

State Parks, Recreation & Travel Commission
Star City Civic Center, Star City, AR
May 20, 2010

Commissioners Present

Bob Knight, Vice-Chairman
Steve Arrison
Jay Bunyard
Jim Gaston
Billy Lindsey

Mike Mills
Tom Schueck
Jim Shamburger
Cindy Smith

Commissioners Absent

Montine McNulty, Chairman
Bill Barnes
Danny Ford

Darin Gray
Debbie Haak
Ness Sehcrest

Department Staff Present

Richard W. Davies, Executive Director
Gloria Robins, Executive Assistant
Greg Butts, Director, Arkansas State Parks
Joe David Rice, Tourism Director
Nancy Clark, Assistant Tourism Director
Mac Balkman, Operations Manager
Stan Graves, Parks Planning & Development Manager
Joe Jacobs, Marketing & Revenue Manager
Joan Ellison, Public Information Officer
Donna Perrin, Tourism Development Manager
Joanne Hinson, Research & Information Services Manager
Jon Brown, Region I Supervisor
Marcel Hanzlik, Region III Supervisor
Tom Stolarz, Region IV Supervisor
Kris Richardson, Administrative Specialist
Dottie Boyes, Administrative Specialist
Kim Williams, Travel Writer
Greg Clark, Golf Course Manager, Lake DeGray State Park
Mike Farringer, Park Superintendent, Cane Creek State Park
Jessica McFadden, Interpreter, Cane Creek State Park
Connie Atkins, Administrative Specialist

Aristotle

Marla Norris
Jonathan Eudy

CJRW

Shelby Woods
Wayne Woods
Karen Mullikin
Carie Orahoad
Chance Woods
Jennifer Morgan

Brandi Childress
Amy Frazier
Kara Lee Ford
Ross Cranford
Lyuba Bugan

Guests

Michael Erdman, Longwoods International
Vince Guest, Attorney, Cross County Bank

Roll Call

Vice-Chairman Bob Knight called the meeting to order at 8:30 am on Thursday, May 20, 2010. Gloria Robins called the roll.

Approval of Agenda

Mike Mills moved to accept the Agenda with an additional state parks item, Arkansas Recreational Trails Program, as noted. Jim Shamburger second and the motion carried.

Approval of Minutes

Tom Schueck moved to accept the Minutes from the April 2010 meeting. Steve Arrison second and the motion carried.

FINANCIAL REPORT

Cynthia Dunlap presented the financial report for the period ended April 30, 2010. The expenditures were: Parks Division, \$ 59,192,202 including construction and grants; Tourism Division, \$11,001,966; Keep Arkansas Beautiful, \$518,902; Administration Division, \$2,608,407; and History Commission, \$1,442,160. Expenditures for the Department totaled \$74,763,637. The year-to-date operating revenue Parks Division totaled \$17,068,270, a decrease of 3% over the same period FY2009.

Steve Arrison moved to accept the Financial Report as presented. Mike Mills second and the motion carried.

PARKS DIVISION

Village Creek Resort

Tom Schueck addressed the Commission regarding Village Creek Resort's (VCR) loan default, the proposed settlement with Cross County Bank (CCB) and the operation of the golf course. CCB had made an offer to ADPT to purchase their investment in VCR in the amount of \$2.1 million in May 2010. ADPT declined the offer. On May 19th, the Village Creek Sub-Committee discussed and reviewed the proposal in detail. The Committee agreed to make a recommendation to the SPRTC to extend an offer of \$500,000 to CCB. CCB made a counter offer of \$700,000.

Tom Schueck move to offer \$550,000 to Cross County Bank for acquisition of the maintenance building, one acre of land at entrance, and Cross County Bank's lease hold interest, subject to approval by the Department of Finance and Administration, and the Attorney General's office. Jim Arrison second and the motion carried.

Vince Guest, CCB attorney, was present and accepted the offer of \$550,000 for settlement on behalf of the CCB and the other two banks involved. He advised that there is more value than ADPT's offer suggests but indicated CCB is trying to cooperate and work with ADPT's timetable to reach a settlement in a timely manner, in FY 2010.

Tom Schueck continued dialogue concerning how ADPT would proceed with the renovation and operation of the golf course. He referred the Commission to a report submitted by golf consultant, Jon O'Donnell offering options of how to proceed. As a result of the Village Creek Sub-Committee, there was a recommendation to move forward with "Option B."

Tom Schueck advised once they embark on this option, money will be spent. The first expenditure being the settlement to CCB. The second expenditure is an estimated one million to one and half million spent on completing and upgrading the 27 hole golf course. With a \$7.5 million investment, there is no choice and the work needs to be done. He anticipated the golf course will break even with 20,000 rounds a year. When questioned where funding will come from, Greg Butts advised grant funds will be utilized for the settlement to CCB, golf course renovations, improvements, and operations will come from a combination of the 1/8¢ Conservation Tax and cash funds. Discussion continued regarding the materials, methods, and timeline to get the course in excellent playing condition. Mr. Schueck slated the target date for re-opening the course is May 1, 2011. The ASP staff was concerned if that target date can be met. With lengthy state procurement processes, staff suggested 18 months is more realistic than 12. Mr. Schueck urged the staff to do all possible to meet the May 1, 2011 target date.

Tom Schueck moved to proceed forward with "Option B" – Close the golf course temporarily, complete the work outlined in "Option B", prepare a marketing plan, and re-open the course with a target date of May 1, 2011. Cindy Smith second and the motion carried.

Tom Schueck advised there is an estimated \$446,000 in claims from independent contractors that did work for VCR. Although ASP will receive benefit from this work, with no ADPT contracts with the subject contractors, there is no legal responsibility to pay these debts. These debts were eliminated with CCB's foreclosure of VCR's bank loan. Additionally, staff reports that ASP is required to adhere to state procurement laws, stipulating competitive bids prior to entering into construction projects or services.

Tom Schueck moved to decline any payment or reimbursement requests to all contractors, suppliers or vendors who are owed money from Village Creek Resort, LLC for services performed at Village Creek State Park. Jim Gaston second and the motion carried.

Jim Shamburger commented it would be a nice gesture to provide these vendors any opportunity for future work available.

EXECUTIVE DIRECTOR'S REPORT

Richard W. Davies reported he wrote a letter to the Ouachita National Forest (ONF) requesting interested trail groups offer assistance in efforts to keep ATV trails open outside the Wolf Pen Gap area. Volunteer names were provided and the ONF agreed to evaluate the proposal. Mr. Davies noted he will keep the Commission posted on any progress.

Richard W. Davies reported the ADPT office relocations on the fourth floor of the "Big Mac" building will begin early June and occur in succession over the next three months.

PARKS DIVISION

Summer TV & Radio Spots

The ASP summer TV and radio spots were presented for approval. Staff advised new footage shot recently at Devil's Den was incorporated with some footage on file to create new ads with a common "stay in your backyard" theme. The program is in cooperation with the Arkansas Broadcaster's Association and designed primarily for in-state use. The Commission was shown a brief clip of "behind the scenes" footage to showcase the creative and production process used to create the ads.

TV Spots (30-second spots)

TV Cut #1: *"Arkansas State Parks: Come Outside and Play in Your Backyard"*

TV Cut #2: *"Arkansas's State Parks: Spend the Night in Your Backyard"*

Radio Spots (60-second spots)

Radio Cut #1: *“Arkansas’s State Parks...So Close and So Much to Do”*

Radio Cut #2: *“Arkansas’s State Parks: Spend the Night in Your Backyard”*

Steve Arrison made a motion to approve the TV and radio spots as presented. Jim Shamburger second and the motion carried.

Prairie Grove Battlefield State Park

Women’s Auxiliary Agreement Renewal

Greg Butts requested approval to renew the agreement between ASP and the Women’s Auxiliary for five years. The Women’s Auxiliary provides items on consignment for retail sales, resulting in approximately \$10,000-\$20,000 per year. The money is used for major maintenance projects, capital improvements, and Civil War memorabilia purchases within the park.

Jim Shamburger moved to renew the agreement between Arkansas State Parks and the Women’s Auxiliary for five years. Mike Mills second and the motion carried.

Request for Approval of Pasture Lease

Stan Graves reported staff at Prairie Grove Battlefield State Park has requested permission to enter into a new Lease Agreement on a tract of land within the park. The property is currently leased for pasture, soon to expire. As a result of a bid process, Gary Stearnman has offered to lease 90 acres for \$40 per acre, a substantial increase over the current lease amount. The lease would be for a five year term.

Steven Arrison made a motion to approve Arkansas State Parks to enter into a Lease Agreement with Gary Stearnman for 90 acres used for pasture at \$40 per acre for a period of five years. Jim Shamburger second and the motion passed.

Camping Disability Discount Recommendation

Cindy Smith reported that the State Parks Committee held a meeting on May 19th to review the camping disability discount appeal presented to SPRTC in April 2010. The Committee discussed the surrounding state park systems, staff research and federal recreation area discounts for comparison. The Parks Committee agreed to accept the federal disability guidelines discount program (to include parents and/or caregivers of disabled children) on a temporary basis to see how it would affect camping revenues. As the state parks director has authority to offer special promotions, the Committee recommends that Greg Butts create a special promotion accepting the federal camping disability discount guidelines for a trial period and evaluate its financial impact.

Tom Schueck moved to approve that the director of state parks to create a special temporary promotion for Arkansas State Parks to accept the America the Beautiful Access Pass or Golden Access Passport for one year and track the impact on the revenue and review as necessary. Tom Mills second and the motion passed.

Delta Heritage Trail – USFWS Use Permit Agreement

Greg Butts requested approval to enter into an agreement between ASP and the USFWS approving installation of Stationary Telemetry Receivers on bridge piers on the Benzal and Yancopin Bridges along the Delta Heritage Trail for five years. This research project will study the endangered Pallid Sturgeon and is an excellent mission related effort with the federal government.

Billy Lindsey moved to enter into an agreement between Arkansas State Parks and the US Fish & Wildlife Service providing installation of Stationary Telemetry Receivers on bridge piers on the Benzal and Yancopin Bridges along the Delta Heritage Trail to track the Pallid Sturgeon for five years. Mike Mills second and the motion carried.

DeGray Lake Resort Website

Joe Jacobs reported the DeGray Lake Resort launched a new Web site with more user friendly applications and updated photos and doing well so far. An overview of the changes was shown to the Commission.

Withrow Springs – Proposed Interpretive Kiosk

Greg Butts reported of a family wishing to make a donation of an interpretive kiosk at War Eagle Creek in memory of their deceased son with one stipulation. The family is requesting notation on the kiosk that it is donated “*In Memory of Rufus Stephens Jr. Sponsored by Audubon Arkansas, Beaver Water District, and Arkansas State Parks.*” Mr. Butts recommended approval to accept the donation with the stipulation noted.

Jay Bunyard moved to accept a donation of an interpretive kiosk at Withrow Springs with a memorial notation. Steve Arrison second and the motion carried.

FY11 Arkansas Natural and Cultural Resources Council Grant Award

Stan Graves reported ASP is the recipient of \$5 million from ANCRC grant awards at May 5, 2010 meeting. The majority of funds are allocated for improvements at Petit Jean’s Mather Lodge kitchen and restaurant and Queen Wilhelmina Lodge’s interior.

Arkansas Recreational Trails Program

Stan Graves requested a resolution for submitting a grant request to the Arkansas Recreational Trails Program administered by the AHTD for matching grant funds to pave the trail from the campgrounds to Mather Lodge at Petit Jean. He noted if approved, it will provide 80% federal funding for the project.

Mike Mills moved to approve a resolution seeking Arkansas Recreational Trail Program funding for paving the campground – lodge trail at Petit Jean. Billy Lindsey second and the motion carried.

Miscellaneous

Greg Butts advised the Cornwell Open House at Mt. Nebo State Park is scheduled for 10:00 am – 12:00 noon, June 5, 2010. Commission and staff are invited.

Greg Butts announced the July 31, 2010 retirement of Operations Manager, Mac Balkman, with over 30 years of outstanding service, leadership, and dedication to ASP. He requested a certificate of appreciation honoring Mac Balkman's contributions and noted his leadership will be missed.

Jim Shamburger moved to approve a certificate of appreciation for Mac Balkman for his dedicated and respected service to Arkansas State Parks.

Mr. Butts continued with the announcement that a new Operations Managers has been selected. Jon Brown, Region I Supervisor, also with 30 plus years of service with ASP, will begin his post of Operations Manager on August 1, 2010 and we look forward to his service.

He highlighted a few of the miscellaneous items. The Forest Service proposed camping rate hike and reduction of senior discounts was not accepted.

California State Parks dropped entrance fees and added special programs, looking to make up the difference for revenue shortfalls.

He showed recent photos of the flooding at Hampson Archeological Museum in Wilson. Staff was quick to move archives and collections to higher grounds.

Photos of the Mary Woods No. 2 were shown of the ongoing salvage process, noting the superstructure shifted during the initial rollover. Stan Graves amended the salvage contract to remove the superstructure to float the vessel. Mr. Butts noted once floated, the vessel will be moved to land and estimated costs to repair and reconstruct the superstructure will be completed.

TOURISM DIVISION

Fiscal Year 2010 Budget Situation

Joe David Rice reported on the 2010 budget and announced several areas where spending has been reduced to include capital outlay, professional fees, travel, advertising, and operations.

Report From Focus Groups: Longwoods International

Joe David Rice introduced Michael Erdman, Senior Vice President of Longwoods International. Six focus groups were held April 20-22, in Springfield, Missouri; Tulsa, Oklahoma; and Dallas, Texas. Two meetings were conducted in each city. A primary purpose of the focus groups was to test the current advertising campaign against competitive states in order to measure how well it is communicating the intended message and motivating those exposed. A variety of magazine and television ads were tested. Ads were judged on their execution, motivation, and communication.

The results concluded that the current campaign performed very well and was successful at communicating the desired core message of natural beauty and a variety of things to do and see in Arkansas.

Overall ratings of Arkansas's campaign and the campaigns of other states tested were similar in each city. In Springfield, Arkansas and Oklahoma campaigns had a clear advantage over Tennessee. In Tulsa, Arkansas and Texas were ahead of Missouri by a wide margin, and in Dallas, Arkansas and Oklahoma received far better reviews over Louisiana.

The main issues included potentially over-promising the urban and "wine country" themes, mentioning but not showing some of the places unique to Arkansas, and the use of generic shots of people and activities not unique to Arkansas.

Recommendations included extending the current campaign into the fall season, increasing exposure of the state's most unique venues (i.e. Hot Springs and Eureka Springs), and minimizing the use of close-up shots that leave out or obscure the backdrop or activity being portrayed or promoted.

Overall, most of the participants indicated the material reviewed affected them positively by presenting them with at least one or more attractions to experience in the state.

In addition, Mr. Erdman shared several proposed concepts for future campaigns with focus group participants. Most reactions to the campaigns were positive and focused primarily on the messages the ads were trying to convey such as convenience, variety, scenic, outdoor activities, and luxury. A few had concerns about close-up shots of people that distracted from the event or message.

Economic Research Associates/Longwoods Strategic Plan Update

Mr. Rice announced that invitations have been sent for a meeting to be held at the Arkansas State Capitol with Governor Mike Beebe on June 9, 2010. Several key individuals from other state agencies have been invited to help devise a strategic plan for boosting the economic impact of tourism in Arkansas. They will be working on identifying one or two demonstration projects to undertake that could serve as prototypes for subsequent efforts in other regions of the state.

Ozark Medieval Fortress Update

Mr. Rice reported on the ribbon-cutting ceremonies for the Ozark Medieval Fortress held April 29. The event was well attended. Commissioner Cindy Smith said it was a beautiful and impressive site.

Mississippi River Commission Update

Mr. Rice thanked Commissioner Steve Arrison for allowing Hot Springs Convention and Visitors Bureau Special Events Manager Chrissy Egleston to attend the Mississippi River Commission meeting held April 25, 2010 in Natchez, Mississippi. Ms. Egleston reported on how important tourism and recreation are to Garland County and the impact of water-based activities on the local economy.

Research and Information Services Section

The Research and Information Services Section processed 19,674 requests for travel information during April 2010, a decrease of 80.7 percent from April 2009. The 2009 monthly total for April included lead generation which was eliminated from the 2010 campaign. When lead generation is excluded from the comparison there is an increase of 6.3%.

Arkansas Welcome Centers received 66,744 visitors during April 2010, up 13.1 percent from April last year. January–April visitation was 215,168, up 11.4 percent from 2009.

Joanne Hinson reported on events that occurred during National Tourism Week. Several welcome centers worked in partnership with surrounding attractions in order to promote tourism opportunities to visitors coming into the centers. Ms. Hinson stated the feedback from the public was very positive and they enjoyed the interaction with staff members.

Tourism Development Section

Donna Perrin reported on the Arkansas Travel Rally held in the Arkansas State Capitol rotunda on May 11. The event was quite successful and well attended. First Lady Ginger Beebe, Richard Davies, Joe David Rice, and North Little Rock Visitors Bureau Executive Director Karen Trevino were all guest speakers. Miss Arkansas 2009 Sarah Slocum sang *God Bless America*. Senator Shane Broadway and a tourist couple from North Carolina were among the attendees.

Ms. Perrin stated the State Regional Tourism Associations were notified that May 26 would be the final day to request grant payments. All regions will have a \$100,000.00 matching funds budget for fiscal year 2011.

Communications Section

Joe David Rice reported on an article published on AmericanPrinter.com featuring Quick Response (QR) codes. The article mentions how the Arkansas Department of Parks and Tourism is setting the standard on the use of QR codes.

Dena Woerner, Jill Rohrbach, and Mike Mills hosted four travel writers on an Ozark FAM tour, April 26-30, 2010. The travel writers visited Fayetteville, Lost Valley, Ozark Medieval Fortress, Eureka Springs, Harrison, and Little Rock.

Group Travel Section

Nancy Clark reported the Arkansas Great Giveaway promotion with Group Tour Media produced 82 sales leads.

Ms. Clark also stated that both Renee Robison and Cheryl Ferguson will be representing Arkansas at several trade shows through the end of the year.

Internet-Related Items

Marla Johnson Norris presented Web site statistics for April 2010, which included a 10.6% increase in visitation over the same period in 2009. April also saw a total of 103,402 direct links to tourism partners from Arkansas.com. The Web site placed number seven during April among all 50 tourism sites and number one amid the contiguous state sites. The *Hot Deals and Packages* iPhone application has experienced 715 installations from March 1 through May 2.

Several states currently being hurt by the recent Deepwater Horizon oil spill in the Gulf were offering special incentives to get tourists to come visit their states.

Ms. Norris reported on the Usability Survey and Focus Groups held April 27, 2010 in Memphis, Tennessee and May 4, 2010 in Houston, Texas. Five state tourism sites were tested: Arkansas, Louisiana, Missouri, Oklahoma, Tennessee, and Texas. Focus groups topics included: Travel Trends Discussion, E-Newsletter Survey & Discussion, and State Tourism Main Pages & Mock-ups.

The majority of the respondents rated the Web site easy or fairly easy to use, 28 out of 45 liked the overall colors and layout, 31 out of 45 found *Hot Deals & Packages* helpful, and 32 out of 45 were very interested or mildly interested in visiting Arkansas. Respondents were also asked to rank their favorite state tourism site. Arkansas.com ranked number one in Houston, number two in Memphis, and number one overall.

Advertising/Marketing

Fall/Winter 2010-2011 Advertising & Marketing Recommendations

The staff of Cranford Johnson Robinson Woods presented the Fall/Winter 2010-2011 Advertising & Marketing Recommendations. The comprehensive campaign extends the 2010 Spring/Summer roadtrip theme. The ads depict gorgeous fall colors featuring things to see and do in Arkansas.

Recommendations were made for the Fall/Winter 2010 newspaper insert to run in all dailies and weeklies in Arkansas and select feeder markets outside of the state. The total recommended circulation of the newspaper insert including the online portion is 3,263,188.

After working with ADPT and CJRW staff for over a year, it has been determined that the digest-size *Arkansas Tour Guide* should remain the same size.

The Arkansas Department of Parks and Tourism has partnered with Wendy's restaurants on a See Arkansas First vacation sweepstakes. The promotion encourages people to visit Arkansas locations for their summer vacations and weekend getaways. Tray liners in restaurants give details of the trip. Stickers on to-go orders promote the program as well. People can register to win at any of the 49 Wendy's locations in the state during the month of June.

Mike mills moved to accept the 2010-2011 Fall/Winter Advertising and Marketing Proposal with a review of some photographs. The budget for the plan is \$3,657,978.00. Billy Lindsey seconded and the motion carried

The new *Heritage Trail* brochure and the *2010-2011 Arkansas Fishing & Outdoors Guide* was handed out to the Commission. Wayne Woods announced 125,000 copies of the guide were printed.

Miscellaneous

Certificates of Appreciation

Joe David Rice requested a Commission Certificate of Appreciation for Christine Nelson, Travel Consultant for the Little Rock Welcome Center, who is retiring after 36 years of outstanding service.

Mike Mills moved to approve a Commission Certificate of Appreciation for Christine Nelson who is retiring after 36 years of service to the Arkansas Department of Parks and Tourism. Jim Gaston seconded and the motion carried.

Cynthia Dunlap requested a Commission Certificate of Appreciation for Tony Ransom, Warehouse Shipping and Receiving Clerk, who is retiring after 35 years of outstanding service.

Mike Mills moved to approve a Commission Certificate of Appreciation for Tony Ransom who is retiring after 35 years of service to the Arkansas Department of Parks and Tourism. Billy Lindsey seconded and the motion carried.

With no further business the Arkansas State Parks, Recreation and Travel Commission meeting adjourned at 1:50 at the Star City Civic Center. The next meeting will be held on June 17 in Blytheville.