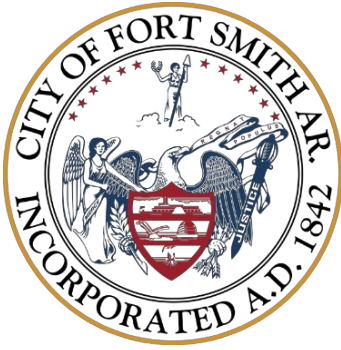


**MAYOR**

George B McGill

**ACTING CITY
ADMINISTRATOR**

Jeff Dingman

CITY CLERK

Sherri Gard

BOARD OF DIRECTORS

Ward 1 - Jarred Rego

Ward 2 - Andre' Good

Ward 3 - Lee Kemp

Ward 4 - George Catsavis

At-Large Position 5 - Christina Catsavis

At-Large Position 6 - Kevin Settle

At-Large Position 7 - Neal Martin

AGENDA

Fort Smith Board of Directors

STUDY SESSION

July 28, 2026 ~ 6:00 p.m.

Blue Lion

101 North 2nd Street

Fort Smith, Arkansas

THIS MEETING IS BEING TELECAST LIVE AT THE FOLLOWING LINK:

<http://www.fortsmithar.gov/watch>

CALL TO ORDER

CITIZENS FORUM

ITEMS OF BUSINESS

1. Discussion of project funding strategy related to a proposed Police Precinct and Training Facility on City-owned property located at 8200 Highway 71 South in Fort Smith (*former Crain Kia property*) ~ Rego/G. Catsavis placed on study session agenda, either late July or early August, at the March 31, 2026 study session ~ (Finance) ♦
2. Review 2027 Strategic Priorities for the City of Fort Smith (*City Administrator*)
3. Review preliminary agenda for the August 4, 2026 regular meeting (*City Clerk*)

ADJOURN



MEMORANDUM



TO: Honorable Mayor and Members of the Board of Directors
CC: Andy Richards, CFO
FROM: Jeff Dingman, Acting City Administrator
DATE: July 22, 2026
SUBJECT: Potential project funding for Police Precinct/Training Center project

SUMMARY

At the March 31st, 2026 Study Session, the Fort Smith Police Department provided the Board with three conceptual plans of increasing complexity and cost relating to the development of city-owned property at 8200 Highway 71 South (former Crain Kia building) into a police precinct & training facility. The three concepts developed by MAHG Architects also proposed phasing and estimated cost of each concept ranging from The purpose of the March 31 discussion was to gauge the Board's continued interest in such a project, or determine if something else should be done with the property the city purchased. The Board instructed staff to pursue funding options for a project to redevelop the site into the police precinct & training facility. Further, the Board indicated support for "Option 2" as presented on March 31, for which MAHG estimated project costs at \$9.025 million dealing with only two of the three buildings on the property.

An updated project concept incorporates two phases. Phase 1 includes the primary training facility components plus renovation of the third building on the property to provide covered parking for department vehicles and specialized equipment. Phase 2 covers the main police precinct operations. The updated estimated cost of such a project reflecting current construction realities is \$9.925 million and is detailed on attached pages.

For the July 28 study session, staff will discuss a capital project financing mechanism to fund such a project through the dedication of franchise fee revenues over the course of a long-term financing. Cities in Arkansas are permitted to pledge non-tax utility franchise fees from rights-of-way users to fund public improvements without raising taxes. The City of Fort Smith collects approximately \$8.4 million in utility franchise fees each year as general fund revenue. The city is permitted to dedicate all or a portion of this revenue toward debt service to finance capital project bonds.

Chief Financial Officer Andy Richards has put together a sample project amortization showing a \$10 million dollar bond issue with a 20-year finance term based on a 4.5% interest rate. The results show a \$753,000 per year debt service payment. Attached are schedules showing both a 10-year or a 20-year debt service obligation. The Board would adopt an ordinance specifying the pledge of a portion of franchise fee revenue to this specific debt service payment for the term of the obligation. This annual debt service payments would be incorporated into the

Police Department's operating budget. The city's Bond Counsel and Financial Advisor will be consulted to ensure this financing mechanism is structured properly.

The existing Sales and Use Tax for Police Department Operating and Capital can be used for Police Department operating expenses to account for the reduced general fund revenue available by dedicating a portion of it to capital debt service. These funds can be used for funding personnel and operating expenses in the Police Department to offset the reduction of franchise fee revenue that has historically been available for these purposes.

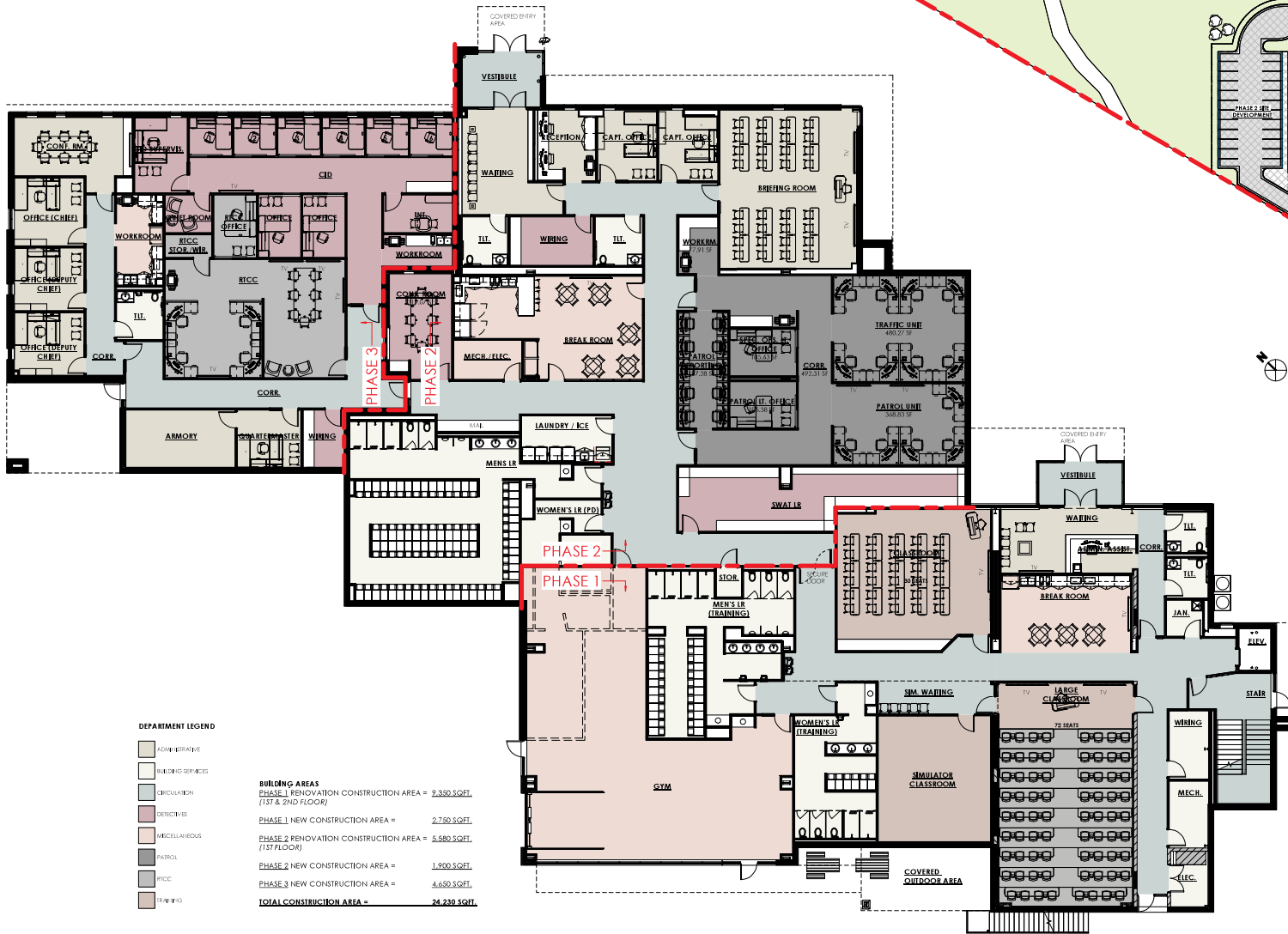
Upon receiving direction from the Board to do so, staff will engage with PFM Financial Advisors and the Friday Firm to assist with setting up the financing, including soliciting the local banks for formal proposals for providing the financing. In any structure, the city will seek to preserve a right to pay off remaining debt on the project at any time. After a funding plan is secured, the city will move ahead with the next step in the design and construction process.

This project aligns with Goal FLU 1.4 of the Future Fort Smith Comprehensive Plan.

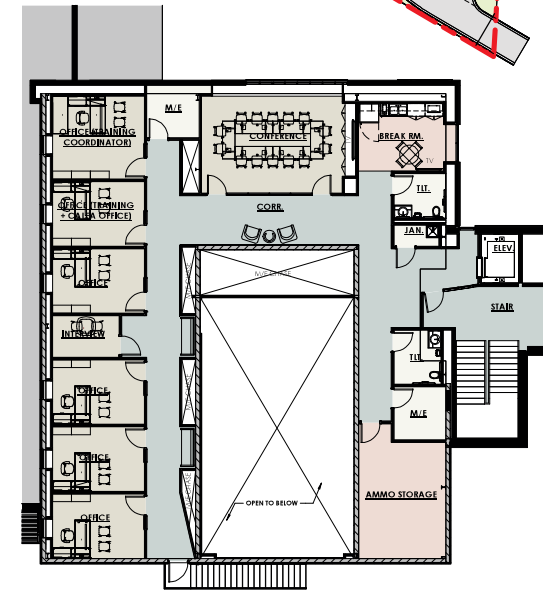
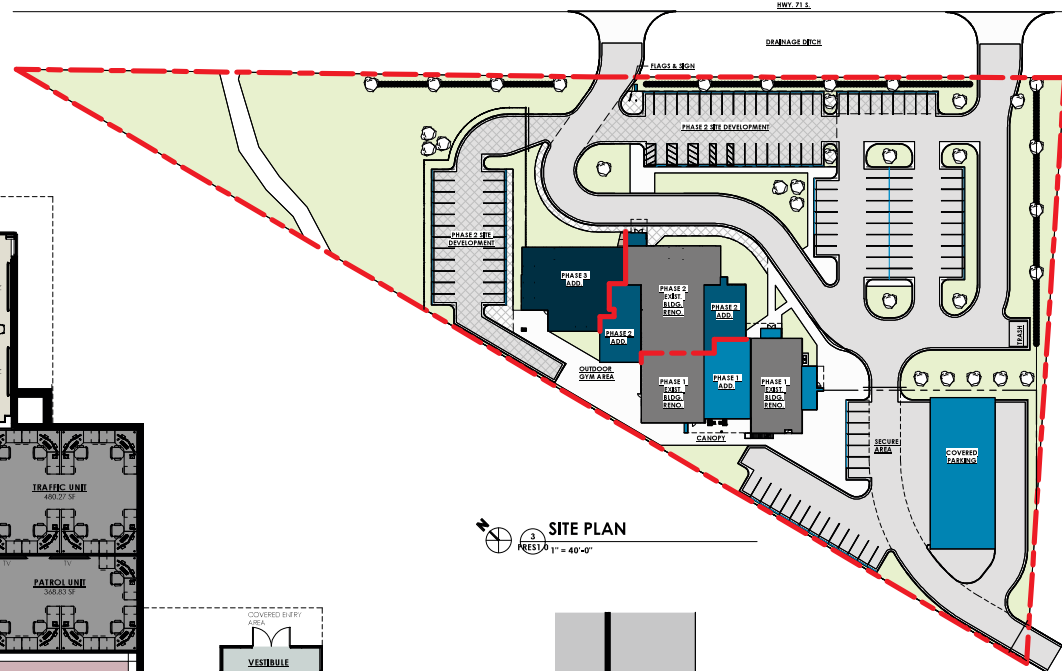
Please contact me if you have questions related to this agenda item.

ATTACHMENTS

1. [24-08 - Fort Smith PD 2nd Precinct Facility - PHASED SCHEME 7.8.2026.pdf](#)
2. [FSPD 2nd Precinct - PH1 Budget.pdf](#)
3. [FSPD 2nd Precinct - PH2 Budget.pdf](#)
4. [Potential project funding for Police Precinct Training Center project.pdf](#)



CONCEPTUAL FLOOR PLAN - FIRST FLOOR
1" = 1'-0"



CONCEPTUAL FLOOR PLAN - SECOND FLOOR
1" = 1'-0"



FORT SMITH POLICE DEPARTMENT
2nd Precinct - Option 2 (Reduced Square Footage)
Fort Smith, Arkansas

FSPD 2nd Precinct + Training Project Budget Recap

Option #2 - PHASE 1 : Training

		July 2026
1. Construction		\$4,761,300.00
	existing remodel	\$2,636,700.00
	new construction	\$1,366,750.00
	site development	\$297,500.00
	demo + covered parking	\$460,350.00
2. Furniture, Fixtures, Equipment + Signage		\$314,600.00
3. Technology		\$85,500.00
4. Contingency	10% of Construction Cost	\$476,130.00
Subtotal		\$5,637,530.00
A. Arch/Engineering Fees 8.5% times the Cost of Construction		\$404,710.50
B. Civil + Landscape Fees		\$37,500.00
C. Interior Design Fees		\$28,314.00
D. Reimbursables		\$10,000.00
E. Geotechnical Report (estimate)		\$11,850.00
Project Total		\$6,129,904.50

FSPD 2nd Precinct + Training Project Budget Recap

Option #2 - PHASE 2 : PD

		July 2026
1. Construction		\$2,787,500.00
	existing remodel	\$1,618,200.00
	new construction	\$944,300.00
	site development	\$225,000.00
2. Furniture, Fixtures, Equipment + Signage		\$194,480.00
3. Technology		\$229,500.00
4. Contingency	10% of Construction Cost	\$278,750.00
Subtotal		\$3,490,230.00
A. Arch/Engineering Fees 8.5% times the Cost of Construction		\$236,937.50
B. Civil + Landscape Fees		\$37,500.00
C. Interior Design Fees		\$17,503.20
D. Reimbursables		\$10,000.00
E. Geotechnical Report (estimate)		\$3,250.00
Project Total		\$3,795,420.70



Potential Project Funding for Police Precinct/Training Center project
Option: 10-Year Term

Sources

Amount

Principal Amount of Bank Qualified Tax-Exempt Loan	\$ 9,925,325.20
City Contribution	99,253.25
	<u>\$ 10,024,578.45</u>

Uses

Phase 1: Training	\$ 6,129,904.50
Phase 2: PD	3,795,420.70
	<u>9,925,325.20</u>
Estimated Debt Issuance Costs	99,253.25
Total Uses	<u>\$ 10,024,578.45</u>

Loan Summary

Amount

Principal Loan Amount	\$ 9,925,325.20
Term (years)	10
Annual Percentage Rate	4.50%
Monthly Payment	\$ 102,864.49
Total of 120 Monthly Payments	\$ 12,343,738.92
Total Interest Paid	\$ 2,418,413.72
Annual Payments	\$ 1,234,373.88



Potential Project Funding for Police Precinct/Training Center project
Option: 20-Year Term

Sources

Amount

Principal Amount of Bank Qualified Tax-Exempt Loan	\$ 9,925,325.20
City Contribution	99,253.25
	<u>\$ 10,024,578.45</u>

Uses

Phase 1: Training	\$ 6,129,904.50
Phase 2: PD	3,795,420.70
	<u>9,925,325.20</u>
Estimated Debt Issuance Costs	99,253.25
Total Uses	<u>\$ 10,024,578.45</u>

Loan Summary

Amount

Principal Loan Amount	\$ 9,925,325.20
Term (years)	20
Annual Percentage Rate	4.50%
Monthly Payment	\$ 62,778.69
Total of 240 Monthly Payments	\$ 15,066,884.99
Total Interest Paid	\$ 5,141,559.79
Annual Payments	\$ 753,344.28



MEMORANDUM

TO: Honorable Mayor and Members of the Board of Directors
FROM: Jeff Dingman, Acting City Administrator
DATE: July 22, 2026
SUBJECT: Board of Directors Strategic Priorities for 2027

SUMMARY

The Mayor and Board of Directors conducted a strategic planning workshop on June 26, 2026, which was facilitated by Dr. Micki Voelkel, Professor of Leadership & Management at the University of Arkansas - Fort Smith Center for Economic Development. The Board affirmed the Mission and Values Statements adopted in 2025, which both are attached, and discussed potential strategic priorities for inclusion in the budget planning process for 2027.

A summary of topics discussed as potential strategic priorities compiled by Dr. Voelkel is also attached. The identified items are important to the Fort Smith community; however, selecting five or six as "Strategic Priorities for 2027" will help guide staff decisions as Administration reviews initial departmental budget requests and service objectives.

The Board's review of 2027 departmental service objectives is scheduled for the August 25 study session; therefore, please review Dr. Voelkel's summary and identify the priorities you believe should be included as the Strategic Priorities for 2027. The recommendations determined at the July 28 study session will then be presented for Board consideration at the August 4, 2026 regular meeting.

Administration will use the adopted Strategic Priorities for 2027 and departmental service objectives to prepare the proposed FY2027 budget for the Board's consideration.

Please contact me with questions on this agenda item.

ATTACHMENTS

1. [20250902 Res 145-25 Mission Statement.pdf](#)
2. [20250902 Res 146-25 Value Statement.pdf](#)
3. [20260626 City of Fort Smith - Suggested Action Items from Strategic Workshop.pdf](#)

RESOLUTION NO. **R-145-25**A RESOLUTION REPEALING RESOLUTION NO. R-1-24 AND ADOPTING A MISSION STATEMENT
FOR THE CITY OF FORT SMITH

WHEREAS, the Mayor and Board of Directors participated in a Strategic Workshop on August 22, 2025; and,

WHEREAS, the Strategic Workshop was facilitated successfully by Kendall Ross from the University of Arkansas - Fort Smith Center for Economic Development; and,

WHEREAS, at the Strategic Workshop, the Mayor and Board of Directors drafted a Mission Statement for the City of Fort Smith, Arkansas;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

SECTION 1: Resolution No. R-1-24, adopted on January 2, 2024, is hereby repealed.

SECTION 2: The following Mission Statement is hereby adopted for the City of Fort Smith, Arkansas:

MISSION STATEMENT

The City of Fort Smith is committed to providing resident-focused services, maintaining reliable infrastructure, and creating an environment that fosters economic advancement and a thriving community.

THIS RESOLUTION ADOPTED THIS 2nd DAY OF September, 2025.

APPROVED:


Mayor

ATTEST:


City Clerk

Approved as to form:


NPR

RESOLUTION NO. **R-146-25**A RESOLUTION REPEALING RESOLUTION NO. R-2-24 AND ADOPTING A VISION STATEMENT AND
VALUE STATEMENTS FOR THE CITY OF FORT SMITH

WHEREAS, the Mayor and Board of Directors participated in a Strategic Workshop on August 22, 2025; and,

WHEREAS, the Strategic Workshop was facilitated successfully by Kendall Ross from the University of Arkansas - Fort Smith Center for Economic Development; and,

WHEREAS, at the Strategic Workshop, the Mayor and Board of Directors drafted a Vision Statement and Value Statements for the City of Fort Smith, Arkansas;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, THAT:

SECTION 1: Resolution No. R-2-24, adopted on January 2, 2024, is hereby repealed.

SECTION 2: The following Vision Statement and Value Statements are hereby adopted for the City of Fort Smith, Arkansas:

Vision Statement:

Fort Smith strives to be a dynamic, business, family, and military friendly destination that welcomes people from all over the world.

Value Statements:

Safety – *We seek to continuously improve the safety of all areas of the city. We value a safe environment for all residents, employees, and visitors.*

Quality Core Services - *We work to deliver the highest quality services to our residents, customers, and visitors. We endeavor to understand the needs of residents/visitors and treat everyone consistently, fairly, and responsively.*

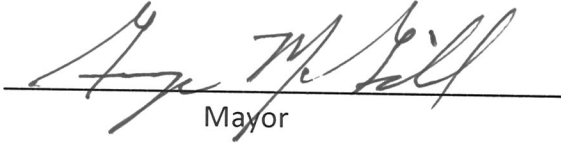
Quality of Life - *We strive to implement policies that increase the attractiveness of our community to businesses and job creators to improve economic opportunity for all. Furthermore, we recognize the importance of supporting recreation, entertainment, and cultural amenities that make Fort Smith a destination for new and continuing investment.*

Opportunity- We seek to provide a path for all citizens to capture their full potential by achieving their individual goals. The City of Fort Smith seeks to be a community filled with the spirit of growth, success, and fulfillment. Our desire is to nurture, retain, and attract talent to make a positive difference in our future.

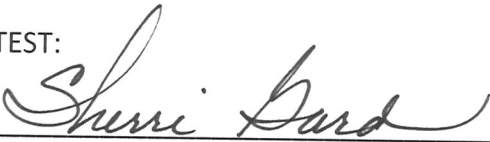
Financial Responsibility – The City of Fort Smith is a responsible steward of taxpayer dollars. Transparency, integrity, and honesty guide our financial conduct. We respect and recognize the importance of citizen-led accountability as well as outside audits to review our efforts.

Hard-working Community – Our citizens are persistent and willing to roll up their sleeves to do whatever it takes to put in the effort to provide for their families and improve the community. The City of Fort Smith celebrates the hard work, innovation, intelligence, and contributions our citizens make each and every day. We highlight and support the life-changing difference they make in our city.

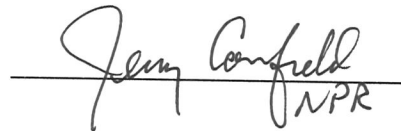
THIS RESOLUTION ADOPTED THIS 2nd DAY OF September, 2025.
APPROVED:


Mayor

ATTEST:


City Clerk

Approved as to form:


NPR

City of Fort Smith Strategic Agenda Suggested Action Items

Homelessness:

- Update Future Fort Smith plan to include FMS & Homelessness
 - Update plan to include Homelessness goals
 - Set as a concern for the future
- Work with Chamber of Commerce, Main Street and other partners to set business development as a priority
 - Prioritize International Downtown corridor to attract Entertainment and Family attractions
 - Meet with potential Singapore business owners to encourage investment in Fort Smith
 - Perhaps reduce homelessness by moving homeless camps away from downtown and by providing potential employment through new businesses
- Compile statistics/evidence on the success rates of existing homeless services in order to evaluate their effectiveness
- Explore conducting a (SWOT) strategy session with Homelessness Coalition

Competing Priorities for General Fund

- Evaluate the model for the fire department to consider creating a paramedic crew rather than a traditional fire crew.
 - Facilitate partnerships with education/military. Call informational sharing meeting
 - UAFS w firefighters
 - ACHE w Parks
 - Military w Police
 - Internships
 - Grant assistance & discovery
 - Host regional training or even college courses
 - Volunteer events coordinated
- Encourage leaders to live in Fort Smith (Love FS, Live FS)

Funding Water Projects

- Decide how to best Increase revenues through possible rate increases and/or infrastructure surcharge.
- Begin issuing water/sewer debt (bonds)
 - Build transmission water line

- Expand water treatment plant
- Update regional hydrology study for infrastructure
- Explore Regional partnerships for long-term water planning with our wholesale partners

Attract investment FMS related development

- Lobby to pass Issue 3
- Seeking international industry investment

Drive Development (non-FMS related)

- Identify state partners to facilitate 12 ft channel to increase Barge traffic
- Focus on Airport Expansion including longer runway, freight and commercial travel.
 - Identify partners to maximize focus on airport expansion
 - Define a plan and timeline for expansion.
- Identify potential investment partnerships with the Choctaw and Cherokee nations to invest money in Fort Smith

Continued growth of industry/manufacturing

- Leverage for federal funding
 - Build and improve relationships with federal partners
 - Explore potential funding avenues including grants and federal funding
- Highlight cultural diversity
 - Foster multi-cultural identity
 - Encourage small business development of international flavor
- Target tech industry developments
 - Identify specific federal workforce development programs targeting tech industry
- Build an identity as a Great American Defense Community (military lifestyle)

Public Perception

- Over communicate in an effort toward Transparency
- Control the narrative on social media
 - Create a video series from the city on social media
 - Revise Citizen's Academy to a one day format
 - Share videos online about how different directors voted and their rationales
- Focus on Accurate Water Billing
 - Customer service training to escalate water bill issues

- More public presence of elected officials

Healthcare Crisis

- Add reimbursement concern to our lobby list
- Retain services with a niche lobby firm to help
- Seek grants for rural medical services since we serve rural communities in the metropolitan statistical area
- Lean on relationship with ACHE for guidelines in solving healthcare shortage.
- Work for Issue 3 support to convert Baptist Health Land portfolio into businesses

Competition with NWA/Region for jobs, growth/residents

- Change this narrative from a competition to collaboration
- Take advantage of workforce development programs that we might be overlooking locally
- Continue to build economic development relationships w NWA entities /council
- Change perception of what the business environment in Fort Smith is
 - Cool factor!
 - Tell the story