Steve Hotz
Sebastian County Judge
County Courthouse
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Fort Smith, Arkansas 72901
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To: Quorum Court

From: Steve Hotz S. H.

Date: 11/17/2026

RE: Parrot Island Water Park

As of now, there are no employees with American Management Resort (ARM) working at Parrot Island Waterpark. The last two individuals were relieved of duty by ARM simply because there were no funds left in the account to pay them. We are currently reviewing the situation to ensure proper winterization has taken place at the park.

Related, there are also no funds available to close out the year 2026, including $262,998 in unpaid invoices to vendors. This is concerning in that some of these are small locally owned vendors who should not have to wait for payment, but actually, no one should have to wait. In addition, there are other foreseeable expenses needed to carry us to year end, making the total need for the remainder of 2026 to be calculated at $288,000, or $144,000 each for the City and County. I have submitted an appropriation ordinance requesting $144,000 for Sebastian County's portion, subject to a similar approval from the City for a cash infusion of $144,000.

In addition, we are looking forward to contracting with Sports Facilities Management (SFM) to take over management of the waterpark, pending adjustments to the contract and approval by the Quorum Court and City Directors. With that in mind, you will see an additional request for $50,000 so that SFM will have funds available to hit the ground running when they take over. Again, this approval is pending approval of a contract with SFM, and a similar $50,000 approval by the City. This $50,000 may or may not reflect the actual amount needed for 2027, but we know we need something to get the year started.

None of the funds requested above are related to expenses of the 5-slides project.

Attached: Sports Facilities Management Information

APPROPRIATION ORDINANCE NO. 2026-
EXHIBIT A

1. In accordance with the fifty percent (50%) partnership between Sebastian County and the City of Fort Smith in Parrot Island Waterpark, the appropriation of $144,000 for the County's share of current obligations and $50,000 for the County's share of operating expenses for the new management company until the waterpark opens, totaling $194,000, shall be contingent upon the City of Fort Smith Board of Directors approving equal funding of $144,000 and $50,000, respectively.

   No funds in this appropriation shall be expended or disbursed until the City of Fort Smith has approved its corresponding funding.

Increase the following line item in Appropriation No. 0616, Aquatics Facility in the General Fund Sales Tax Revenue Fund, 4801.

4026	Special Projects	194,000