Committee Composition

Jerry Yeric, Chair
Gerald Allen, Vice Chair
Richard Schmidt, Secretary
Cindy Calhoun
Michael Dollar
Jim Harlow
Curt Malone
Clara Nicolosi
Lu Otto
Paul Pool (Resigned)
David Whitlow

As in previous years the GAC is augmented by ad hoc members who add greatly to the committee’s ability to address the wide and varying range of issues concerning the Village. In addition, the GAC has the advantage of having an elected member of each of the counties Quorum Counts regularly attending its meetings. The combined experience and expertise of these additions has been critical in the committee’s ability to address the issues of concern to the Village. As in the past, subcommittees and ad hoc committees that arise during the year are encouraged to include non-committee members to gain greater expertise and widen the committee’s representation of the village.

Ad Hoc Members

George Bollier, Water
John Lands, Schools
Bob Shoemaker, Local and State officials
Dick Breckon, Tri-Lakes MPO (Resigned in 2015)
David Whitlow, Tri-Lakes MPO upon the resignation of Dick Breckon
Paul Day, Benton Chamber of Commerce and Representative Lanny Fite
Keith Keck was appointed by the POA Board as HSV representative to the Metro Board in Little Rock
Jim Patton was appointed by the POA Board to replace Paul Pool on the technical committee of the Tri-Lakes Planning MPO

Justices of the Peace Attending

Garland County, J.P., Larry Griffin
Saline County, J.P., Jim Zahnd

As has historically been the case, the Committee organized in a manner that provided each member a primary area of responsibility. This year’s assignments were:
At the April, 2015 meeting, the chair reiterated the chartered purpose of the Committee: "To advise and assist the POA Board in enhancing the Village's relationship with area, local, state and federal agencies, elected officials, and abutting school districts." More specifically, the Chairman set the following responsibilities as the "focus" of the Committee's work:

- Assisting the Village in keeping abreast of developments in the public sector that could impact HSV.
- Assisting in transmitting the POA's positions on issues to public officials and governmental agencies.
- Seeking and recommending talent who would be willing to serve on strategic local and state boards and commissions.
- Sponsoring functions for local, state and federal officials.
- To develop better demographics of the Village.
- To focus on Utilities of two specific areas of Village needs: Internet, and electric power.
- To coordinate a new Economic Impact Study with the University of Arkansas.
- To develop a web presence for the Committee to make information readily assessable.

1. Retirement/Relocation. This past year the GAC has continued to pursue this issue with public officials. Jim Harlow and David Twiggs met with the state’s new Executive Director of the Arkansas Economic Development Commission, Mike Preston, its deputy director, Danny Games
and regional manager, Matt Tryford. We continue to pursue this vital economic program and while it advances slower than we wish, the fact is that over the past two years more progress and visibility to the issue has occurred. Last year Parks and Tourism held its first state wide Symposium on Retirement/Relocation at UALR and we have been told that this will continue this year. Through the efforts of Jim Harlow we were able to pursue many of the related issues. The major challenges this past year have been the transition within state government as Governor Hutchinson made two key appointments that have a direct impact on the issue. Mike Preston became the new executive director of the Arkansas Economic Development Commission, and Kane Webb was appointed the new head of the Arkansas Department of Parks and Recreation. These are the two critical agencies in state government associated with this initiative and with new directors and we believe this provides an excellent opportunity to pursue this initiative in the year ahead and places it among our top priorities. We are hopeful that Retirement/Relocation will be given a higher priority in the Hutchinson administration. Mike Preston comes from Florida and is very familiar with the issues involved.

2. Garland County Highways. There are three areas addressed in the 2015-2016 White Papers pertaining to Garland County. The first is the construction of a by-pass from SH 5 and SH 7 to SH 270. After an initial allocation of some federal funds, the by-pass received less attention by the policy-makers in Hot Springs and Garland County. However, this past two years there has been a renewed interest in this project. Both the Hot Springs Area Metropolitan Planning Organization (Tri-Lakes), and the Hot Springs Chamber of Commerce ranked this as their number one priority on their list of highway projects. The proposed road is a limited access that would run along the previous planned corridor and several major hurdles have already been cleared. It has met the environmental impact study criteria, and there is support from the National Park Services as well as the city of Hot Springs and Garland County. The project has been placed on the AHTD STIP recommendations. The final hurdle is the funding. Currently the city and county are working on methods to generate the needed matching funds to move this project to competition. Judge Davis believes that the best method of funding this project is to “extend” the 5/8 cent sales tax which addresses the critical issues of roads in the county. Initially the county voted a tax for the construction and administration of the new jail. The jail construction tax has been fulfilled and expires, hence the extension. The village has been represented by Tom Arwood and Jerry Kosoglow working with various parties to complete the project. The coming months will be critical to the project.

A second area is the improvement to SH7 and SH5 in Garland County. The Arkansas Highway and Transportation Department (AHTD) has allocated money toward improvements from the SH7 & SH5 to Gulpha Gorge. This project is in its first of three stages. It does not detract from the by-pass.

A third area within Garland County that affects HSV is the improvement of SH70. This is particularly important for the intersection of SH 28. In January of 2016 there was a second public hearing on this project. Initially the project was to be a two phased project. However in January, 2016 the AHTD changed this to one project. The concern expressed at the first public hearing was the need for a better and safer intersection at SH 128.
3. Saline County Highways. SH5 is a vital link between HSV and points east. The AHTD has completed its study of this project. Based on the traffic analysis there appears to be two areas of immediate concern. The first is from Benton City limits to Kenwood Road (1.84 miles). “The traffic volumes and crash rates...justify widening and improving the horizontal curve at Salt Road.... The second is Highway 298 to the Benton City Limits. The traffic volumes and crash rates between Highway 298 and the Benton City limits justify resurfacing the existing pavement, adding shoulders and improving the horizontal curves at Log Miles 16.42 and 16.94.” While any improvement is welcomed these do not address the areas closest to HSV. “Because of the low traffic volumes and crash rates, constructing passing lanes or widening to four lanes is not warranted at this time. However, pavement texturing, resurfacing the existing pavement and adding shoulders, and/or improving the geometrics have been approved.”

A meeting with Lorie Tudor, Deputy Director of the Highway Department, to address curves in the existing road plan and other possible safety concerns was held. Present at the meeting were County Judge Jeff Areys, JP Jim Zahnd, Paul Pool, Senator Bill Sample and David Twiggs. As a result of this meeting changes were made to the initial AHTD plan. A copy of these changes was forwarded to David Twiggs. We need to maintain a focus on the safety aspect of SH5. There are separate safety funds that are available for such projects.

A third project that is currently under way is the widening of highway 70 from Hot Springs to I30. This project is important to the village because of the 128 inter-section that is frequently used by those in the village. Initially this was to be a two phase project, however, on January 28, 2016 it was announced that it will be all done in one project. This project involves both Saline and Garland Counties.

4. Support for Local Solutions to Wastewater Management. It is our position that watershed management is best achieved by the shareholders working in alliance for improvements. We believe that there are sufficient environmental controls in place for the Saline River Watershed. The Village is blessed to have a number of highly qualified people in the area of water and many are being used to help develop policy and monitor the water. We need to continue our vigilance in this critical area.

5. Demographics. The GAC undertook the most complete analysis of the demographics and population data of HSV to date and these data are continually being refined. Under the leadership of Lu Otto and his group we have for the first time the most accurate baseline from which to develop reliable longitudinal trends of the village. These data are not only enormously helpful to the Board, the residents, but also commercial entities. One of the by-products for this investigation is the location and analysis of creditable data sources. Another outcome of this project has been a renewed estimate of the village population base on a refinement of water meters. We supplied the Board with our new matrix and it has been accepted and is currently part of the financial report and we continue to monitor its results with other sources of data. This area has many important aspects and Lu and his group are continually working on refinements and updates to our data on the Village. We have in the planning a data bank that would be open to all with best estimates from the most reliable sources.

6. Impact 16. The POA Board approved a new economic impact study for HSV by the University of Arkansas. The study is currently well underway and scheduled to be completed in the next several weeks. Due to the richness of the demographic project and a much better understanding
of “who we are,” we have been able to provide Professor Miller with important data of the social attributes of HSV to accompany his economic model. Under the leadership of Lu Otto, a variety of residents have been part of this information gathering system. Tom Leming, Susan Elderton, and Frank Leeming have joined David Whitlow, Jim Zahnd, and Lu Otto in this project. The study’s expansion of the social characteristics of HSV will aid in defining who we are in addition to the economic impact.

7. GAC Webpage. The GAC developed a web page. Michael Dollar and Clara Nicolosi have headed this project and the results can now be found at hsvgac.com or at the GAC page on the POA web. There are several reasons for the web page. First as part of the Impact ’16 there will be easy access to sections of the study on the web and other platforms. Second, it provides public access to the reports, minutes, studies, and data that are often difficult to find. For instance, one can certainly find the past five economic impact studies of the village on the web. Third, the web page provides information accessible on many platforms from computer, tablets, and phone. Fourth, it offers a search engine for the user. Fifth, it is a means to communicate consistent figures and information which we hope will aid in constructive discourse of the village. Finally, it serves a public function for the residents such as posting the time and place for early election, and the web also has the links to Garland and Saline counties.

8. Utilities—A subcommittee under the leadership of Gerald Allen has been exploring for the past two years the two critical issues to the POA and the area. (1) Entergy Power—we are in the process of collecting and assessing data on the outages and exploring with the company how these can be remedied. (2) Internet—the GAC last year sponsored a public forum on the issue for the residents. The comments from residents proved to be very helpful and the subcommittee is continuing to pursue several avenues for better and reliable services. Both of these areas will continue to be in the forefront of the committee as there is increased community concern. This year under the leadership of Gerald Allen and with the assistance of former board members Bill Linam, Frank Leeming joined by Clara Nicolosi, the subcommittee organized a public forum on the regulation of utility rates in Arkansas. John Bethel, Executive Director of the Arkansas Public Service Commission, was the featured speaker for the event. It provided information on how utilities operate in Arkansas and the role the public performs in the process. At Entergy’s request for a rate increase before the Arkansas Public Service Commission, POA President, Harv Shelton addressed the commission on behalf of HSV and Michael Dollar spoke on behalf of the Hot Springs Area Chamber of Commerce at the January 19, 2016 public hearing. Harv commented on the HSV residential and small general service Entergy customers covering the following topics:

- Reliability of service calling the Commissions attention to the high frequency and duration of power outage events experienced by these Entergy customers and thus his belief that the company was not meeting Commission standards for “safe and reliable” service.
- Rate disparity among customer classes and magnitude of increase proposed pointing out that although the recently proposed settlement by the parties to the rate case would reduce the disparity between the rates for residential and small general service customers compared to large general service customers, it did not go far enough.
- Although the increase in rates for residential and small general service customers proposed by the settlement were reduced from about 13.5 percent to about 9.5 percent, it remains high compared to less than four percent increase for large general service customers.
- Although acknowledging Entergy’s need to earn a reasonable rate of return on shareholder equity to reward shareholders and contribute to system expansion and improvements, the return granted should take into account deficiencies in the quality of service provided.

In addition, individuals were encouraged to write the commission if they had difficulties with Entergy. As a direct result of this effort several stories have appeared in the press regarding the presentation. On February 14, 2016 a story by David Smith, “Electricity Fickle, 3 Tell Public Service Commission,” was on the front page of the Democrat-Gazette. This story was also in the Hot Springs Sentinel Record on February 15, 2016. The CEO of Entergy met with those at the commission hearing, and committed to coming to the Village to address the issue early in 2016.

9. Saline County Economic Development Commission—The Committee has focused a great deal of its time and effort on working with the economic development sectors of each county. In Saline County the Committee has worked closely with the Saline County Economic Development Corporation (SCEDC) and the MetroPlan to insure the Village is an integral part of future planning. This has resulted in HSV being on their Web page. Lamont Cornwall, the Executive Director of the SCEDC, attends the GAC meetings on a frequent basis. He has presented a program and keeps the committee abreast of the economic development in the county. Jim Harlow, from the GAC, is on the executive committee of the SCEDC.

10. Senior Services—A committee under the leadership Cindy Calhoun has been formed to establish a Senior Services Symposium that will address the services available for seniors and how members of the Village can become involved in the many state boards and commissions that seek senior representation.

The following Village residents served on county boards and commissions during the past year:

- Jim Ralston, Arkansas Veterinary Board
- Steve Lux, Arkansas Economic Development Commission
- Bob Brandt, Saline County Board of Equalization
- Tom Bryant, Garland County Board of Equalization
- Roy Lang, Chair, Saline County Airport Commission
- Betty Alspaugh, Silver Hair Legislator
- Gerald Allen, Hot Springs Water Facility Committee
- Jim Harlow, executive committee of the Saline County Economic Development Corporation
- Tom Arwood, executive committees of the Hot Springs Metro Partnership and Hot Springs' Fifty for the Future
- Jerry Kosoglow, Garland County Task Force for Metro Plan
- Mary Nielson, coordinator of the sister cities program with Hot Springs and Hanamaki, Japan.
- Keith Keck, Metro Plan MPO
The Governmental Affairs Committee (GAC) operated smoothly with members providing written reports prior to the meetings, thus enabling the meetings to focus on areas of concern, and to provide a detailed public record of the committee’s work. These and past years reports are available on the committee’s website www.hsvgac.com. The GAC lost the services of two long time and important members this year, Dick Breckon who served most recently as a representative to the Tri-Lakes MPO, and Paul Pool, whose expertise and involvement with the AHTD through the years has provided HSV with unpresented representation.

It should be noted that other residents have had an active role in providing their time, energy and expertise to specific projects of the GAC. Jim Leming, Susan Elderton and former POA board member Frank Leeming have contributed greatly to Impact ’16. Former POA board member Bill Linam’s expertise was significant in researching and presenting the public forum on utilities. While not members of committee, their contributions to the committee were substantial.

Finally, it should be noted, many of the achievements harvested this year are the result of years of cultivation and work. Therefore, it is appropriate and necessary, I believe, to note that they would have not been accomplished were it not for the work and diligence of the past Governmental Affairs Committees. The work of the GAC should be viewed as a continuing and evolving process. For over the years the focus of the GAC has evolved as the village and its neighbors have evolved.

Respectfully Submitted,

Jerry Yeric, Chair
HSV POA Governmental Affairs Committee
hsvgac.com