

MINUTES OF MEETING
GOVERNMENTAL AFFAIRS COMMITTEE (GAC)
Lobby of the Woodlands, Ponce de Leon Center, 1101 Desoto Blvd.
Friday, April 6, 2018, 8:00 AM

Reminders and Calendar

Next POA Board meeting is April 18, 2018, 9:00 A.M, at the Ouachita Events Center.
Next GAC meeting is Friday, May 4, 2018, 8:00 A.M. at the Ouachita Events Center. Guest speaker will be Keith Gibson, CEO of Pinnacle Telecom.

ATTENDANCE

Committee Members Present

Pamela Avila
Michael Dollar
Jim Harlow
Bob Hebert
Richard Johnson
Greg Jones
Keith Keck
Lu Otto
Curt Malone
David Whitlow
Jerry Yeric

Committee Members Absent

Ex-Officio Members Present

Bob Shoemaker

Ex-Officio Members Absent

POA Liaisons

John Weidert, Board Chair
Lesley Nalley, CEO

Other POA Board Members

Mike Medica

Justices of the Peace

Larry Griffin, Garland County
Larry Raney, Garland County
Jim Zahnd, Saline County

School District Liaisons

Dr. Michael Murphy, Fountain Lake
Dr. Ralph Carter, Jessieville

Press

Lewis Delavan, Village Voice

Others Present

Jack Troxel
Steve Opry

OPENING OF MEETING

Call to Order: Chair Michael Dollar called the meeting to order at 8:00 AM.

Introductions: Two guests were introduced.

Agenda: The agenda was approved as submitted.

Minutes: The minutes of the March 2, 2018 were approved subject to correction in the spelling of Saline County Judge Jeff Arey's name.

CHAIRMAN'S REMARKS

Michael Dollar noted that service gaps in the Comprehensive Master Plan included Broadband issues and healthcare issues. These are issues GAC has been working on and with which GAC will continue to be involved.

Dollar reported that Mary Diaz, owner of the Balboa Marina, plans to rebuild.

The Balboa Outreach Center at Balboa Baptist Church is planning a grand opening on April 7th.

REPORTS

POA Governance Report – John Weidert

- Refer to the HSVPOA website to see the action taken by the board at the last meeting.
- Okey Bess was appointed to the Golf Committee.
- Board Retreat is scheduled for April 19-20 at the Coronado Center. It will be open to the public except during executive session.
- Appointments to the standing committees were presented and approved.
- Proposed job descriptions for board members was presented and approved.
- Two water tank rehabilitation projects were approved.
- Road resurfacing projects were approved.
- Pickleball court was approved.
- The Desoto Pool Project was tabled for one month. It will be revisited at the April board meeting.
- In new business, Lesley Nalley went over the Comprehensive Master which will be presented for a vote at the April Board meeting.

- Timeline for changes to the declarations will be considered at the April Board meeting. Changes will be voted on in November.
- Also revisions to the personnel policies will be presented,
- Weidert thanked committee members for their work during his tenure.

POA Operational Report – Lesley Nalley

- Nalley has been spending a lot of time working on the Master Plan getting ready for the proposed vote in April.
- Mary Diaz, owner of the Balboa Marine, has invited Nalley to a meeting to discuss rebuilding of the marina.
- A copy of the magazine Ideal Living was passed around to GAC members. The magazine praised Hot Springs Village and compared it to twenty other retirement communities. Hot Springs Village buys advertisements in this magazine. Richard Johnson asked about the age group targeted by the magazine. Nalley replied that it is aimed at those 55 and over.

Hot Springs Village Chamber of Commerce – Michael Dollar

- Follow-up meeting on a 5-County Metropolitan Statistical Area (MSA) realignment. Organizations will press forward with marketing the area as an (asterisk) “self-defined” MSA.
- Annual Arkadelphia Awards Banquet at Henderson State University – sold out with 400 attendees. President of AR Trucking Association was guest speaker.
- First Electric Cooperative of Arkansas held a luncheon in Benton. A presentation was given by their CEO who received much positive feedback from the audience. He mentioned that broadband remains on their radar, but on the back-burner for the time being.
- A MetroPlan email from Keith Keck made the Chamber aware of Opportunity Zone grants. Garland County Judge Davis & JPs were made aware and Davis quickly submitted Census Tracts: 103, 104, & 120.01 (North Garland County) for consideration within the very tight submission deadline.
- The Chamber’s Education Work Group:
 - Participating in SkillsUSA as Job Interview Judge on April 10th 8:00 AM – 3:00 PM
 - Visited the state-wide EAST Conference at Hot Springs Convention Center where a short HSV video was displayed
 - As a Community Partner with Fountain Lake, will be completing a video project when weather conditions permit
- First Security Bank Kickoff Classic (Fountain Lake vs. Hot Springs) announcement was made Tuesday, April 3rd @ 10 AM. HSV Area and Greater Hot Springs Chambers Of Commerce are supporting Fountain Lake Athletic Director, Marc Davis, and the week-long schedule of events and competitions that comprise a build-up to the first high school football game of the season in

Garland County. Coaches from both schools promise the rivalry will have a high degree of sportsmanship coupled with competitive, winning attitudes from their student athletes.

- The Non-Profit Panel for WED 28th's Partner Up Luncheon at Christ of the Hills UMC were: Abilities Unlimited, HSV Community Foundation, HSV Audubon Society, and the HSV Police Academy Alumni.

MetroPlan/Economic Development – Keith Keck

- Keck reported that the MetroPlan Board would hold a retreat in Hot Springs Village later in April. Restructuring will be a major discussion at the retreat. Tours of HSV are being planned. Keck is the HSV representative on the MetroPlan Board.
- The UCA Center for Community and Economic Development were briefed that seats are still available for the Small Developers Conference to be held on May 31.
- MetroPlan voted to move an emergency project to the top of the obligation fallout funding list for a Jacksonville Bridge Project needed to alleviate a neighborhood from being cutoff whenever any significant rainfall falls.
- MetroPlan was briefed on several potential governing body restructuring options. These options will be discussed at the April 16-17 MetroPlan Retreat that is being hosted by Hot Springs Village.

Highways (Tri-Lakes MPO) – David Whitlow

- The Tri-Lakes MPO Policy Board did not meet in March. The next scheduled meeting of the board will be May 24th, 2018.
- A scheduled meeting of the MPO Technical Committee in April has been cancelled.
- Robert Tucker, MPO Study Director, died unexpectedly in early March. His expertise and guidance will be missed by members of the Tri-Lakes MPO. No replacement has been named as of this date.
- A public involvement meeting was held by ARDOT on Thursday, March 15, 2018, at the Living Word Worship Center on Park Avenue. The purpose of the meeting was to seek input and answer questions on the widening of Highway 7 from Highway 7 Spur (Gulpha Gorge Road) to the intersection of Highway 5 and 7 in Garland County.
- A roundabout is proposed at the intersection of Highways 5/7 and the proposed extension of MLK Parkway.
- Other ARDOT projects in Garland County are continuing on schedule.

City of Hot Springs – Jerry Yeric

- The 621 acres between the corporate limits and Lake Hamilton, at the center of a two-year controversy, received some resolution last week with the state Court of Appeals clearing the way for Hot Springs to execute the January, 2016 ordinance that called for the area's annexation.
- A settlement was approved in the class action lawsuit filed against Hot Springs' false alarm ordinance establishing a \$110,000 fund for the 255 class members. The city and the Municipal League each contributed \$55,000.
- The Arkansas Department of Health has reported the capacities it approved for the city's two water treatment plants are too high - an admission prompted by a letter it received from the engineering firm the city has contracted for consultation on its water system and the design of a new treatment plant and distribution system.
- The Hot Springs Metro Partnership has announced Thermal Fusion! This new business incubator is being established in downtown Hot Springs to help get new businesses off the ground. Clients of Thermal Fusion will receive highly discounted office space for lease and access to all modern office amenities such as meeting rooms, utilities, etc.

Garland County – Jerry Yeric

- President Hogan announced that Phase One of National Park College's master plan is "imminent." This phase will include a new entrance on Mountain Pine Road for more visibility, and a new 51,000 sq. foot student commons building, a marine technology building and a remodel of the Gerald Fisher Building.
- John Howard will become the county's full time attorney in April with an annual salary of \$100,000. Human Resources Committee job description calls for Howard to issue legal opinions and advice, serve as the Quorum Court's legal counsel and fill other duties assigned by the county judge.
- The Hot Springs Senior Center has temporarily closed until it can relocate from the old Hot Springs National Guard Armory at 210 Woodbine St., CHI St. Vincent Hot Springs announced Friday. The hospital is looking for a temporary location until it can find a permanent spot to deliver services it provides to about 50-100 seniors a day for more than 20 years. The Area Agency on Aging of West Central Arkansas is the program's primary benefactor.

2018 POA Board Election—Jerry Yeric

Elections are the foundation of democratic governance. As pointed out in the CMP, the village operates as a quasi-municipal government. Moreover, the function and responsibilities of boards have

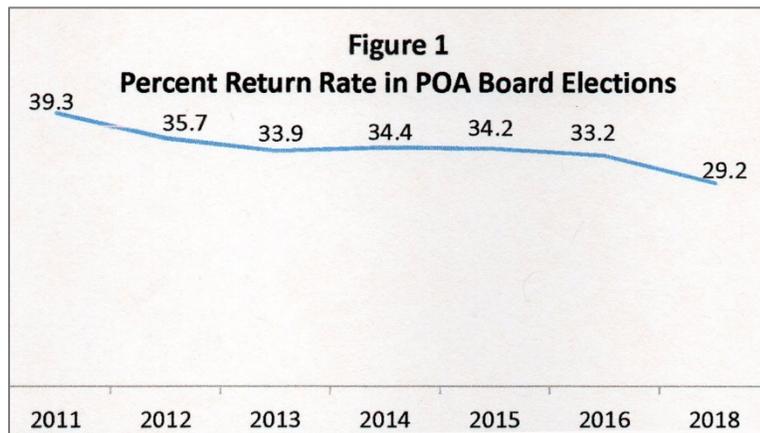
drastically changed with the withdrawal of Cooper Communities. This change is clearly reflected in the electoral process for the board members, who are held more accountable and are called upon to make more decisions than past boards. There are two components to elections. The first is straightforward—who won and who lost. The second is not, for it attempts to explain why, and by its nature is difficult for there are a number of reasons and some may not be rational, reasonable or understandable. This said, there are several observations that can be made regarding the POA board election that contributes to our understanding of the election. Aside from the results, there are three areas that place the results in a broader context. They are: (1) the percentage of eligible voters who cast a vote—turnout, (2) how the votes were distributed between resident and non-resident property owners, and finally, (3) the role of incumbency.

Results

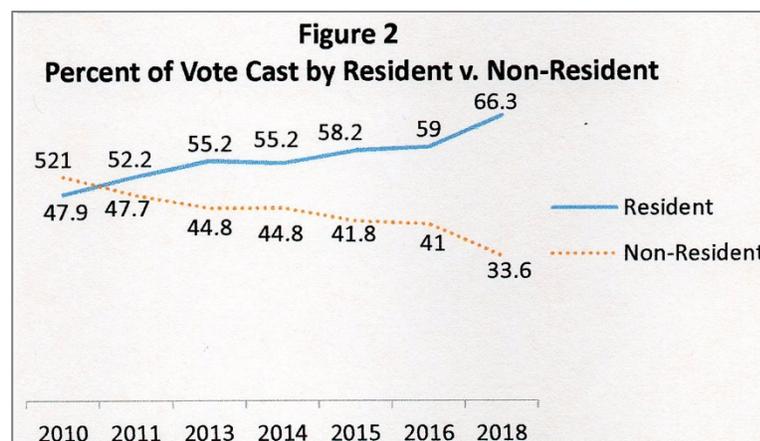
Nancy Leuring and Buddy Dixon were separated by 2 votes in total votes, each receiving 24.3 percent. Cindi Erickson was the third member elected with 19.5 percent of the total vote, followed by two incumbents, Marcy Mermel at 18.8 percent and George Parker at 13 percent.

Turnout

Turnout is the critical element in all elections for both a practical and theoretical reason. The practical component is that a candidate cannot win without those who favor their candidacy going to the polls and casting a vote. The theoretical facet concerns the health of the democratic process for the larger the turnout the more likely the vote reflects the will of the people and not a small sub-set. There are two aspects to this issue that need to be addressed.



The first is seen in Figure 1 and that is the percent of property owners in good standing who voted. As the figure indicates there has been a ten percent decline in voting since 2011. This election had the lowest turnout during the period with 29.2 percent returning their ballot. There were 23,599 ballots mailed which was 102 more than in last board election in 2016. The second question, frequently a topic of public discourse, is the inordinate control of the nonresident property owner over the election of the board. However, the data clearly do not support this contention. Since the 2010 election, the majority of ballots have been cast by resident property owners and the 2018 election indicates that this pattern has markedly increased. As Figure 2 indicates, the percent of the vote cast by residents was 66.3 percent compared to the non-resident vote of 33.6 percent. The significance of this distribution is not only the impact resident voters have on



board elections, but it also provides valuable insight into the changing nature of the community in a broader context. Whereas in the past non-resident voters voted at a higher rate than residents, that pattern was reversed after the 2010 election. It should be noted that in the 2010 election the winning candidates received more votes from residents than non-residents. The significance of this figure goes beyond the numbers for it illustrates the changing nature of the electorate and that they are predominately our neighbors. It also indicates the changing role of the board since it, not the developer, is viewed as final the decision-maker. In the past there was always the outside developer (Cooper) who was viewed as the ultimate decision-maker; those days are past and now the burden falls to the actions of the board.

Incumbency

Being an incumbent is perceived as an advantage in elections and there is an abundance of research to support this contention at all levels of government. However, the history of incumbents being re-elected in HSV is quite different. Since 2000 there have been ten candidates who have sought re-election to the POA Board in a contested election¹. Only three have succeeded (Breckon and Shoemaker in 2006, and Adkins in 2008). The remaining seven have been unsuccessful in their re-election (Wolfe, in 2006, Jackson in 2010, Feather and Brandt in 2012, Bateman in 2015, and Mermel and Parker in 2018). In the past two contested elections where incumbents sought re-election, they were unsuccessful. Two of the three carried the resident vote (Bateman and Mermel) but lost the non-resident vote. The remaining five unsuccessful candidates each received more non-resident votes than resident votes. To place some perspective on this, the number of votes that separated the lowest winning candidate's total from the next candidate was calculated in all elections from 1984-2018². The 2018 election had the 4th lowest difference with 135 votes separating the winning candidate Erikson from Mermel. The other three elections were in 1984 with a 108 vote margin separating the two candidates, 2000 with an 84 vote margin, and the narrowest margin of victory was in 1990 where only 15 votes made the difference between being elected. All votes matter, and in close elections, this is magnified.

¹ Mike Medica was re-elected in 2017 without opposition.

² Data were not available for 1999 and 2004 elections, and in 1987 and 2016 were uncontested election.

Healthcare and Medical Services – Richard Johnson

- It was previously reported that the Saline Health System would be locating a new medical clinic at Hot Springs Village with the proposed location to be just outside of the Village East Gate. The existing facility will require significant renovation to convert to a medical office building. A second site located at the Good Samaritan campus on Desoto Blvd is also being considered at this time. A decision will be made soon to determine the most feasible site. The new clinic is projected to be completed and ready to see patients in the September/October timeframe.
- It has been suggested that CHI St Vincent is currently planning changes that could impact the access and delivery of medical services at its HSV clinic locations however efforts to obtain more information were unsuccessful.

- During the recent activities to develop a Comprehensive Master Plan to serve as a guide for future development for HSV, "Healthcare and Medical Services" has been designated as one of the issues that could impact future growth. As part of a study conducted by the Governmental Affairs Committee to assess the HSV Medical Community a Directory was developed listing all healthcare and medical practitioners and providers, their location, and their hours of operations. The directory was to serve as a resource guide for visitors and Village residents and newcomers seeking medical services. Action to complete the product for distribution is underway. Pam Avila is editing the current version of the directory and Lou Otto will be overseeing production of the final product. Richard Johnson will be responsible for maintaining the accuracy and of the data. There is no timeline for completing the directory.

Broadband – Greg Jones

Wireless, Etc.

Met with Steve Gill from Wireless, Etc. a wireless broadband service provider from the Hot Springs area. He had previously met with Jason Temple about a potential solution for SCADA data collection within the public utilities in HSV. His company operates wireless data services for rural areas using long range wireless technologies. We discussed the issues in the village with coverage and he feels his solution could be of benefit. However, he is looking for the POA to grant him land for towers that would be needed to cover the required areas. I am somewhat concerned about the economics of his solution since he currently charges \$170 for 25 Mbps service to his customers. He also needs about 100 subscribers for his ROI model per other which might be unachievable.

I am investigating other solutions that could be constructed with much lower capital costs. This should lead to a much lower ROI and potentially lower monthly charges for residents that would subscribe to the service.

Other

I have received the draft of a letter that the residents of the Binefar/Fenix area are sending to Suddenlink to request service. There are approximately 35 homes in this service area that have limited or no broadband access. Their goal is to express the desire to the carrier to try to convenience them to cover their neighborhood. I told them I would make sure it gets to the right people at Suddenlink and follow up.

JP Report Garland County – Larry Griffin

The spay-neuter program for Garland County is beginning. There are seven veterinarians involved in the program. Applications are available on the Garland County Sheriff's website.

JP Report Saline – Jim Zahnd

The process of developing voting centers in Saline County was discussed. This will allow any registered voter to cast his/her ballot at any center, regardless of the voter's precinct. The county is working to eliminate paper ballots. Zahnd stated that 70% of Saline County ballots were cast during early voting.

Fountain Lake School District – Dr. Michael Murphy

- State issues regarding the school board election of 2011 were discussed. The school district is trying to resolve an issue with the new board. They could decide to use paper ballots outside the normal electronic election.
- The work force development program in Saline County has been approved at the state level. Fountain Lake is moving toward being part of seven district career development project in Benton.
- Murphy stated that Fountain Lake needs to get with ArDOT about the possibility of adding a traffic light at the school entrance. The light would be part of the upcoming highway project.

Jessieville School District – Dr. Ralph Carter

- Jessieville will host the state track meet this spring.
- Career path is moving forward.
- Both Jessieville and Fountain Lake are working with the Imagination Library in order to insure than all households in the district receive free books for all pre-school children.

NEW BUSINESS

Election of GAC officers for the 2018-2019:

1. Michael Dollar was nominated for chairman by Jerry Yeric; seconded by Bob Herbert. Motion carried.
2. Pam Avila was nominated for vice chair by Keith Keck; seconded by Curt Malone. Motion carried.
3. Michael Dollar re-appointed David Whitlow as secretary

ADJOURNMENT

Michael Dollar thanked John Weidert on behalf of the committee for his work with GAC and his service on the HSVPOA Board of Directors.

Meeting adjourned at 9:05 A.M.