



INSTITUTE FOR ECONOMIC ADVANCEMENT

SUMMARY **CITY OF HOT SPRINGS BOARD OF DIRECTORS** **STRATEGIES RETREAT** **FEBRUARY 20-21, 2015** **GARVIN WOODLAND GARDENS**

The Mayor, City Directors, City Manager, Deputy Manager, Assistant Manager/Clerk, and City Attorney of the City Of Hot Springs held a strategies retreat February 20-21, 2015 at Garvin Woodland Gardens. The Institute for Economic Advancement (IEA) facilitated the retreat.

Prior to the retreat the Mayor and City Directors were asked to participate in a six-question open-ended survey asking what was the driving force behind them wanting to serve; what they saw as the greatest opportunities and challenges facing them as a city board and the city; what they saw as the greatest barriers is addressing the identified opportunities and challenges; how could they be a more effective governing body; and, what needed to take place to make the retreat worth their while. The results of the survey were shared by IEA with the participants to kick off the retreat (*Overview Summary can be found in the Appendix*).

Trust and Working Together

Working together to make the City of Hot Springs the best it can be is the utmost goal of the Mayor and the City Board of Directors. There have been issues of trust at times in achieving that goal. Between at times, less than adequate communication, a lack of understanding of “city management form of government”, and, outside interests, TRUST is something that must be developed. This is not only an issue internally, but it is also an issue in working with or the lack of working with, the County Judge and the Quorum Court of Garland.

Water

Water...supply, quality, quantity, and allocation thereof are the biggest challenge and opportunity facing the City. There is a question of a new agreed-upon second resource water resource, and misinformation regarding water in Hot Springs and Garland County. There needs to be an effort of the City and County to work with Corps of Engineers to work out something that is in the best interest of the community. March 4th a report will be released regarding water in Hot Springs and Garland County.

Annexation Policy

There was a consensus that the City Board should focus on annexation policy for the City. The discussion centered on the need to develop a public relations piece that would provide an overview of the benefits to non-city residents and non-city businesses on the benefits of annexation such as lower water rates, better fire ratings, etc. It was suggested that Rick and Randy take the lead on this education piece including the identification of areas bordering the city where annexation would make the most sense.

Communication System

A seamless communication for public safety, police and fire, is very important. The Board and management staff discussed the less than seamless system that exists for the City of Hot Springs. All were in agreement that it was important that a very good communication system had to be in place. It was noted that the Arkansas State Police are now set up to communicate with the HSPD. To have a seamless system between the State, County, and City will take a commitment of financial resources.

Downtown

Obviously Downtown Hot Springs is the heart of city. Downtown has a number of challenges...abandon buildings, safety issues, building code maintenance, brownfield issues, the Majestic Hotel clean up, etc. There was discussion about establishing a redevelopment district and the kind of tax breaks and incentives could be offered to help in the downtown's rebirth. The Board was in agreement regarding the need to be very inclusive participation in the redevelopment efforts including owners, merchants, etc. West Central Arkansas Planning and Development District has obtained a grant to conduct an exhaustive downtown redevelopment strategy plan. Parking needs to be a top priority.

Unfunded Capital Improvement Fund

The Board discussed the need to build a fund that would help pay for unfunded capital improvements throughout the city such as discussed at the retreat and others that will develop in the future.

LOPFI – Pension

The Hot Springs police and fire pension program has been a topic of discussion with regard to the \$40 million liability that will be retired in 22 years. There has been consideration of funding it in different ways and there is a need to find out, and the Board directed the City Manager to find out what the interest rate is currently on the pension. It is felt that the city should continue to pay like it has and consider it a program that is solid and not an issue of concern.

Agreements

While there were no official votes taken because of the retreat being a work session, there were points of agreement without vote that should take place moving forward:

- **It is a new day moving forward.** The tenuous relationship between the Mayor and City Manager was discussed. The Board encouraged the two to move on and work together letting the past be the past. The Board and Mayor should move to the future as well. The Board, Mayor, and management staff can only be as effective as they can *trust and work together*.
- **Board appointed committees.** The City Board appoints various citizens to sit on advisory committees for the City of Hot Springs. In many cases however, they never formally report back to the City Board. It was suggested that moving forward that these committees should report back to the City Board via an annual report, a brief synopsis of what they are doing, or similar communication.
- **Facebook.** There was consensus that discussions related to city board business cease and desist on Facebook and all other social media. No more.

- **Building relations and trust with the Garland County Judge and Quorum Court.** There is an obvious recognition that communication and relations between the City Board, Mayor, and Manager could be better with the Garland County Judge and Quorum Court. Trust is a big issue. Water, annexation, communication system, downtown redevelopment are all issues/challenges/opportunities that are of interest to both and, to all people in Hot Springs and Garland County. It was determined that twice per year, there should be a social informal gathering of these bodies to get to know each other better and to visit about the issues/challenges/opportunities of the day. It was also determined in the mean time that individual city board members would reach out to Quorum Court members to try to build better relations. Which members would try to match up with whom was discussed.
- **Water Pressure Study and Central Water Projects.** There was an update on both by staff. With regard to the Central Water Project, the west side is complete. The east side is within two weeks of completion. There was a general discussion regarding the Water Pressure Study.
- **Communication with “City Hall.”** The Mayor and City Board regarding communicating with city hall voiced concern. There are times when a phone call is made to city hall and the phone is not answered. Building logistics contribute to this, but when the phone rings in any department, it should be answered and it should be answered in a courteous and professional manner.
- **Police Department Accessibility.** The police department stations are not open 24 hours per day. It is a concern that after 5 PM, you cannot contact the police department except 911. The Manager was asked to look into it.
- **Discussion Regarding Budget Development.** The retreat concluded with new City Board members asking about their access to the budgeting process and their involvement understanding the City Manager is responsible for its development.

APPENDIX

General Summary of City of Hot Springs Survey

The following summary highlights the major challenges, opportunities, and barriers identified by the participants of the City of Hot Springs' Board of Directors and Mayor. The summary will be used as a beginning work point for the strategies retreat February 20-21 at Garvin Gardens.

Years of Service

The years of service of the Mayor and Board of Directors responding to the pre-retreat survey range from “just beginning first year” to 4 years of service.

The Driving Force Behind Wanting to Serve

- There were significant issues facing Hot Springs that were being “kicked down the road” instead of being addressed head-on.
- Concerned over major capital expenditures that were being discussed when it appeared there was no funding available.
- Felt the city was teetering on the brink and I did not like the candidates' ideas for the city.
- I was encouraged to run.
- Concern over condition of downtown.
- The dysfunction and lack of civility among Board of Directors and lack of professional atmosphere a public meetings.
- I had years of being involved in local government deliberations and thought I could help build bridges.

Greatest Opportunities and Challenges

- Broken relationships and lack of trust between city officials (elected & appointed), citizens, and county government...we have attitude problems.
- Learning how to communicate...inclusive not exclusive...not just a city surrounded by a county...growth and development will not occur during a civil war.
- Administration Challenges/Opportunities
 - Pension Costs
 - Stronger Code Enforcement
 - Tax Base Expansion – from growth and more sales inside city
 - “Gathering Cash” for upcoming capital expenditures such as demolition of the old hospital downtown
- Infrastructure Challenges/Opportunities
 - Push for Adequate Water Supply for next 50 Years
 - Downtown Redevelopment
 - Communication System
 - Majestic Property
 - Making Downtown Buildings Safe
 - Math and Science Building Demolition
 - LOPFI

Greatest Barriers

- Lack of thought out strategy and implementation to achieve goals.
- Paying too much attention to what others are doing rather than remaining fixed on our goals.
- Arguing the tasks needed to achieve the goals...more than one way to skin a cat.

- Chasing too many goals at one time.
- Limited resource and less dependable income source in sales.
- Disputes incited by the county against the city on various issues including water, annexation, and shared services.
- Not being willing to hear all the voices of opinion internally and externally that leads to sometimes jumping in without fact checking.
- Lack of more thorough lines of information and communication from the City Manager that sometimes causes uneven distribution of information to all evenly.
- Verbal attacks amongst us and agreeing only to have one or two of us go our way.
- Outside interests who seek to create division and turmoil in city government. We shouldn't let our political and personal differences get in the way of what's best for the community.

A More Effective Governing Body

- An attitude adjustment and a servant spirit is needed. Community involvement is vital. The government exists for the people. The people do not exist for the government. We need town hall meetings where citizens may speak and be spoken to.
- A better understanding of policy governance.
- Remembering that we have a City Manager who directs the department heads...We should be going through the Manager not directly to department heads.
- Communication is sometimes strained due to a lack of trust among members.

- Once goals are discussed and approved for the year, support the Board's goals and not one's own goals. Publish the goals for the community including regular updates from the City Manager to the Board and the Board to the public via Community Relations.
- Assign goals to the City Manager and assign achievements to performance-base evaluation.
- Respect each other's perspective without vilifying them for their thoughts.
- We must stop airing our disdain at times publicly and work them out beyond public sight in person or on the phone.
- We should learn as much as possible about the operations of Hot Springs municipal government. We cannot set effective policies if we ourselves do not understand how city government works.

Time Well Spent

- If there is a commitment from each member to work together with genuine respect for each other and for the citizens who come before us.
- Developing a set of goals on which we can agree and then full support of them even if one them is not our persona goal.
- We come out as a more cohesive unit (Board with Staff) with greater understanding of the primary issues facing us.
- We emerge united in addressing our greatest challenges and develop a consensus on how we will achieve our goals. We need to minimize personal clashes on the Board.
- Better understanding of policy governance, how meetings should be run. Cutting out the personal attacks...sticking to agenda/issues.