

MINUTES

**State Parks, Recreation & Travel Commission
Wyndham Hotel
North Little Rock, Arkansas
February 15-16, 2007**

Commissioners Present

Jay Bunyard	Steve Arrison – Thursday Only
Bill Barnes	Wade Williams
Billy Lindsey – Thursday Only	Debbie Haak – Thursday Only
Jim Shamburger – Thursday Only	Montine McNulty
Mike Mills – Thursday Only	Bob Knight
Ness Sechrest	Danny Ford
Jim Gaston – Thursday Only	

Department Staff Present

Richard W. Davies, Executive Director
Larry Cargile, Central Administration Director
Cynthia Dunlap, Agency Controller, Parks & Tourism
Greg Butts, State Parks Director
Joe David Rice, Tourism Director
Nancy Clark, Assistant Tourism Director
Mac Balkman, Manager, Operations
Stan Graves, Manager, Planning & Development
Joe Jacobs, Manager, Marketing & Revenue
Joan Ellison, Public Relations Officer
Jana Greenbaum, Communications Manager
Melinda Hawes, Group Travel Manager
Joanne Hinson, Research & Information Services Manager
Jon Brown, Region I Supervisor
Tony Perrin, Region II Supervisor
Marcel Hanzlik, Region II Supervisor
Jim Cannon, Region IV Supervisor
Chuck Haralson, Photographer
Casey Crocker, Audio Visual Coordinator
Kerry Kraus, Travel Writer
Gloria Robins, Executive Assistant
Sandy Burch, Administrative Assistant
Tammy Erby, Administrative Assistant

Agency Staff Present

Shelby Woods	Wayne Woods	Karen Mullikin
Bill Fitzgerald	Bryan Jones	Brandi Hinkle
Amy Frazier	Bernie Jungkind	

Aristotle

Marla Johnson Norris	Jonathan Eudy	Paige Watson
Cherre Schmidt		

Guests Present

Senator Terry Smith
Kathy Holt, Governor's Office
Jane Christenson, State Police Commission
Dan Aylward, Magic Springs
Terry Cook, Harrison CVB
Kalene Griffith, Bentonville A & P
Dan O'Bryne, Little Rock A & P
Karen Trevino, North Little Rock A & P
Claude Legris, Ft. Smith
Thomas Galyon, Rogers CVB
Ted Mullenix, Hot Springs

Call to Order

Chairman Jay Bunyard called the meeting to order at 8:04 a.m. and Gloria Robins called the roll.

Approval of the Agenda

Mike Mills moved to approve the agenda. Debbie Haak seconded and the motion carried.

Presentation of Minutes from Previous Meeting

Jay Bunyard added Jim Shamburger to the Internet Committee. Ness Sechrest moved to approve the Minutes with the change to the Internet Committee. Montine McNulty seconded and the motion carried.

Recognition of Guests

Chairman Jay Bunyard recognized and welcomed guests in attendance.

Special Order of Business

Chairman Jay Bunyard presented Jane Christenson with a plaque in recognition of and appreciation for her many years of outstanding leadership and dedicated service as a member of the Arkansas State Parks, Recreation and Travel Commission from 1995-2007.

Financial Report

Larry Cargile presented a financial report for the fiscal year-to-date period ended January 31, 2007. The expenditures were: Parks Division, \$40,061,188, including construction and grants; Tourism Division, \$7,313,120; Keep Arkansas Beautiful, \$143,290; Administration Division, \$1,478,596; and History Commission, \$1,416,813. Expenditures for the Department totaled \$50,413,007. The Parks Division year-to-date operating revenue totaled \$11,989,748, an increase of 40% over the same period FY2006. Year-to-date operating revenue adjusted for Mt. Magazine lodge showed a 12% increase over FY2006.

**Ness Sechrest moved to approve the Financial Report as presented.
Danny Ford seconded and the motion carried.**

EXECUTIVE DIRECTOR'S REPORT

Richard W. Davies introduced Claude Legris from Ft. Smith. Mr. Legris reported on the decision to award the U.S. Marshal's Museum location to the City of Ft. Smith. The Director of the U.S. Marshal Services will visit Ft. Smith for the first time and meet with the Governor as well. Mr. Legris personally thanked the Commissioners and staff for their work and support with the project.

Legislative Session

Richard W. Davies introduced Kathy Holt the department's new governor's office liaison.

Mr. Davies reported House Bill 1005 (HB1005), designating the Diana Fritillary butterfly as the official butterfly for the State of Arkansas, was approved by the House of Representatives.

The Parks and Tourism operations bill has the same executive recommendation (Senate Bill 192) as Governor Huckabee's with no changes added. There has been no word regarding the General Improvement Fund. The proposed tax changes on groceries, energy, etc. have no mention of implication to the Amendment 75 tax (at this time).

Richard W. Davies introduced Dan Aylward, Magic Springs CEO, to help explain the Tourism Incentive bill. Mr. Aylward reported in 2005 a bill passed the legislature reducing the tourism development tax credit from 25% to 15% while raising the investment requirement. Senator Smith has been working on a bill that would re-establish the original provisions. There would be no change to the tourism tax eligibility issue. Unfortunately, the bill is still being drafted, hence the request of support in turning the bill back to its original state (a 25% tax credit). Mr. Davies stated the decrease of the tax credit to 15% was a compromise to keep from having no tax credit at all.

Jim Shamburger made a motion to direct staff to draft a letter of support for the Tourism incentive tax bill. Jim Gaston seconded and the motion carried.

TOURISM DIVISION

Picture Arkansas: Proposed Distribution Policy

Joe David Rice explained the staff's recommendation of not allowing books available for free distribution for people in a non-tourism capacity. However, books can be made available for a price to be determined (price will cover the estimated cost of reproduction).

Debbie Haak moved to approve the staff's recommendation regarding the *Picture Arkansas* books distribution policy. Wade Williams seconded and the motion carried.

Discussions ensued regarding the selling price of the *Picture Arkansas* books.

Debbie Haak moved to amend her motion to include a wholesale and retail price for the *Picture Arkansas* book. Billy Lindsey seconded and the motion carried.

Arkansas Department of Parks & Tourism
Distribution Policy: *Picture Arkansas* Book

The 2006 Arkansas image book (*Picture Arkansas*) was a joint project produced by a number of agencies and organizations. Each group has limited quantities of books to distribute as it sees fit.

The Department of Parks & Tourism will reserve its inventory primarily for approved business development activities. Our chief use of the volume will be to introduce the state to key individuals unfamiliar with Arkansas. Its planned audience includes journalists, editors, writers, publishers, tour group operators, potential investors, meeting/convention planners, travel industry officials, or others with similar responsibilities. To request a copy for a visiting tourism-related dignitary, please contact either Nancy Clark (nancy.clark@arkansas.gov) or Joe David Rice (joedavid.rice@arkansas.gov).

Given the public's interest in *Picture Arkansas* for personal uses, the Department will make a supply available for purchase by individuals or groups. Quantity discounts are not available. Proceeds will be set aside for the next printing.

2007 Governors Conference on Tourism

Nancy Clark stated the program for the Governor's Conference has been finalized. Currently there are 224 full registrations and 34 partial registrations for the 2007 Arkansas Governor's Conference on Tourism. Ms. Clark said she counts on approximately 400 full registrations to cover the cost of the conference, and expects Hot Springs to attract delegates. Extra registration packets for the Governor's Conference have been included in the Commissioner's folders for use by friends and acquaintances. Ms. Clark expressed her thanks to Magic Springs for sponsoring the costs of the tote bags to be distributed with full registrations. She said that the Hot Springs Convention & Visitors Bureau has great plans for the "early bird" event on Sunday.

Inquiry Discrepancy: Follow-up from last month

Joe David Rice gave a public apology for the discrepancy in numbers regarding the fulfillment process. Aristotle, CJRW and the Tourism Division met to look over the discrepancies. Joanne Hinson explained this was a new process and the first time for the campaign, and the learning curve required for the complex program that configures the numbers for fulfillment. Part of the problem was that Parks & Tourism reports the fulfillment numbers differently than CJRW. Parks & Tourism separates the electronic fulfillment and paper fulfillment (for inventory control purposes), unlike CJRW where the two are combined. Although the Department will continue with the tracking of paper and electronic fulfillment, the format of the reports given to the Commissioners has been changed to reduce the number of discrepancies. When adding Parks & Tourism's paper and electronic fulfillment numbers there is

a difference of 785 resulting in a difference of .6% when compared to CJRW's numbers. Ms. Hinson explained another factor in the discrepancy of numbers; a certain percentage of each transmission of email addresses that will "bounce" with the electronic fulfillment process. Aristotle tests the addresses and those found not valid are returned to the Agency for "make goods" since the Department pays for the addresses. Toward the end of the process when the transmission process goes to Parks and Tourism, the software used to receive the transmission had some difficulty accepting large files. The software programs are in the process of being rewritten before the start of the next campaign to head off this problem. All of the above mentioned items played a part in the process of accurately tracking the electronic fulfillment process; however Ms. Hinson believes all of the problems have been addressed and procedures have been put in place to verify with the agency and Aristotle the number of email addresses verified on a weekly basis.

Wade Williams stated he appreciated the letter from Mr. Rice addressing these issues; however he was not concerned with the .6% discrepancy; he was concerned with the 40,000 discrepancy and is still unsure if his concern has been addressed. Perhaps on the future proposal the solution will be present; however on the proposal given for the online campaign talked about clicks and inquiries. Mr. Williams stated Brian Kratkiewicz (CJRW) explained to him the clicks (approximately 80,000) were the people who clicked on banner ads and the inquiries (approximately 128,000) were people who went to a performance site asking for a vacation planning kit in some form. The sum of those numbers was over 200,000. Mr. Williams explained according to the report 128,000 asked for a planning kit from those performance based sites yet only 89,000 showed as being fulfilled. Mr. Williams inquired if the 39,000 that got the vacation kit and the 89,000 got the electronic fulfillment constitute everything fulfilled from banner ads and performance based sites.

Ms. Hinson responded that an inquiry (as used by Parks & Tourism) is both electronic and paper fulfillment. Karen Mullikin recited the actual numbers used in the January report: 128,545 inquiries and 78,089 clicks for the sum total of 206,634. Richard W. Davies explained a click was defined as a click over to a site and no farther; an inquiry is a request for something electronically or paper. Mr. Davies asked if the clicks were the dead end number. Mr. Williams stated the question just asked was the same question he inquired about at the Internet Committee meeting. Are the people who click on the banner ads (known as clicks) included in the inquiries? Therefore the total number of inquiries received was 128,000. Mr. Williams went on to state according to Mr. Kratkiewicz the answer would be no; those numbers would be separate, if the person went to a banner ad, regardless of wherever else they might go, that person would be reported as a click and would not be included in the inquiries; therefore the inquiries are numbers strictly from performance based sites. Mr. Davies stated the problem appeared to be a definition issue of the terms clicks and inquiries. Mr. Williams agreed and added the reports were off by either 40,000 or 80,000.

Karen Mullikin explained Mr. Kratkiewicz reported the clicks as part of the proposal as a way to show the result of the advertising campaign. However, there is not a process to determine if a person goes all the way through the banner ad process to request a vacation planning kit. Mr. Williams stated he understood, but according to the Research Services report and going back and reviewing the process, the report is still only showing 128,000 inquiries received from the performance based sites, which indicates none of the 80,000 clicks ordered anything; because research would have a report if anything had been mailed out.

Richard W. Davies stated the question being asked was a different question then the one trying to be answered. Mr. Davies requested the Department be allowed to work on the answer to the question currently being asked.

Jim Gaston suggested defining a click and inquiry without using technical terms so the definition would still be understood five years from now.

Joe David Rice stated the Department would revisit the issue and keep the Commission informed as to the results of the findings. Richard W. Davies suggested the use of flow charts to help illustrate the process and the identification of what will be counted and the effectiveness of the process.

Marketing / Advertising Items

2007 Spring/Summer Broadcast Media Schedules

Karen Mullikin reported each September a presentation is made for the entire Spring/Summer campaign with a number in the television line item, however at that time the cost of advertising is not accurate hence each February the details are brought back before the Commission.

Greg Harrison detailed the strategy used for the Spring/Summer campaign by targeting a primary audience of adults aged 25-49, primarily composed of Baby Boomers and Gen-Xers (as opposed to the Fall/Winter campaign aimed at the slightly older audience ages 25-54). A broad daypart mix has been utilized to maximize reach and frequency of schedules as well as cost efficiencies. A four-week flight was approved for key in-state (\$176,464) and out-of-state (\$1,176,415) markets for a total cost of approximately \$1,352,880. Schedules will air over a four week period from April 2-29, 2007 with an average reach of 92.5% and a frequency of 7.5 times over the four-week period. The addition of the Baton Rouge market is the only major change compared to previous Spring/Summer buys. Mr. Harrison went over the definition of terms for reach, gross rating points (GRPs), and frequency.

Jim Shamburger inquired if CJRW would be keeping separate numbers on the Baton Rouge market to help determine how effective the campaign is in that area. Karen Mullikin replied the conversion studies would report some based on the travels. Mr. Shamburger stated he questioned the decision to advertise in that market due to the transportation issue. Ms. Mullikin stated discussions were had regarding those issues and Baton Rouge kept coming up and was the right size and cost wise it would be considered a good test. Joe David Rice stated the El Dorado Welcome Center manager, Barbara Cutter, would be requested to monitor the people coming from Baton Rouge.

Greg Harrison summarized the Spring/Summer 2007 Cable Television Summary. To supplement the broadcast television schedules in the Dallas/Fort Worth and Shreveport markets, an additional four-week cable television schedule was approved as part of the Spring/Summer 2007 plan. These schedules continue the National Cable (NCC) "SMART Buy" approach introduced in the Fall/Winter 2006/2007. A SMART Buy is a planning tool that allowed the use of the Nielson National Peoplemeter sample to target only the networks, dayparts and programs that index very highly with Arkansas' target audience (Adults 25-34 with children and household incomes of \$35,000+, and Adults 35-54 with no children and household incomes of \$50,000). The NCC compared this information with their available Nielson data to determine a set of networks, dayparts, and programs that will best reach these audiences. A budget of \$80,000 (Dallas/Fort Worth, \$70,020; Shreveport, \$10,000) was approved for this Spring/Summer 2007 cable television schedule; In addition to the paid schedules for these markets, Arkansas will also receive Video-On-Demand (VOD) coverage in all 54 Time Warner Cable's VOD markets (a 20 minute video available all over the country) as an added value. Mr. Harrison explained VOD is available in households with digital cable boxes, enabling viewers to select video content from a central server for viewing on their televisions whenever they choose. System operators of VOD provide monthly reports for viewing, including total views of content, total unique views, and the aggregate (actual) minutes that the content was viewed. The VOD campaign will begin April 2007, and will remain active for a full year (52 weeks from date of start). Creative elements scheduled include the "Natural Elements" (10 minutes) and the "Let's Ride" (2.28 minutes) videos, with the ability to change out videos.

Greg Harrison detailed the Spring/Summer 2007 Hispanic Television Summary. Due to the Hispanic population in Arkansas growing, a small Hispanic television schedule was recommended and approved as part of the Spring/Summer 2007 Multicultural Marketing Program. Television schedules have been developed that will run in both the Little Rock and Fort Smith/Fayetteville markets on the local Uni-vision affiliate. The schedules focus on news and primetime dayparts, as well as some weekend sports offerings; these schedules will run for four-weeks in conjunction with the Consumer broadcast television schedules. At this time there are no Neilson ratings available for the Hispanic market. The total budget for this campaign is approximately \$5,100.

Greg Harrison summarized the KTHV “Amazed by Arkansas” partnership; a budget of \$50,000 was approved as part of the Spring/Summer 2007 plan as the Department’s portion of the \$200,000 + investment tied to this promotion. The remaining amount will come from advertising partners from the private sector of the tourism industry. The broadcast television (\$44,000) schedule (starting February 26, 2007 – June 2007) will maximize Arkansas’ presence on KTHV. It is recommended the broadcast schedule go on hiatus the weeks of regular Consumer television campaign (April 2-29), so as not to duplicate efforts in the market. The online portion (\$6,000) of the campaign went live in mid-January.

Greg Harrison summarized the Spring/Summer 2007 In-State Radio Recommendation. A three-week radio campaign is recommended to fall within the flight dates of the broadcast television campaign (April 2-22). While the rural radio efforts for the Fall fell during the broadcast “political window,” limiting opportunities for bonus spots, that problem does not exist for Spring/Summer. As a result, stations have agreed to match each paid spot with at least two bonus spots, and it is anticipated that many stations will deliver well above that ratio. The original amount approved for an in-state radio proposal for Spring/Summer 2007 was \$20,000, which is the amount proposed for this three-week campaign. A total amount of 67 spots (30 seconds each) will run on each of the 39 radio stations targeting the 20 counties that receive the least amount of broadcast television coverage.

Mike Mills moved to approve the 2007 Spring/Summer Television recommendations as presented. Debbie Haak seconded and the motion carried.

Jay Bunyard reminded Commissioners that due to Bob Knight and himself owning some of the radio stations selected on the list for advertising the radio spots and as such will abstain from the voting process in regards to the recommended radio campaign.

Mike Mills moved to approve the 2007 Spring/Summer 2007 Radio Recommendations. Jim Gaston seconded and the motion carried. Bob Knight and Jay Bunyard abstained.

2007 Spring/Summer Additional Broadcast Creative Recommendations

Karen Mullikin reminded the Commissioners that approval was given in September for the main Consumer campaign. However, additional broadcast creatives are included in the campaign Greg Harrison summarized. Bill Fitzgerald showed the recommended broadcast television creative and the three (30 second) creative spots for radio.

Richard W. Davies asked what the requirements would be to get the “Amazed by Arkansas” video distributed around the state to help with cross-selling. Karen Mullikin replied the video was free from the Department for distribution. Debbie Grace added the facility would need to have a “dedicated line” for the video to run on a loop non-stop. Karen Mullikin stated CJRW has an ongoing program as part of the public relations done for the state. CJRW makes contact with as many of the public access stations they can to offer free Arkansas videos; many stations already have the “Amazed by Arkansas” video. Ms. Mullikin added CJRW would put together an information sheet on the equipment requirements needed for the “Amazed by Arkansas” video to run on a dedicated channel. Debbie Haak suggested running the video at the Governor’s Conference.

Steve Arrison stated it seemed all of the creatives were aimed towards camping, and outdoor activities and felt there was more to Arkansas than just the outdoors. He suggested adding more urban creatives to help balance the image of Arkansas. Richard W. Davies stated he felt Mr. Arrison made a good point; however in order for the ads to mix well with the ones currently being viewed, kids should defiantly be involved.

Danny Ford moved to approve the additional broadcast creative recommendation and the authorization for the addition of urban-oriented advertisements. Montine McNulty seconded and the motion carried.

2007 Spring/Summer Online Campaign Revised Creative Recommendations

Bill Fitzgerald presented the Commission with the online campaign revised creative recommendations with the changes as requested by the Internet Committee.

Wade Williams moved to approve the 2007 Spring/Summer Online Revised Creative recommendations as presented. Billy Lindsey seconded and the motion carried.

Fall/Winter 2006-2007 Television Post-Buy Analysis

Greg Harrison summarized the Fall/Winter 2006-2007 Television Postbuy Analysis. Spot television buys are placed based on estimated ratings; because the actual audience for a program cannot be determined until after it airs, estimates are developed based on the program and time period’s historical audience delivery. The industry standard for postbuy delivery is 90%. If a market delivers 90% or better of the estimated rating points, that market is considered to have successfully “posted.” However, if a market delivers less than 90%, the individual stations are considered to have “under-delivered.” Of the 11 markets (Dallas/Ft. Worth; Ft. Smith/Fayetteville; Jonesboro; Little Rock; Memphis; Monroe/El Dorado; Oklahoma City;

Shreveport; Springfield; Tulsa; and Tyler/Longview) purchased as part of the Fall/Winter 2006-2007 schedule, all but four posted at 90% or better. The four markets that performed below the industry standard were Oklahoma City (79%), Shreveport (80%), Springfield (82%), and Tulsa (80%). These same markets will run their under delivery schedules concurrently with their Spring/Summer 2007 flights to make up the deficit.

Partners in Tourism Report:

THV Amazed by Arkansas

Brandi Hinkle updated the Commission on the participation level of the industry with the “Amazed by Arkansas” project. Karen Mullikin distributed spreadsheets detailing who the industry partners are, when they plan to advertise (online, magazine, television, and editorial coverage, if applicable) and the cost of expected advertising. The Amazed by Arkansas Program with Channel 11 (Today’s THV) is approximately 44 weeks of advertisements that will run beginning January 29 through November 2, 2007. Starting March 1, and on every Thursday for 40 weeks, Today’s THV will go on the road and visit the state’s top 40 destinations. News coverage will include live reports on “Today’s THV This Morning with BJ, Robyn and Tom,” “Today’s THV at 5 p.m.,” “Today’s THV at 6 p.m.,” and will feature a travel-log report on each location complete with all the information and fun facts needed to plan an Arkansas vacation.

Welcome Center Digital Video Creative Recommendations

Brandy Hinkle gave an update regarding the Welcome Center cross-selling program. The purpose of the program was to get people off the roadways and into the smaller attractions and areas and to cross-sell the state. The digital element used at the Texarkana Welcome Center includes a video, still photography, calendar of events (rotates and updates the events) and listings for area attractions. A “fun map” has been created to complement the program. At the Van Buren / Ft. Smith Welcome center the “fun map” area attractions, cute cartoon icons and listing of attractions and contact information (website, address, and phone numbers). On the flip side would be the entire state. The same information will be on the “fun map” designed for the Texarkana Welcome Center. Talks are ongoing with Taco Bell for a \$5000 partnership with which will cover the cost of printing the maps. Approximately 50,000 maps will be available at each Welcome Center with information and contact numbers for the Welcome Centers. An update as to the status of Taco Bell joining the partnership will be available at the April Commission meeting.

Debbie Grace presented the Welcome Center Digital Video Creative recommendations to the Commission. Brandi Hinkle explained the updates for the calendar of events and listings would be updated from Little Rock. The videos will be changed four times a year to coincide with the seasonal changes of the state. Richard W. Davies inquired as to the number of videos

available for rotation. Ms. Grace replied as many as wanted the templates could be made in advance, keeping in mind this was a test run. The video can be up and running in the Texarkana Welcome Center within a week; the only additional equipment needed would be a computer hard drive.

Steve Arrison moved to approve the Welcome Center Digital Video Creative. Ness Sechrest seconded and the motion carried.

Jim Gaston requested information regarding the cost of using the same system within the Visitor Information Centers.

Miscellaneous

Greg Harrison distributed a spreadsheet to help illustrate the method of tracking throughout the year which industry partner is involved in which co-op program. The spreadsheet details what programs are up next, what's selling next and what's due. The original goal for each of the co-ops was a twelve page spread for each magazine. Currently the goal has been exceeded by most programs for the industry. Richard W. Davies stated the spreadsheet shows proof of a program the community has asked us to do that appears to be working.

Web site-related Items

Jonathan Eudy reported Arkansas.com received 607,980 visitor sessions (including spiders and robots), an increase 25.6% over the same time period in 2006. LiveStats reported the average monthly visits to Arkansas.com, in calendar year 2006, was 483,796.

Richard W. Davies asked for an explanation regarding "spiders" and "robots." Mr. Eudy explained for the past 12 months Aristotle has been running an additional program in conjunction with LiveStats called ClickTracks. ClickTracks is unique in the sense that it pulls out all "spiders" and "robots" from all visitor sessions. Mr. Eudy explained "spiders" indexes your Web pages to determine what your relative position would be on their particular search engine. The upside to ClickTracks program is it will help identify the natural placement of Arkansas.com; the downside is there are a lot of "robots" where "spiders" were clicking their legs all the time (causing your visitor sessions amount to increase). Although Aristotle knew it was happening, they had to wait until a year's worth of data accumulated to compare the changes. The Commission should notice a change next month when Aristotle reverses the reporting and the number of visitor sessions is reduced by 40%. The reduction of visitor sessions does not mean the state is losing visitor sessions; just the reporting of the visits will be done differently. Montine McNulty inquired if the statistics from last years' data will decrease. Mr. Eudy replied yes, only because at the time there was not a way to remove the "spiders" and "robots" and still compare the results, hence the need to accumulate a years' worth of data. Richard W. Davies inquired if due to the search engines becoming more competitive was the reason more "spiders"

and “robots” were out there. Mr. Eudy replied the reason for the increase in “spiders” and “robots” had more to do with technology becoming more and more important in terms of revenue generators for search engines.

Jonathan Eudy reported January showed total impressions for January 2007 was 1,722,913 resulting in 31, 113 clicks with an overall cost of \$8,294.25 (\$.27 each, well below the national standard of \$1.27), leaving a budget balance amount of \$59,647.62 (figures excludes Co-op PPC campaign).

Mr. Eudy reported the Governor’s Conference information has been available online since the middle of January. The number of downloads of PDF files per piece: 97 Governor’s Letter; 183 Registration Forms; 180 Conference Program; 129 Hotel Reservation Form; 92 Tourism Auction Forms; 24 Hot Springs Map; 57 St. Patrick’s Day Blarney Blast; 49 Attend and Win Prize Forms; and 45 Refund Policy Forms.

“All About Arkansas” Videos

Jonathan Eudy stated KATV (Channel 7) had donated approximately 18 videos shot on various subjects related directly to Arkansas that could be “feathered” into Tourism. Currently 13 of the 18 videos have been placed on the Web sites and the remaining videos are awaiting placement. Mr. Eudy presented a short presentation of the Rivermarket piece to illustrate the look and feel of the videos being used.

Update on Top 100 Poll

Mr. Eudy reported on the number of clicks and page views resulting from the Top 100 Poll for destinations in Arkansas. Approximately 149 clicks for vacation kits resulting in an additional 278 page views; approximately 158 clicks for virtual tours resulting in an additional 379 page views; and 763 clicks for the Top 100 Destinations poll resulting in an additional 1,090 page views. The Top 100 Poll had 4,240 visitors in January generating 3,310 entries into the Top 100 Poll.

Web Statistics/Hitwise Report

Arkansas.com ranked fourth among the 50 state tourism Web sites in January (North Carolina, Florida, and Michigan ranked higher); Arkansas.com ranked first among contiguous states; 171st in the “Travel-Destinations and Accommodations” category (an increase of 34 positions since December 2006); 389th in the “Travel” category; and the 11,973rd most visited site on the Internet for the month of January (an increase of 6,231 positions). The ‘Arkansas – The Natural State’ Web site received 52.10% of its traffic from search engine Web sites for the month of January 2007, compared to the ‘Travel’ industry standard of 29.25%.

Joe David Rice requested Jonathon Eudy report any new information regarding Best Western wanting to participate in the co-op program. Mr. Eudy explained Best Western has approximately 34 landing pages being used for hotels across the state and was interested in the possibility of participating in the keyword buy co-op program. Mr. Eudy stated he was unsure if Best Western was able or willing to meet the financial requirements as set up by the Commission for each hotel to participate.

Discussions ensued regarding the pros and cons for the various scenarios that could take place with regard to multiple keyword purchases within the co-op for one organization (meaning the possible break out of each particular buy within the campaign). The Commission recommended the continued investigation and research of Best Westerns' intents for the program before making a decision.

Research & Information Services: Section Report

Joanne Hinson reported the Research and Information Services Section processed 19,452 requests for information during January 2007, a decrease of 0.3% from January 2006. January requests for retirement/relocation information increased 23.2% (3,047). The Fall/Winter Internet Conversion Study questionnaires are currently being transmitted to e-mail recipients by Aristotle Internet.

Judy Martin is working with regional tourist association leaders from Arkansas South and Arkansas Great Southwest to plan the Spring Familiarization Tour for Arkansas Welcome Center employees. The tour will be conducted the last week in April.

Ms. Hinson updated the Commission on the status of the Welcome Centers. The West Memphis Welcome Center has a high traffic volume; a decision still has yet to be made regarding the location of the new Welcome Center at West Memphis. One of the issues includes the amount and location of land available West Memphis will be able to donate; the Highway Department is willing to attempt to put the Welcome Center downtown if all of the land issues can be worked out. The Blytheville Welcome Center bidding process is scheduled for April 18th, 2007 (subject to availability of funds). The Lake Village Welcome Center will be built on land instead of over the water.

Group Travel Section Report

Melinda Hawes reported she attended the *Delta Grassroots Caucus Conference* with Tourism Development's Donna Perrin. In addition to their attendance at the panel discussions (1/4 of the discussions were regarding tourism), many contacts were made regarding tourism development and promotion in the region.

Melinda Hawes summarized the *American Bus Association* (ABA) tradeshow was an extremely strong show for Arkansas this year. Arkansas had 12 delegates in attendance in addition to Little Rock Tours, who were present as both buyers and sellers. A representative from each of the sellers in attendance attended the caucus, where the destination marketing organizations (DMO) pass on the leads to the hotels and attraction delegates whose appointments come after the DMO's. Requests at the ABA were specific with a continued strong trend toward "off the beaten path" type itineraries. Some trends are becoming apparent in that foreign individual travelers are requesting one of the two extremes: really short (1 -3 days); or an extended multi-state tour (usually a fourteen day tour). The hub-and-spoke trend, based in the city, staying in the same hotel traveling to three different cities in the same day, appears to be on the rise.

Ms. Hawes reported Amber Garrett will be on her way to represent Arkansas at the *Bank Travel Conference* in Jacksonville, Florida. The show has fluctuated between strong and weak. Ms. Hawes has asked Ms. Garrett to take note of what this year's show is like and if it appears people are going to pursue it.

The *Travel South Showcase* is one of the stronger shows for Arkansas as it is geared for the south. Decorations are strictly regulated and Group Travel is working to coordinate floral decorations and clothing to show a strong teamwork-minded presence.

Group Travel plans to add two affordable shows to this year's schedule: *Christian Conference & Meeting Association* held in May. This is a smaller, informal show with the opportunity to make more direct contact with the planners for groups looking for mid-priced cities. *Missouri Bank Travel Exchange* held in May. Group Travel has invited suppliers to participate and The Grand Central USA group (AR, MO, KS, and OK) are negotiating a meal sponsorship to introduce the group to this new industry.

Destination Arkansas

Melinda Hawes reported three staff members from Saltmarsh Partnership, one group tour operator and two journalists will be on a tailored FAM tour and will coincide with the Governor's Conference on Tourism. Staff will co-conduct a seminar with Laurie Green of the Little Rock Convention and Visitors Bureau and members of the Saltmarsh Partnership; the subject matter will be the group's efforts in the United Kingdom and doing business with international operators in general.

Ms. Hawes stated plans are underway to create the first Carp FAM tour and will keep the Commission updated.

Miscellaneous

Melinda Hawes reported as a form of sponsorship for the International Master Gardener Conference, to be held in Little Rock, in May, Group Travel has been mailing out the welcome letter in a customized kit of Arkansas information.

Wade Williams requested a comprehensive review of partnership with the Saltmarsh Partnership Group before the contract expires on June 30. Karen Mullikin stated March was actually the end of the quarter for the Saltmarsh Group and would have a copy of the quarterly report for the April Commission meeting. Mr. Williams added he would like a summary of details of accomplishment for past three years.

Joe David Rice encouraged Commissioners to meet the representatives from the Saltmarsh Group while at the Governor's Conference.

Communications

Joe David Rice reported the first of two Regional Media Days will be held in Batesville on March 28 and the second will be in Russellville on April 4. Mr. Rice explained this was a chance for visiting media to meet with people one on one. The interest in this project has been well received and he expects the event to go well.

Joe David Rice stated Jana Greenbaum has been talking with a reporter from North Carolina who has taken interest in creating a similar geo caching program for them. The word is getting out and many positive statements have been posted to Geocaching.com (the national Web site for Geo caching). Mr. Rice reported Village Creek State Park has the second state park geo caching site established.

Joe David Rice reported the Little Rock Convention and Visitors Bureau is bringing in the North America Travel Journalists Association (NATJA). The Department will help with pre- and post- FAM tours. Karen Trevino and others are bringing the Southeastern Outdoor Press Association this Fall. Ms. Greenbaum will be working with both cities to help ensure places outside of Pulaski County get good exposure.

Tourism Development

Donna Perrin reported Kristine Puckett attended the Arkansas Festival Association's Annual Conference, January 21-22 at the Pine Bluff Convention Center. Ms. Perrin reported the 2006 ALFie award recipients were: **Best New Festival** - Lum & Abner Festival, Mena; **Heritage Award** – Showdown at Sunset, El Dorado; **Outstanding New Idea** – Toad Suck Daze, Conway (Build a Toad Workshop); **Community Trademark Award** – BPW Barn Sale, Camden;

Classic Award – The Enchanted Land of Lights and Legends, Pine Bluff; **The Festival of the Year Award** – Bradley Pink Tomato Festival, Warren. Additional information can be found at www.arkansasfestivalassociation.org.

Donna Perrin attended the Tennessee Agritourism Conference and the **3rd Annual Southeast Region Agritourism Council Meeting** in Pigeon Forge. Discussions included what each state was doing to help promote agritourism. Of the ten states Kentucky was the only state that had agritourism promoted within its tour guide.

Donna Perrin also attended a seminar “Downtown Living for Empty Nesters and Retirees” held in North Little Rock hosted by Mainstreet Arkansas. Kyle Izel (speaker) suggested that anyone who has an inferiority complex about their town should “lose it.” He reemphasized the point that people should always focus on the positive and write great stories about themselves. Currently there are zero cities focusing on urban lifestyle retirement.

Danny Ford inquired how many states were involved in the Agritourism Meeting she attended. Ms. Perrin replied states from Virginia down to Florida and over to Louisiana and Arkansas. The Tennessee Agritourism Conference was their larger annual conference with approximately 100 attendees. These other states have sections in their Tourism Divisions devoted to the promotion of Agritourism.

Miscellaneous

Joe David Rice reported Deborah Schwartz, Director Little Rock National Airport, talked with Montine McNulty about possibly working with Delta.com to get a direct flight from Little Rock National Airport to Washington, D.C. Ronald Reagan National Airport and back. Montine McNulty reported Delta Airlines has asked or sent an application for a direct flight. The city of Little Rock is competition for the direct flight with three other cities; however it appears Little Rock may be the front runner at this time. Ms. McNulty requested the Commission send a letter of support for a non-stop direct flight from Little Rock to Washington, D.C., and encouraged everyone present to write a letter of support.

Jim Gaston moved to approve a letter of support for a non-stop direct flight from Little Rock Airport to Washington, D.C. Ronald Reagan National Airport via Delta Airlines. Debbie Haak seconded and the motion carried.

Joe David Rice distributed a copy of the new 2007 vacation kit.

Wade Williams reported Eureka Springs lost two of its stalwarts (Mardell Bland-Sutherland, The Great Passion Play; and Lynn Berry, former Director of A & P) from the tourism industry.

Wade Williams moved to approve Certificates of Appreciation to Mardell Bland-Sutherland and Lynn Berry for all the work they have done to encourage tourism in Arkansas. Mike Mills seconded and the motion carried.

PARKS DIVISION

Certificate of Appreciation

Greg Butts requested a Certificate of Appreciation for Sandy Burch who is retiring on March 30th after six years of outstanding service to Arkansas State Parks.

Jim Gaston moved to approve a Certificate of Appreciation for Sandy Burch. Mike Mills seconded and the motion carried.

Arkansas Broadcasters Association - Spring TV & Radio Ads

Joe Jacobs presented one new 60-second radio ad, "ArkansasStateParks.com" and one new 30-second television ad, "ArkansasStateParks.com." Mr. Jacobs said two 30-second television ads, "Arkansas State Parks Adventure" and "Arkansas State Parks Accommodations" and one 60-second radio ad "Arkansas State Parks Adventure and Accommodations" will continue from winter and one 60-second radio ad "Did You Know" will be brought back from summer 2001. The ads will run on stations throughout Arkansas beginning March 1 until further notice.

Steve Arrison moved to approve one new 60-second radio ad and one new 30-second television ad as presented to air beginning March 1, 2007 until further notice. Montine McNulty seconded and the motion carried.

Ozark Folk Center - Request for Memorial from The Committee of 100

Greg Butts said the late Lt. Governor Win Rockefeller and his family had, over numerous years, greatly assisted the Committee of 100 raise funding for a variety of different projects and activities at the Ozark Folk Center. The Committee of 100 would now like to honor him by assisting with the funding of the planned Traditional Music Instrument Exhibit at the Music Auditorium.

Ness Sechrest moved to approve The Committee of 100's request to assist with funding of a music exhibit at the Ozark Folk Center in honor of Lt. Governor Win Rockefeller and his sponsorship and support of the Committee's projects and activities. Jim Gaston seconded and the motion carried.

Lake Poinsett State Park - Removal of Building from Inventory

Stan Graves requested removal of the campground bathhouse at Lake Poinsett State Park. The deteriorated, outdated structure, built in 1969, is not ADA compliant, and will be replaced by a new facility.

Steve Arrison moved to approve removing from inventory at Lake Poinsett State Park campground bathhouse #14.04 (AASIS 120001206). Billy Lindsey seconded and the motion carried.

Delta Heritage Trail State Park - Update of Sale of Surplus Rail

Greg Butts said Richard Davies and he had met with Representatives Allen Maxwell, David Rainey, Gregg Reep and Robert Moore and Senator Jimmy Jeffress to discuss the Department asking the Federal Highway Administration (FHA) to waive the grant requirement and repayment of the funds that acquired the rail in 1992. A response from the Federal Highway Administration to Congressman Ross was that any request would have to be reviewed from the Department. Additional information was provided during the meeting regarding the legislators' wishes for the re-utilization of the rail in south and southeast Arkansas. Mr. Butts called the Commissioners' attention to a Memorandum of Understanding (MOU) between Chicot-Desha Metropolitan Port Authority (CDMPA) and the Southeast Arkansas Regional Intermodal Facility Authority (SEARIFA).

Richard Davies said the state legislators with whom he and Mr. Butts had met told them that Senators Lincoln and Pryor were waiting for a letter from the Commission stating that the rail should be given by the state to the group in southeast Arkansas for economic development. Mr. Davies said he told the legislators that Senators Lincoln and Pryor had not asked him for such a letter. Mr. Davies said he met with Governor Beebe who asked him to see if there was a way to allow a transfer of the rail and in return build more trail without any exchange of funds. Mr. Davies said he could send a letter requesting the Senators to ask the FHA's approval to transfer the rail to a public body to be owned by the public, leased by private railroads for economic development and in return the Department received consideration for trail work. Bill Barnes said he was concerned that the value of the rail was going down and the cost to complete the trail is going up. Mr. Davies said the US Coast Guard has also been communicating with Mr. Butts saying the Department needed to remove the Benzal Bridge if the trail is not completed. Mr. Davies said he would keep the Governor updated. Mr. Williams said it might be helpful to have some estimates on what trail development cost three years ago versus what it will cost this year. Mr. Davies said it might also be interesting to see the difference in steel prices. Mr. Williams said that the information could also show what waiting has cost the Department.

Ness Sechrest moved to authorize Richard Davies to send a letter to Senators Pryor and Lincoln asking them to urge the U.S. Highway and Transportation Department to consider a request that would allow Arkansas State Parks to transfer the surplus rail at Delta Heritage Trail State Park to another governmental entity for economic development purposes in return for completing some work on the trail. Wade Williams seconded and the motion carried.

Residential Housing Inventory Report

Greg Butts said when the park system started in 1937, there has always been some employee housing. Key management staff are needed on-site to respond to visitors' needs, handle emergencies and to secure the park facilities and resources on a 24-hour basis. In 1983 the housing policy was revised, stating that where housing is available it is provided in particular for Superintendents, Assistant Superintendents and Rangers, and also Interpreters and Lodge Managers. In parks that have overnight accommodations; it is critical to have staff on-site. The same holds true for special archeological sites, Toltec and Parkin, and where we have historic structures and archives - Historic Washington.

Mr. Butts said housing standards have evolved. Earlier residences built in the '60s and 70's were two-bedroom, one-bath 1,008 sq. ft. houses. Today's standard is a 1,863 sq. ft. structure that has three bedrooms and two baths; one being ADA accessible. Mr. Butts said ASP has 143 uniformed positions and 119 structures; 82 that meet minimum standards. There is a need for an additional 24. Thirty-seven houses don't meet standards and ASP has 23 seasonal residences that are small facilities that work well for a single college student who may be a seasonal Interpreter or Ranger. They are good for seasonal use but not for a family to reside in year-round. Mr. Butts said ASP has several older residences. Some were acquired and some are manufactured homes that have been enclosed. Mr. Butts said using a minimum standard of 1,500 sq. ft. three bedroom and 1 ½ bath houses, there are 37 at that level. Mr. Butts said that since the passage of Amendment 75 (1/8¢ Conservation Tax) a lot has been accomplished since FY97. Some additional funding for housing has come from the General Improvement Fund and Arkansas Natural & Cultural Resource Council grants. Since FY97, 55 new employee residences have been constructed. Also, some houses have been acquired and some have been expanded with the addition of baths and bedrooms. \$11.1 million has been expended in those facilities. Mr. Butts said it will cost \$7.3 million for new residences that are needed to accommodate uniformed staff and to bring some residences up to today's standards. Mr. Butts said we want to do all we can do for our employees. However, as much as housing is needed, we cannot just build employee housing and forget public use facilities. Employee housing has to be fit in overtime. For example, 77% of the park system's campsites have yet to be renovated. Mr. Butts said he did not have a recent survey on what other state park systems provide. Some systems don't provide employee housing at all because they feel it would not

meet with taxpayer approval. Some provide minimal housing and some charge rent and/or for utilities. Some states provide Superintendents a housing allowance and when that is done, it is taxable income.

Jim Gaston said several of the Commissioners have tried, unsuccessfully, to raise the pay scale for ADPT employees. The reason many staff work for state parks is because of the state benefits they receive. Some of them make a lower hourly wage than they would working in the private sector but they receive benefits where they often wouldn't at private sector jobs. Mr. Gaston said he is concerned because soon many park employees will be retiring and he is not optimistic that salaries will be raised enough to keep good employees. As an example, Arkansas Game & Fish Commission loses many of its law enforcement officers to the Highway Patrol Division of Arkansas State Police because of better pay and benefits. Mr. Gaston said if we can't provide a good employee who has a family with adequate housing, they will leave for other positions. Mr. Gaston said we need to do everything we can to make it better. Danny Ford said he agreed with Mr. Gaston and park staff takes a lot of pride in their jobs and their work. Mr. Ford said he is really concerned about staff housing. If ASP had concentrated solely on new employee housing with A-75 funds, there would have been a lot of criticism. But now citizens have seen all that has been done and the situation may have changed. Mr. Ford said there may be other opportunities such as houses on property that joins park property that we could acquire. When we've done that in the past, most of the time it has been less expensive than constructing a new residence on park property. Billy Lindsey asked what Mr. Butts needed. Mr. Butts said he wasn't asking for anything – the information was being provided because the Commissioners requested it at the January meeting. Mr. Lindsey said it is imperative that we continue to make this kind of progress for our employees – that we continue to put adequate housing in place. Bill Barnes asked for the number of residences that were under construction as listed in a summary that indicated the amount was \$790,866. Mr. Graves said it was for three residences. Mr. Barnes said his business at Self Creek was taking delivery on a 1,500 sq. ft. two-bedroom, two-bath manufactured home for which he paid \$68,000. The 1,900 sq. ft. three-bedroom, three-bath units are \$71,000. Mr. Barnes suggested that ASP could acquire three or four, set them in place and have Force Account side and deck them for a total cost of \$100,000 each. The case can be made that they are not as well constructed as a "stick-built" house. Mr. Barnes said he has some that are five years old that have been used under rental conditions at an average annual occupancy of 150 nights and they have not required any structural maintenance. Mr. Graves said a double-wide manufactured home was put in place at Cossatot River at a cost of \$74,728 – with road and infrastructure the cost was approximately \$125,000. Mr. Graves said the concern is how well it will last over the next 20 years. As per the Parks Committee recommendations, funds have been set aside in FY08 for Force Account to construct a residence as a pilot project. Mr. Gaston said we needed to look at the long-term life of a "stick-built" house versus a manufactured home when it is being used as a permanent residence as opposed to a rental unit. Wade Williams said because we require uniformed park staff to live in the park, it is incumbent upon us to provide a reasonable standard of accommodation. Mr. Williams asked how difficult it

would be to take the 24 residences slated for new construction locations and conduct a site review to determine which ones might be appropriate for some sort of modular house. Mr. Graves said he did not think it would be a problem to put a modular or manufactured home in any of those locations. Mr. Barnes suggested a three-resident pilot project using modular homes and finishing using Force Account. Richard Davies said Mr. Butts, Mr. Graves and Mr. Balkman have pushed getting employee housing in the budget every year as much as is appropriate.

Arkansas State Parks - 75th Anniversary

Greg Butts said in 2008 ASP will celebrate its 75th Anniversary and the system's mascot *Resource Raccoon* will be 25 years old. It will be an opportunity to reconnect with citizens about their park system and all its benefits, attributes, purposes and mission. Mr. Butts said it will also be an opportunity to utilize monthly events that take place throughout the year; Black History Month, Archeology Month, Heritage Month, Parks & Recreation Month, National Public Lands Day, etc. There will be a lot of different special events and activities, a video that showcases the park system, special brochures and perhaps a "coffee-table book" with the history of the park system that would be a re-sale item. Mr. Butts said it will be an exciting year for ASP.

Miscellaneous

Greg Butts said on February 6th, Jim Gatliff of Delight found a 12-sided, 2.67 carat yellow diamond at Crater of Diamonds State Park. Mr. Gatliff had visited the park many times since he was seven years old, and this discovery was the largest diamond he had found over the years.

Mr. Butts said he wanted to thank the Arkansas Broadcasters' Association for its contributions to ASP in running the television and radio ads. Last fiscal year the value of the spots totaled \$1.2 million.

Montine McNulty said the Arkansas Hospitality Association had received, for the third year in a row, a grant from the Workforce Investment Board. The two training areas that will be the same as in previous years will be Serve Safe Foods certification course for restaurants and the serving alcohol. The area that will be a little different will be Customer Service. It will be called *Customer Experience* and will be a two-day, intensive training sessions that will go through a variety of topics. There will be a \$200 per person fee for the two-day training session. Ms. McNulty said it will be excellent training for up and coming, young managers in the hospitality industry.

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The meeting of the State Parks, Recreation and Travel Commission adjourned at 8:45 a.m. on February 16, 2007 at the Wyndham Hotel in North Little Rock, Arkansas.