



2022 State of the City

These are strange and challenging times. With the onset of COVID in early 2020, a way of life changed for everyone. Protocols and laws concerning masks, vaccinations, absences due to illness, quarantine absences due to exposure, return to work policies, closures, virtual versus in-person meetings and spacing are a few examples of the ever-changing obstacles to city operations. Despite the obstacles of the past 2 years, a city government must continue to provide basic public safety and services.

The City of Cave Springs maintained a fully functional status, exceeding basic safety and services. We completed 3 declared disaster recoveries. A continuing routine evaluation, maintenance and repair process was developed for streets, with many sealed and several others overlaid. The city park has seen substantial repairs and upgrades, with ongoing evaluation and improvements. Much of Public Works' equipment was updated and the department continues to expand, to meet the added needs of a growing city. The expanded Police Department has maintained "Safest City in Arkansas" status for 2 consecutive years, and when the fire station is completed, transition to fulltime fire service will begin, and it will be home to a fulltime ambulance and crew.

These times invoke a renewed meaning for the quote from Shakespeare's Hamlet, "Whether 'tis nobler in the mind to suffer the slings and arrows of outrageous fortune, or to take arms against a sea of troubles, and by opposing end them?" In response to the "slings and arrows" of a pandemic, cities have made decisions about whether to let differing opinions, uncertainty, inconvenience and fear dictate debilitating inaction, or to take action, continuing projects and services, not necessarily to end, but to minimize the pandemic's lingering disruptions of complacency and indecision. Cave Springs has chosen to avoid the obstacles of a pandemic and multiple declared disasters, as we request grants, continue projects, provide services and meet the needs of dynamic growth, making tonight's declaration possible...the state of the city is strong.

In 2019, Cave Springs residents approved the \$0.0125 sales tax to finance sewer expansion, water expansion and a new Fire Station. These projects should be completed about the end of this year, without a utility rate increase. At the current sales tax distribution rate, these 30-year bonds will pay off in under 10 years.

One grant assisted in our purchase of a tractor and boom mower, while another will enable flood mitigation on Pace Lane, building an all weather paved road across the valley and starting up the hill. The remainder of Pace Lane, Sands Road and Bright/Midway are submitted for state aid overlay consideration.

Over \$1,000,000.00 in Water Department bonds were paid off early and financing was restructured for both Water and Sewer Departments. Utility infrastructure expansions or capital improvements are now paid through impact fees, by those who profit from creation of added needs, instead of people's utility bills. These actions, and the ongoing growth of the city and its utilities, have strengthened finances, enabling the city to absorb a 61% wholesale water rate increase, without increasing the rate customers pay. Instead, we are conducting a rate study in an attempt to lower water rates.

Cave Springs official population increased from 1,729 in the 2010 Census to 5,495 in the 2020 Census. That made Cave Springs Arkansas' fastest growing city by percentage (218%), 11th fastest growing city by actual population (3,766) and 63rd most populous city, up 82 positions from 145th in 2010. This growth resulted in added state turn back and county sales tax revenue, which enabled the city to staff the new fire station, with 2 full time people per each of 3 shifts and also addressed needs in other departments.

In 2020, Cave Springs received \$150,000.00 in federal Cares Act funds, which purchased Police patrol vehicles. In 2021 we received half of approximately \$1,100,000.00 from the American Rescue Plan Act, and will soon receive the other half, with different rules and use guidelines. A primary use for ARPA funds is water and sewer utility infrastructure projects, which creates the most positive and long-lasting impact for a fast-growing city.

With the challenges of the Highway 112 expansion and bypass, we are again facing uncertainty. Initial proposed routes would have significantly destroyed downtown, while early alternatives would have isolated downtown from convenient commuter access. To ensure Cave Springs' future economic viability, proactive measures are being taken.

Negotiations have resulted in highway 112 design changes that protects downtown businesses, while ensuring Main Street connectivity and ease of access to and from the new bypass. Community Building Restoration and continued promotion of downtown development compatibility and restoration standards are proven revitalization and economic development tools, that will make Downtown Cave Springs a historic destination district, with a diverse quality of experience for people to enjoy.

Early on, the decision was made to take safety precautions, while continuing full city operations and services. Throughout the "slings and arrows" of a pandemic and multiple disasters; Cave Springs, opposed the complacency and indecision born of adversity and continued to grow in population, new businesses, regulatory stability and overall financial condition. A continued focus on providing effective city operations, plus the implementation of proven economic development practices, will ensure that the state of the city becomes even stronger for generations to come.