoto Club opening is targeted for late May. A Board Retreat is scheduled for May 12 and 13.
- Paul Day reported that the 4 Career and Technology Education (CTE) feasibility study is complete and being presented to the 7 participating schools in Saline County. The CTE center is key to providing more good jobs in the area.
- John Lands reported that the State Department of Education and U of Arkansas developed a formula for obtaining scores for schools. Jessierville and Fountain Lake received “C” grades.
- Cindy Calhoun reported on plans for the “HSV Senior Services Expo”. Twenty-one organizations have agreed to participate to date.
- David Whitlow reported on the Tri=Lakes MPO Board meeting which discussed several highway improvements projects.
- Lu Otto reported on the Social and Economic Impact 2016 study, which is proceeding despite unforeseen delays.
- Jerry Yeric reported on 2016 POA Board elections, the 2016 Arkansas Democratic Republican Primaries
- James Zahnd reported that expansion of the Saline Sheriff’s office is being planned.
- Gerald Allen reported on exploring ways and means to improve broadband service in HSV.
- Clara Nicolosi reported on the Visitor Count Task Force’s efforts to improve information on the numbers of visitors with the Total E project and gate access tracking.
- Keith Keck reported on recent MetroPlan efforts to improve highway and related infrastructure.
- Jim Harlow reported on possible “exploration Weekends” to encourage visits to HSV and enhance potentials for retirement/relocation to promote economic development.
- Dick Schmidt submitted his resignation from GAC because of a pending move to California.

Reminders and Calendar:

- **Next GAC Meeting Friday, June 3, 2016, 8:00 a.m. Room B, Ouachita Events Building, Ponce de Leon Center**
- **August 23-26 Association of Arkansas Counties meeting, Hot Springs.**
- **HSV Senior Services Expo, October 13, 2016, 8am to 1 pm at the Coronado Center.**

Committee Members

Chair Gerald Allen, Vice Chair Clara Nicolosi, Cindy Calhoun, Michael Dollar, Jim Harlow, Curt Malone, Lu Otto, Dick Schmidt, David Whitlow, Jerry Yeric

Ex- Officio Members

Paul Day, Benton Chamber and Judges Representative

John Lands, Schools

Bob Shoemaker, Local and State Officials

Justices of the Peace

Garland County J.P. Larry Griffin

Saline County J.P. James Zahnd

POA Board Members

Mike Medica

Bob Cunningham

John Weider

Press

Lewis Delavan, *Hot Springs Village Voice*

Guests

Garland County Judge Rick Davis

Maxine Klein

Bill Lowe

Larry Rainey

Call to Order Chair Gerald Allen called the meeting to order at 8:00 a.m.

Agenda The agenda was approved as submitted.

Minutes Minutes of the April 1, 2016 meeting were approved as submitted.

Reports

Garland County Judge Rick Davis presented the following remarks:

- The “Pave it Forward” program is to be presented to the voters of Garland County for their approval on June 28, 2016. This program is essential to promoting growth in northern parts of the county, and support is vital.
- Infrastructure throughout the county is in need of upgrading and improved maintenance.
- Communications among different units of county and local governments needs to be streamlined and made more compatible to facilitate interactions among different units.

POA Board – Mike Medica reported as follows:

- Entergy CEO Rick Riley informed the POA Board that electricity service will be improved by replacing certain underground lines and installation of new technology.
- The Citizens Police Academy is likely to use the Fuel Stop site facility following renovation.
- The Board approved the 2016 road program, acquisition of several items of equipment, and a new operator for the restaurant at Cortez Golf Course.
- The POA Board will hold its annual retreat on May 12-13.
- The Board approved a “consent agenda” to streamline approvals of key items.

Paul Day – **Benton Chamber of Commerce**

The Career and Technology Education (CTE) feasibility study, conducted by Stantec, is now complete and being presented to the 7 schools participating (including Fountain Lake) in Saline County. Over 150 companies were interviewed to determine what job skills are needed in this area. Key areas needed included automotive, computer, and electrical skills. Once the courses have been agreed on by the schools, a funding plan will be developed under the leadership of the Saline County Economic Development Corporation, headed by Lamont Cornwell. It is estimated that this new CTE center will be able to serve 600 to 1000 students. It will be located at I30, exit 114, and will cost approximately \$30 million dollars. Many believe that this CTE center is key to providing more good jobs in Saline County and will be a very positive factor in bringing new business firms to this area.

The Saline County Republicans met in Benton on April 7. The meeting headed by Steve Lux from HSV, who is the Republican County Chairman and a newly appointed State Economic Development Commissioner. The main focus of the meeting was a presentation on the “private option” for Medicaid citizens emphasizing the hard choices the legislature face in solving this problem.

The Benton Chamber of Commerce continues grow under the leadership of Gary James, Executive Director. The chamber now has over 650 members up from 500 just a few years ago. They now have 7 staff members and a \$750,000 budget which included the Benton Events Center located at the Cinemark movie complex. The Events Center has been extremely successful with events being booked almost every day this year.

There are several new businesses coming to Benton that HSV residents may be interested in. A new Holiday Inn Express is being opened next month on the southwest corner of Exit 121 on I30. In addition, ground has been broken on a new shopping center to be located on the northwest section on Exit 121 on I30. A new Hobby Lobby and T J Maxx will be tenants when they open next year.

Saline County Judge Jeff Arey and Benton Police Chief Kirk Lane conducted tours on April 20 of their newly upgraded 911 facilities located in the County Emergency Management Center in Benton. Each of these two 911 Centers operate 4 shifts with 4 highly trained employees per shift. They handle over 100,000 calls per year. Both the facilities and the people running them were very impressive.

The Bryant Chamber of Commerce Director, Rae Ann Fields, has resigned. She was a good friend of Hot Springs Village and she will be missed.

John Lands – Schools

The State Department of Education collaborated with the Office of Innovation in Education at University of Arkansas to develop a formula for obtaining scores. The Department of Education indicates no penalty or reward for scores assigned.

State wide results:

GRADE ASSIGNED	NO.OF CAMPUSES	% OF TOTAL
A	10	1
B	318	29
C	470	44
D	228	24
F	19	2

Jessieville and Fountain Lake campuses were assigned a grade of "C".

The Arkansas Department of Education collaborated with the Office for Innovation in Education at the University of Arkansas to develop a formula for obtaining scores. The Arkansas Department of Education indicates no penalty or reward for scores assigned.

Some factors that should be taken into consideration and were not in the formula are:

- Some campuses had made considerable improvement in academic growth in recent semesters. No credit was given for the achievement.
- Percent of low socio-economic students.
- The tests in 2014-2015 were given online. Some campuses were not properly equipped for testing.

Some comments by Arkansas Education personnel after meeting with educational leaders across the State:

- Teachers want a document that is very clear on intentions of standards.
- School personnel need more training on how to process learning. The expectations are higher and personnel need ability to "push strategies down" to lower grade levels.
- There is a need for more volunteers to assist teachers.

The content of Common Core Curriculum will be changed very little. Some standards have been reworded, especially in elementary math.

Cindy Calhoun - **HSV Senior Services Expo Planning Team**

HSV Senior Services Expo
Coronado Center (auditorium & rooms 1, 2, 3, 6)

OCTOBER 13, 2016

8 am to 1pm

8:00-9:30: Booths open
9:30-10:30: Keynote and opening speakers (booths quite during this time)
10:30-11:30: Open time for Booths
11:30-12:00: Lunch (Box Lunch sponsors: Good Sam and Mt. Carmel)
Lunchtime speaker: Stephanie Hefner-POA activities (booths quite)
12:00-1:00: Open time for Booths
Breakout Sessions:
Karen Baim Reagler, Attorney
Area Agency on Aging
Alzheimer Arkansas

- 21 organizations offering key services for seniors have been identified—18 organizations have agreed to participate to date:
 1. Alzheimer's Arkansas plus Hospice
 2. Area Agency on Aging
 3. AARP/ driving
 4. Arkansas Foundation for Medical Care
 5. Arkansas Library Services for the Blind and Physically Handicapped
 6. ARORA (organ recovery)
 7. Attorney General representative: scams targeting seniors
 8. Caring Place
 9. Community Counseling Services
 10. Fire Department
 11. FOCUS (visually impaired)
 12. Genesis (donating your body for research)
 13. Lifeline systems (Alert Response)
 14. Lions Eye Bank and Laboratory
 15. Oaklawn Center on Aging
 16. Police Department
 17. SCAT
 18. SHIP/Medicaid and Medicare
 19. Social Security
 20. Veterans' (Garland Co. and Saline Co)
 21. World Services for the Blind
- Transportation can also be arranged with preregistration for those participants who need a ride.

Larry Griffin – Garland County

- Garland County Tax collector & Assessor will be at Revenue Office on Hwy 7 May 23.
- Assn. of AR Counties will meet in Hot Springs August 23-26 and will have golf outing 23rd at Ponce.
- Vote on highways will be 6/28 with early voting 21st-28th.

David Whitlow - Tri-Lakes MPO Policy Board Meeting

The Tri-Lakes MPO Policy Board met Thursday, April 28, 2016. Representing Hot Springs Village were Tom Weiss, HSVPOA Board of Directors, and David Whitlow of the Governmental Affairs Committee. Weiss replaced Harv Shelton as the voting member of the MPO Policy Board and Whitlow attended as a non-voting ex-officio member.

The first report was presented by the Arkansas Highway and Transportation Department. Of special interest to Hot Springs Village are projects:

- #061441 Highway 5 from Highway 128 to Benton Safety Improvements – \$7.9 million, work order issued, estimated completion 7/11/18, held up by ADEQ clearance.
- #061329 Highway 7 Spur – North, contract expected to be let in 2016 (see remarks below).
- #061439 Highway 7 – Highway 128, Safety Improvements, and contract expected to be let in 2018.
- #CA0610 Hot Springs – I-30 Widening, contract expected to be let on 12/1/16.

There was considerable discussion about the pending project #061329 that are improvements on highway 7 (Park Avenue) from the 7 Spur to the junction of Highways 5 and 7. The AHTD is proposing three segments to the project. There are:

1. Preventive maintenance from the fountain at Whittington to Highway 7 Spur,
2. Widening from Highway 7 Spur to Fox Pass, and
3. Creation of a continuous three lanes from Fox Pass to the 5 & 7 junction (center lane for turning only).

The Policy Board had the proposed improvement project returned to the Technical Committee for their recommendations. The total project is estimated to be \$11,000,000 with the project being voted on by the Highway Commission this summer.

The MPO staff asked and received resolutions adopting amendments to the Metropolitan Transportation Plan (MTP) and the 2016-2020 Transportation Improvement Plan (TIP). The staff also is considering a consultant to work with pertaining to a \$50,000 Wayfinding Grant.

In addition to the agenda items, there was considerable discussion concerning the June 28th special Garland County election to extend the 5/8% sales tax to fund matching portions of several road improvements including the extension of the MLK Expressway to the junction of Highway 5 and 7.

Lu Otto - Social and Economic Impact 2016

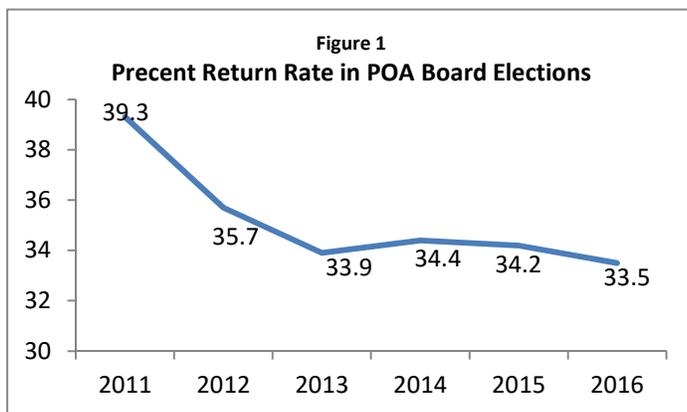
The final two sections of the Social and Economic Impact 2016 report, which are drafted by our U of A collaborator, are nearing completion. More specifically, our work group and reviewer critiques of Section V have been returned to the author and await his final approval. More recently, also our work group critique of the author's Section VI draft was forwarded for the author's review and consideration as he sees fit.

Upon the author's "sign off," the two outstanding sections will go through the project's editorial process as work group attention shifts to completion of front matter material including Table of Contents, Acknowledgments, Executive Summary, Fast Facts and Appendices. Upon final proofing the materials will go to the layout editor which includes preparation of tables, figures and camera ready copy of all pages for printing and posting on the web.

While we expect these steps to proceed smoothly, we have been advised to expect delays in completing the layout editing for the project due to our delay in delivering the completed material on the earlier agreed upon schedule. As with the rest of the reconfigured project, we will work it out as expeditiously as we are able.

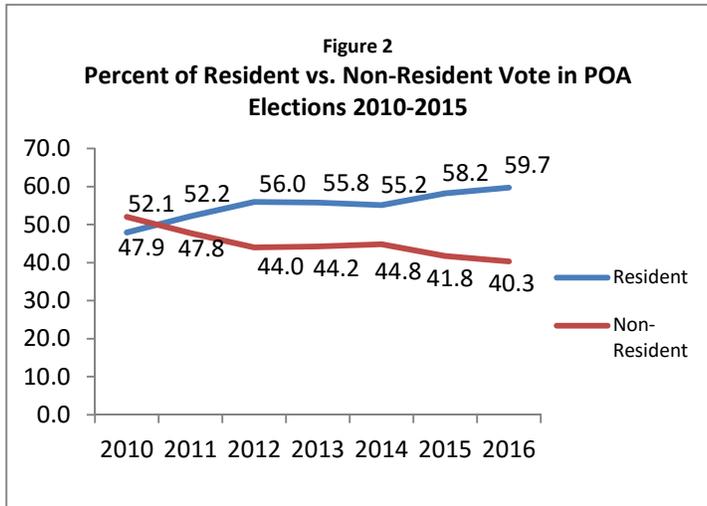
Jerry Yeric - 2016 POA Board Elections

Elections are by their very nature often difficult to read, for there are a number of factors that voters consider before casting their vote. Some may not be rational, reasonable, or understandable. With this disclaimer, here are some observations of the 2016 POA Board of Directors Elections. Aside from the results there are three areas that provide a framework to an election: (1) the total percent of property

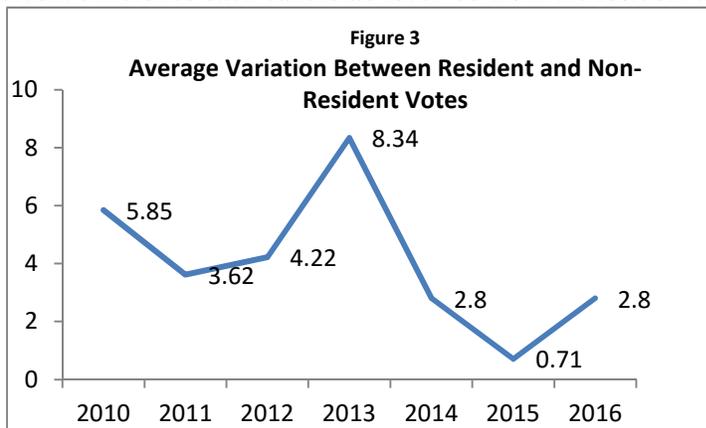


owners who cast a ballot, (2) the distribution of the vote between resident and non-resident, and (3) the average difference of vote between the resident and non-resident. Bob Cunningham led the ticket receiving 29.05 percent of the total vote, followed by John Weiss with 28.05 percent, and Bill Roe with 27.10 percent and they were elected to the three open positions. Clay Hermann received 15.80 percent of the vote. The rate of returned ballots has held consist for the past six elections with only a slight decline in recent

years. As Figure 1 indicates about one third of the property owners cast a ballot.



the residents are the majority of those casting ballots for the leadership of the Village. Figure 2 compares the return rate of resident versus non-resident. As one can see this past election has the lowest percent of non-resident voters over the seven election cycles. The third area illustrates whether there is a significant difference in how a resident cast their vote compared to the non-resident. To view these patterns a resident-non-resident index (RNI) was developed to measure the aggregate impact. We first compute the percent difference each candidate received from the resident and non-resident vote. Then we summed



these differences and then divided by the number of candidates to obtain the RNI. This index is shown in Figure 3. What is striking about the 2016 election is that while it is higher than the 2015 score, it nonetheless remains very low at 2.8. The range over the four candidates was .16 to 5.69. The winning candidates were well below the total with a 1.9 score. The lone outlier was Clay Hermann who received 5.6 percent greater vote from the non-resident. Clearly overall there is little variation among those who cast a ballot in 2016. Why the low RNI index score? It could be that the candidates who are running for the board in a given year provide sharp differences, or there may be a particular issue that resonates with one group over the other, and the anti-incumbent effect has greater meaning in some years than in others. Whatever the reason, this year's board members come into office with the backing of both resident and non-resident. To place this issue in a slightly different context, since 2010 there have been 33 candidates seeking 17 positions. Of the 17 successful candidates only two have received a larger percent of the vote from the non-resident than resident voter. Jeff Atkins in 2013 received 8.28 percent more votes from the non-resident than resident. In 2014 Mike Medica received 3.82 percent more votes from the non-resident. There is no evidence that non-resident property owners control the outcome of POA Board elections in the past six election cycles.

The second question, often a topic of public discourse, is the inordinate control of the non-resident voter over the electoral process. However, the data do not support this contention. Since the 2010 election the majority of ballots have been cast by resident property owners and the 2016 election continued this trend. There are several possible explanations for this. First, is the decline in the number of non-resident lot holders since the economic depression of 2008. Second, is a general apathy as reflected in both state and federal elections during this period. Whatever the reason, it is clear that

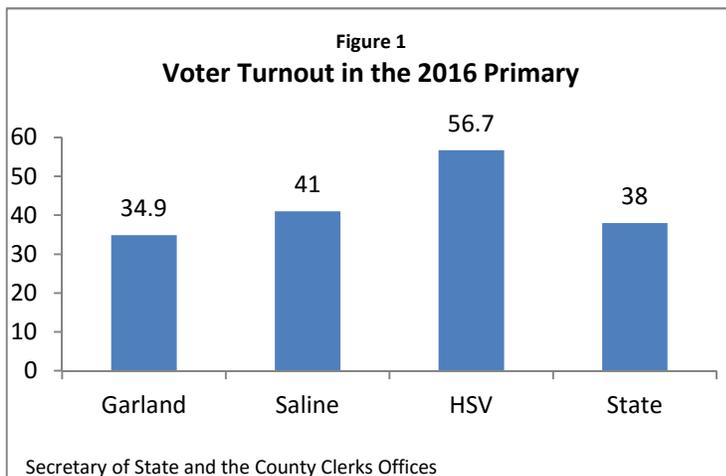
the residents are the majority of those casting ballots for the leadership of the Village. Figure 2 compares the return rate of resident versus non-resident. As one can see this past election has the lowest percent of non-resident voters over the seven election cycles. The third area illustrates whether there is a significant difference in how a resident cast their vote compared to the non-resident. To view these patterns a resident-non-resident index (RNI) was developed to measure the aggregate impact. We first compute the percent difference each candidate received from the resident and non-resident vote. Then we summed

The 2016 Arkansas Presidential Primary. All elections are unique and develop a character of their own and the 2016 Arkansas Presidential Primary is no exception. This was particularly true with the Republican Presidential Primary where thirteen candidates were on the ballot. Among those only a few were viable. In addition, the 2016 election was unique for two other reasons. First the date of the primary was moved forward to March 1, for the first time from traditional May date and second there was a two week early voting period. When examining any election two variables are critical; how many people participated or turnout out, and how they cast their vote. Turnout is measured by three different metrics: as a percent of those of voting age, a percent of those eligible to vote, and as percentage of those registered. Depending on the metric the answer will vary. The largest number will be derived from percent of those registered to vote. In Arkansas this is the official measure of voter turnout used by the Secretary of State and other governmental units.

Turnout

2016 produced a record turnout with 630, 249 voters casting a ballot. While there were few highly contested races within the state, the primary driver was the presidential race. Among the two parties it was the Republican Parties primary that was the main reason for voting in this election for 65 percent of the presidential vote was cast in the Republican primary and 34.9 percent in the Democratic. The perceived closeness of the Republican presidential race, the significance of the state moving the time of primary from May to March and general trending of state Republican help explain this year’s turnout.

When we compare the turnout of the two counties of Hot Springs Village (Garland and Saline) with the state and local (HSV) contrasting patterns emerge. The two counties were opposite, with Garland three percent below the state and Saline County three percent above the state. This pattern is consistent with previous elections for Garland County has consistently turned out below the state average and Saline consistently above.



Although in this election Saline County was only marginally above the state for there were 30 counties with a higher turnout rate. There were 14 counties with lower turnout that Garland. The other persistent pattern is that the Village residents go to the polls at a higher rate than either the counties or the state. Voters in the Saline County portion of the Village turned out at 56.7 percent rate which exceeded the county by 16 percent and the state by 19 percent.

While residents in the Garland County portion of the Village turnout at a lower rate they were significant above the counties and state with a 45.9 percent turnout and therefore producing an overall turnout rate of 51.3 percent.

Results

In the Republican presidential primary Donald Trump won the state with 32.8 percent of the vote followed by Ted Cruz with 30.5 percent and Mario Rubio third with 24.8 percent. Garland and Saline counties provided different outcomes. Trump won Garland County and received 35.18 percent a higher than the state's 35.2 percent of votes. Cruz and Rubio essentially tied for second in the county with 25.9 and 25.7 percent respectively. Cruz, however, carried Saline County with 33.1 percent, followed by Trump with 30.6 and Rubio with 27 percent. In Hot Springs Village the voters in Saline County were counter their county and the state giving Rubio 35.5 percent and Trump with 32.3 and Cruz a distant third with 19.6 among Saline county village voters. The voters in Saline County portion of village also doubled Kasich's state wide total with 7.8 percent.

To place these results the context of state, Trump's major strength came from counties with the lowest educational level, large non-white population and counties that were shrinking in population or with a lower growth rate. Rubio represented the antithesis of Trump. Counties with higher education levels, fast growing counties and he performed well in those counties where Governor Hutchinson campaigned for state legislators supportive of continuing expanding Medicaid. Cruz's support was strong in the Shreveport media market, and predominately white and racially homogeneous counties and the donut of counties around Pulaski and more suburban parts of Northwest Arkansas.

The Democratic Presidential Primary showed a consistent pattern of support for Clinton with a 66.11 percent statewide and Garland and Saline counties mirroring the state with 68.7 and 67.4 respectively. The one area where Clinton exceeded all other was Hot Springs Village where she received 73.6 percent of the vote.

Gerald Allen – **Discussion Topics and Proposals**

In view of many factors, including the following, I think consideration should be given to the GAC renewing its efforts toward exploring ways and means aimed at improving broadband service in HSV:

- The speed of broadband service considered adequate by a majority of users is ever increasing.
- Notwithstanding expansions by one cable company serving HSV, many residents do not have access to internet service meeting their needs or have access that may be marginally adequate but is cost prohibitive (such as satellite).
- There is at least one State initiative aimed at raising the availability of adequate broadband coverage above its current status as second from the bottom in the Country and there may be an opportunity to support this initiative.

Clara Nicoloci - **Visitor Count Task Force**

I was able to coordinate the schedules of a few very busy folks and finally met on Thursday, April 14th at 3 pm. In attendance with me was Chief Middleton, Kurt H. from Village Villas, Cheryl B for C21 and Lu Otto. What we discovered is that there is no reasonable solution to tracking with any of current

systems in place. There is overlap between the Visitor Center, the various Real Estate Firms and rentals companies as well. The information currently collected at the gates is very minimal and it is disposed of after 7 days. So to accurately cross pollinate the current Visitor Count Information is nearly impossible.

We were grateful to have Chief Middleton in attendance. He introduced us to a possible future solution that will allow us to accurately collect Visitor Count Information. As part of the Total E Project for the Village, gate access will be addressed. This item is in the POA budget for next year and the hopes are that the base modules for the Gate access (scanning system) will be put into place. Or at least be able to purchase the starter system, as this will be quite an undertaking for all of the Village access points. This same system can then be used for Visitor access to various recreation areas of the Village.

This information is very preliminary as it is part of the Total E Project. Total E committee decisions, quotes, bids and budgetary funding are all still in the works.

This appears to be a very good solution to our Visitor Count issue. Anyone is invited to submit their questions and ideas directly to Chief Middleton in regards to this project at: rmiddleton@hsvpoa.org.

Keith Keck – Metroplan

- The Central Region MetroPlan Board is concentrating on two major challenges. The hiring of a new Executive Director and future I-30 Crossing Project.
- 1) The current Executive Director, Jim MacKenzie retires at the end of 2016. The MetroPlan Board hired an executive search firm to provide the resumes of potential replacements. The MetroPlan commissioned a nine person Interview Committee consisting of the current Executive Board plus five at-large members. Key at-large members are Mayor Stodola (Little Rock), Mayor Smith (North Little Rock), Pulaski County Judge (Barry Hyde) and Saline County Judge (Jeff Arey). One small objection was raised by the Arkansas Highway & Transportation Department regarding their participation in the interview process. The inclusion of AHTD will be voted on at the May Board Meeting.
- 2) The I-30 Crossing continues to weigh heavily on the MetroPlan Board for the near-term. One policy concern is MetroPlan's Policy to not endorse any highway greater six lanes. This resulted in the creation of the collector lane terminology being used by AHTD. A second challenge is the sheer expected cost of the project (\$630M+) and the potential impact that the cost may have on other highway projects listed in the Central Region's Transportation Improvement Program. The MetroPlan Board is supportive of the project; however there are some cautious concerns to be monitored.
- Lastly, as the Highway 5 Safety Improvement Project starts this year, the future Transportation Improvement Plan really does not include any additional highway improvements specifically identified to help Hot Springs Village access to Little Rock. With the long lead time to get a project identified and added to the Transportation Improvement Plan, it might be the right time to start thinking about what is next so something may get accomplished in the 2020+ timeframe.

