



## **State of the City**

### **January 26, 2010**

**2009 was a challenging year for the City, its 385 employees and its Council. Sales Tax revenue declined more than 10% as compared to the prior year. This is the first decline in sales tax revenue Bentonville has experienced in decades. Additionally, the City's portion of the Benton County sales tax also declined. However, the City did meet its 2009 total revenue projection due to higher than budgeted franchise and property tax receipts. The 2009 budget presented by the Mayor and Staff and approved by Council was followed closely and produced a modest surplus. The surplus is due to staff's commitment to refrain from select "non-critical" 2009 expenditures. The City's total 2009 expenses were less than what was budgeted plus the City continues to maintain a fund balance equal to 10% of our annual Operating and Maintenance expense. The fund was \$7.5 Million in 2009 and will be \$8.2 Million for 2010. The total number of City employees is unchanged over the past two years.**

All utility and public services were challenged early in 2009 with a devastating ice storm. City employees rose to the occasion and functioned at impressive levels while restoring needed services to our citizens and customers with minimal delay.

As I go into greater detail it is good to recall the 2007 Capital Bond proposal approved by Council and presented to voters in August, 2007. The voters gave overwhelming support to the proposal with a 78% passing vote. This vote has allowed much needed capital projects to proceed during an economic downturn of historic proportion. The timing could not have been better! Thanks voters and thanks Council!

Bentonville's total development activity followed State and National trends, showing a decrease of 24% versus 2008. The number of items presented to our Planning Commission has shown consistent decline since 2004 and currently resides at an annual level not seen since the 1990's. A bright spot and what is anticipated to be the beginning of a positive trend is the single family residential sector. 2009 totals for this sector indicate a 15% increase in permits and a 20% rise in valuations over 2008. The Planning Department conducted nearly 2,000 code enforcement inspections and 7,500 building inspections while administering 832 building permits and 319 certificates of occupancy. More than 50 non-conforming structures within the City limits were removed or razed.

A first ever joint development conference with the City of Rogers was held in April and hosted more than 130 attendees involved in development. Important amendments to our zoning, subdivision and planning policy were addressed through new ordinances. Tree and landscape initiatives resulted in an overall signage plan for the Parks that includes consistent landscaping at gateways and facilities.

The Parks and Recreation Department had an impressive year. The 1.2 mile Crystal Bridges trail, gifted to the City by Trailblazers in July, and the completion of the Wishing Springs trail in late spring brought closer the eventual connection of Lake Bella Vista to the Downtown Square. Memorial Park experienced several major improvements during the year: new playgrounds and equipment, improved restroom facilities, the construction of 4 tournament quality volleyball courts, renovation of the athletic playing fields – [grading, irrigation, resurfacing and new sod on each baseball, softball and soccer field] - making Memorial Park one of the top facilities in Arkansas; three new parking lots were constructed providing more than 550 additional parking spaces. Major improvements were made to the pool at the Melvin Ford Aquatic center. More than 5,000 children participated in youth sports and more than 38,000 patrons utilized the pool facility during 2009. Reservations were processed for 510 special events in our parks that served an additional 16,000 parks patrons. Thanks to a grant from the Walton Family Foundation, more than 8,000 feet of trails were built to provide safe pedestrian and bicycle routes to and from our public schools. Northwest Arkansas' first Dog Park was completed on 1.2 acres near the North Trail. The funding for this new park came from generous residents and suppliers within our community. Orchard Park construction began in August. This new facility will include gardens, pavilions, picnic areas, an amphitheater and open space for special activities. Gilmore Park, a new 1 acre neighborhood park, is all but complete in the downtown area. This park will serve the surrounding neighborhood for decades to come. Thanks to A & P's \$15,000 funding and the hard work of our Public Works Department & Electric Department, residents and visitors enjoyed all new LED lights for the downtown area this Thanksgiving and Christmas season. This new look will expand in the future to incorporate street renovation and the soon to be completed Lawrence Plaza & Ice Rink.

2009 City utility accounts grew 2.8% over 2008 to 18,171 separate accounts at the end of 2009. For the year, our meter reading team read 410,290 meters with an accuracy

rate of 99.94%! With a strong commitment to customer service and professionalism, our Utility Billing group processed 166,158 payments totaling \$67.5 Million. Approximately 20% of our total customer base utilize the Bank Draft option.

The City's Recycling and Solid waste program has been operational for two years and serves 12,891 separate accounts. This program has allowed thousands of tons of waste from Bentonville residents to be redirected from landfills to recycled products.

In addition to providing affordable and dependable electric service to 16,807 separate accounts, the City's Electric & Engineering Department has initiated free home energy audits, led in the installation of new street lights on John De Shields and Tiger Blvd., prepared the BIDC property for construction of the new National Guard Armory. The January 2009 Ice Storm challenged the department with 7,200 outages, broken lines and poles and extremely dangerous weather conditions. Power was restored in an impressive manner; the longest outage was 2.5 days. Clean-up was well organized and expedited. The City returned to normal business well ahead of early estimates due to the consolidated efforts of multiple departments throughout the City. The efforts were orchestrated by an Emergency Operations team consisting of Police, Fire, Electric and Engineering, Street, and Public Works personnel.

Electric and Engineering also worked with our Inventory Warehouse team to complete a new facility. Part of the new operation is a bar coding system which allows for better tracking of inventory with fewer man hours. The City's Engineering team has retained several projects "in house" resulting in significant savings of taxpayer dollars.

The 2007 Capital Bonds have made it possible for the Fire Department to replace critical rolling stock. This past year a new Pierce Rescue truck, an E-One Pumper and an ambulance remount were all put into service. One additional ambulance remount will be funded with bond proceeds. Run counts for 2009 were 1.2% under 2008; with fire related calls down 14% and EMS calls up 3%. The department

continues to offer fire safety training and educational presentations to our public schools and other groups. Work on the new software for fire and police has required many hours of planning and meetings to prepare for the spring 2010 rollout. All fire and police vehicles will have mobile data terminals to compliment the digital communication equipment.

The Police Department received Council approval to take possession and management of the Bomb Squad formerly located in Springdale. The unit and its two officers are now integrated into the Bentonville Police Department.

The Criminal Investigation Division of the Bentonville Police Department had an active year with several crime categories reporting an increase in the number of investigations as compared to 2008. Breaking & Entering rose from 52 in 2008 to 128 in 2009; Felony thefts from 57 in 2008 to 78 in 2009; Forgeries from 24 in 2008 to 35 in 2009. Burglaries changed little with 1 less incident in 2009 versus 2008. In crimes against persons – Felony batteries dropped from 19 in 2008 to 5 in 2009; however Misdemeanor Domestic Batteries and Assaults increased from 54 to 74 in 2009. In conjunction with these numbers, felony arrests rose from 192 in 2008 to 296 in 2009. Narcotics detectives also reported increased activity with 153 drug related arrests in 2009 compared to 106 similar arrests in 2008. In addition to working with the Fire department and the Systems group to rollout the new communication equipment, the Police Department utilized bond proceeds to add 2,400 square feet to the Criminal Investigation Division. The much needed expansion added 8 offices, a work area, conference room, 4 interview rooms, storage and upgraded evidence packaging and holding. The Police Department's community outreach continued through 8 Women's Self-Defense classes and 1 Citizen's Police Academy. The bicycle patrol logged approximately 2,100 miles, covering trails, apartment complexes and parks. Calls for service increased by 2.7% to 19,949. City-wide traffic accidents increased 4.4% to a total of 1,168.

**During 2009 the City's Legal Department facilitated numerous real estate transactions totaling several million dollars. The department also assisted the Mayor and Finance with the second issuance of the voter approved bonds. For the first time the Legal Department established a satellite office at the Police Department. This office will provide a more efficient and convenient means for officer consultation and preparation of cases for prosecution. The staff attorney and the City Attorney also prepared ordinances and resolutions for Council consideration, processed annexations, drafted and reviewed hundreds of additional documents, and provided professional counsel and risk management services for all City officials and personnel.**

**The Bentonville Public Library, a partnership between the City and the Bentonville Library Foundation, continues to grow in popularity and usage. 267,288 visits were made to the library during 2009 resulting in a 19% increase in circulation and a 12% increase in check-outs. 4,978 volunteer hours from members of our community allow staff to maximize service in spite of the dramatic growth. Children's programming along with music and art opportunities have produced a 14% increase in program attendance.**

**Public Works played a key roll in the City's management of clean-up following the Ice Storm. Attention to detail and communication made it possible for the City to receive maximum financial assistance from both FEMA and the State of Arkansas as well as facilitating prompt reimbursement. Under the leadership of Public Works a comprehensive rate study was conducted for water and waste water. The resulting Council approved rate increases were necessary to maintain capacity and service. This action is directly related to Bentonville's leadership role in the new regional wastewater treatment facility [NACA] scheduled to begin operation later this year.**

The familiar downtown landmark, the elevated water tank, was refurbished and repainted back to its original 1976 condition. More than 6,500 feet of antiquated 6” clay sewer mains were replaced - 2,400 feet of which was located near downtown on South Main. More than 6,800 feet of 8” water lines were installed; some new and some to replace smaller, older lines.

Public Works leadership is focused on performance, operations and customer service with the goal of providing efficient and effective service to our customers. One success story from 2009 was the decision to utilize temporary labor agencies to address seasonal needs. This decision saved tax dollars while adding flexibility to the wide range of responsibilities associated with Public Work Maintenance. In addition to providing safe drinking water and dependable wastewater treatment, Public Works cares for the City cemetery, provides custodial services for the many City buildings, and maintains our gateways and major corridors. For the first time, Public Works also initiated a fall leaf collection program in late fall; approximately 7,800 bags of leaves were collected from neighborhoods city wide.

Airport improvements, under the direction of the Public Works Director and the Airport Advisory Board, included construction of additional parking, security fencing, painting the closed hangars and removal of obstructions. Additionally, the sale of the large City-owned hangar was approved by Council resulting in a significant reduction of maintenance expense. Plans for additional improvements are at various stages of completion and will be funded by grants and bond proceeds.

The Transportation Department worked on an extensive and impressive list of initiatives: Completion of the NW D / 4<sup>th</sup> Street drainage project, completion of the Opal Road bridge rehab project, continued building the Traffic Management Center; continuation of: Hwy 72 and Hwy 102 partnerships with AHTD, 8<sup>th</sup> Street Federal project and the new J Street interchange project. Design contracts were executed

**for: Phase III Downtown Square (under construction), Moberly Right Turn Lane at Hwy 102, Hwy 12 from Rainbow Curve to Greenhouse Rd., East Central from Peel Park east to J Street, South Main and SW A Street. The 28<sup>th</sup> Street overpass partnership project with Rogers is underway. Construction is near completion on 8<sup>th</sup> Street West to Arrowhead. The bid was awarded for construction and work will begin in February on SW I Street from Hwy 102 to Hwy 112 South . Additionally, the department connected 24<sup>th</sup> Street to Aviation Drive, constructed 1,300 feet of sidewalks, improved 1,200 feet of City drainage ways and resurfaced 2.3 miles of City streets.**

**Behind the scenes, Systems, Human Resources, Administration and Finance provide expertise and technical assistance to the myriad of services provided daily to our citizens and visitors.**

**The City's resources are healthy and strong; primarily in its nearly 400 employees committed to professionally serving the citizens of Bentonville and second in its finances. Finances that are sufficient to fund the critical public safety, utility and quality of life amenities that make our City a special place to live and work – the State of the City is sound!**

**Thank you and may God continue to bless our City and Northwest Arkansas.**

**Mayor Bob McCaslin**

**City of Bentonville**

