

MINUTES

**State Parks, Recreation & Travel Commission
Comfort Inn Convention Center
Harrison, Arkansas
November 17-18, 2005**

Commissioners Present

Jane Christenson, Chairman
Billy Lindsey, Thurs. Only
Steve Arrison
Debbie Haak
Danny Ford
Wade Williams

Bill Barnes
Jay Bunyard, Thurs. Only
Mike Mills
Jim Gaston
Ness Sechrest

Commissioners Absent

Polly Crews, Illness
Jim Shamburger, Business Conflict
Montine McNulty, Business Conflict

Department Staff Present

Richard W. Davies, Executive Director
Larry Cargile, Central Administration Director
Greg Butts, State Parks Director
Joe David Rice, Tourism Director
Nancy Clark, Assistant Tourism Director
Mac Balkman, Manager, Operations
Stan Graves, Manager, Planning & Development
Joan Ellison, Public Relations Officer
Dona Perrin, Manager, Tourism Development
Jana Greenbaum, Communications Manager
Norma Sims, Manager, Harrison Welcome Center
Jon Brown, Region I Supervisor
Tony Perrin, Region II Supervisor
Marcel Hanzlik, Region III Supervisor
Jim Cannon, Region IV Supervisor
Tracy King, Superintendent, Bull Shoals-White River State Park
David Flugrad, Superintendent, Mt. Magazine State Park
Grady Spann, General Manager, Ozark Folk Center State Park
Gloria Robins, Executive Assistant
Tammy Erby, Administrative Assistant
Sandy Burch, Administrative Assistant

Agency Staff Present

Shelby Woods

Wayne Woods

Karen Mullikin

Linda Scroggin

Aristotle

Marla Johnson Norris

Jonathan Eudy

Paige Watson

Guests Present

State Representative James Norton, District 85
Mayor Bob Reynolds, City of Harrison
Sally Thackeny, Festival Director, Eureka Springs
Joe Golden, *Life in the Ozarks*
Jacqueline Wolven, Eureka Springs Auditorium
Lynn Berry, Eureka Springs A & P
Larry McCulley, Bed & Breakfast Association of Arkansas
Ronald R. Switzer, Buffalo National River
Doug Wilson, Buffalo National River
Bill Ott, Crescent Hotel, Eureka Springs
Terry Cook, Harrison Convention & Visitor's Bureau
Phillip Wood, Harrison Convention & Visitors' Bureau
George Holcomb, *Harrison Daily Times*
Dwain Lair, *Harrison Daily Times*

Call to Order

Chairman Christenson called the meeting to order at 8:30 a.m. and Gloria Robins called the roll.

Approval of the Agenda

Steve Arrison moved to approve the agenda. Jay Bunyard seconded and the motion carried.

Presentation of Minutes from Previous Meeting

Wade Williams moved to approve the Minutes. Mike Mills seconded and the motion carried.

Recognition of Guests

Chairman Christenson recognized and welcomed guests in attendance.

Financial Report

Larry Cargile presented a fiscal-year-to-date financial report for the period ended October 31, 2005. The expenditures were: Parks Division, \$19,802,233, including construction and grants; Tourism Division, \$3,766,969; Keep Arkansas Beautiful, \$142,781; Administration Division,

\$890,339; and History Commission, \$556,094. Expenditures for the Department totaled \$25,158,416. The Parks Division operating revenue totaled \$6,529,349, an increase of 2% over the same period last fiscal year.

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

EXECUTIVE DIRECTOR'S REPORT

Classification & Compensation Job Analysis Report

Richard Davies stated a statewide pay plan study is being conducted by the Office of Personnel Management (OPM) and the Bureau of Legislative Research. The study was mandated by Act 1015 of the 85th General Assembly. Phase I of the study addressed Project Planning activities which are now complete. Phase II of the study addresses the Job Data Collection process. The job data collection phase requires the completion of job questionnaires that accurately describe the duties, responsibilities, and the minimum requirements necessary to perform state jobs. Employees are asked to complete job questionnaires for their individual positions. The collection of accurate information is critical to this project. The information collected will influence the classification of state jobs and the development of pay structures and incentive plans. The jobs will be reviewed by OPM and Legislative Research and appropriately classified. A new pay plan will be developed and the jobs will be placed onto the new structure. As a result, some jobs may be classified differently than they are today. A new pay structure does not mean that all employees will automatically receive pay increases. Some employees may experience pay increases to bring salaries to range minimums, or to address internal equity issues. Some employees may receive no increase. The pay plan study will result in a recommendation to the interim committee of the Joint Budget (Personnel Committee) and any plan must be approved in the 2007 legislative session.

2006 Meeting Schedule

Debbie Haak moved to approve the 2006 State Parks, Recreation & Travel Commission meeting schedule: January 19-20, Crossett; February 16-17, Newport; April 20-21, Paragould; May 18-19, Mt. Magazine State Park; June 15-16, Crater of Diamonds State Park; July 20-21, Russellville; August 17-18, Eureka Springs; September 21-22, Rogers; October 19-20, Bull Shoals; November 16-17, Wynne. Mike Mills seconded and the motion carried.

TOURISM DIVISION

Special Advertising Insert: *Forbes* Magazine

Joe David Rice thanked Wayne Woods for his contribution of increasing the expected six to eight page insert to 18 pages in the *Forbes* magazine. The insert, which concentrates on Arkansas's potential and quality of life, is expected to reach a circulation of over 900,000 people; the cost for advertising in *Forbes* was approximately one half the published cost at \$58,000.

Shelby Woods stated a benefit to advertising with *Forbes* helps to show Tourism plays a role in future economic growth in Arkansas. Mr. Woods said *Forbes* magazine will supply approximately 1,000 inserts reprinted with the *Forbes* logo for distribution; the inserts will be ready in about a month.

Richard W. Davies reported Randy Wilbourn, vice-president of Alltel and the upcoming chairman of the Little Rock Chamber of Commerce, requested a lunch meeting with Montine McNulty and himself. The purpose of the meeting was to discuss getting the medical industry in Central Arkansas to work together to help promote central Arkansas as a medical community. Mr. Wilbourn would like to use the Tourism Division as the example of what can be accomplished when people work together. Mr. Davies quoted Richard Weiss, Director of the Department of Finance and Administration, as saying, "Most industries go up and down. Tourism is at least enough of a constant to always fill in the gaps in the economy to keep the dips from being too bad." Joe David Rice suggested the meetings with the medical community should provide some entrée for image book sponsorships.

2006 Arkansas Governor's Conference on Tourism: Jonesboro

Nancy Clark reported the Governor's Conference will take place March 5 – 7, 2006. The keynote speaker on Monday will be Roger Dow, CEO of Travel Industry Association (TIA). Judy Martin and Welcome Center managers will be in charge of the annual auction held at the Holiday Inn. Most of the program will be held at the Arkansas State University Convocation Center. Max Gilbert, staff artist, has created the logo for the Governor's Conference. Ms. Clark said CJRW and Aristotle will be hosting marketing presentations. Ms. Clark said she would have an update in January.

Communications Section

Internet Glossary

Jana Greenbaum introduced the new Internet Glossary which was requested by Richard W. Davies for the purpose of defining Internet terms used regularly but not necessarily in the same way.

In-State Media Report

Jana Greenbaum listed promotional articles about the state. Ms. Greenbaum reported the travel writers have all been working on various web sites and writing some feature articles across the state; Jill Rohrbach and Jim Taylor are creating new content for “mini-web sites.”

SATW Update

Jana Greenbaum reported on the Society of American Travel Writers (SATW), which was hosted last March in Little Rock. Ms. Greenbaum also reported two of Larry Bleiberg’s (*Dallas Morning News*) pieces from March, had an additional six placements which were not counted; this additional publicity counts for tens of thousands of dollars. The success of SATW is attributed to a partnership with Parks and Tourism and especially the City of Little Rock for hosting this conference. The state continues to see valuable publicity from the conference. In February, there will be a year-to-date summary of the value amounts.

Watchable Wildlife

Jana Greenbaum reported the joint venture of the Communications Section and Cranford Johnson Robinson Woods (CJRW) has resulted in an effort to produce a new brochure for bird watching. This brochure locates the Important Birding Areas (IBA) within the state and includes additional information and maps. Bill Barnes asked how many brochures would be printed to which Ms. Greenbaum replied 50,000, and the brochures will be distributed to all viewing areas, State Parks, etc.

Richard W. Davies said the idea is to turn this into a watchable wildlife/birding trail a year from now, with signs to identify official places to view wildlife/birds within State Parks, National Parks or Wildlife Management Areas. Ms. Greenbaum said some places would include interpretive displays.

Jana Greenbaum asked Karen Mullikin (CJRW) to present a video (*60 Minutes*) and article (*USA Today*) to the Commission regarding the Ivory-billed woodpecker.

Jana Greenbaum said the Communications Section is working on a multi-media web site called Watchable Wildlife that integrates: The database on Important Birding Areas; Various species available; and information on lodging and dining areas. The public will be able to access this information by location or wildlife. Jim Taylor will be the project coordinator. Jill Rohrbach, the coordinator for the fishing web site, is planning to integrate all of the above with the addition of famous Arkansas anglers to the web site. The websites by Ms. Rohrbach and Mr. Taylor should be online before the Governor’s Conference on Tourism in March.

Fam Tour Report

Jana Greenbaum presented photos she took during the fam tour with Pam and Guy Selbert, freelance writers on assignment for the *Chicago Tribune*, *Family Motorcoach*, and *MotorHome* magazines featuring State Parks. Also, she showed photography taken by Chuck Haralson and Amber Garrett during the month of October.

Tourism Development

Arkansas River Connection Project

Donna Perrin reported on two meetings she attended in Northwest Arkansas. The first meeting attended was the Arkansas River Connection Project, headed by Greg Nabholz. There are members from the 18 – 20 communities along the Arkansas River. Their focus is the connection from Northwest Arkansas to Southeast Arkansas. The group is planning to have a feasibility study done, although no sources for funding have been identified. Ms. Perrin said they are in the planning stages to help make the Arkansas River Region a tourist attraction.

The second meeting, Ms. Perrin reported, regarded the proposed Light Rail system between Fayetteville, Springdale, Bentonville and Rogers. Ms. Perrin said it was a public forum where both positive and negative comments were received. Positive side - The proposed Light Rail would reduce traffic and save gas; the communities involved have suggested ideas on how to increase property values and business values by using the creation of train stations as the central focus for residential and business growth. Negative side – The cost would be approximately \$1.24 billion dollars and would take approximately 15 years to build. Ms. Perrin reported the communities involved would like the proposed Light Rail system to model after similar systems in Dallas and St. Louis. Rodney Slater was the keynote speaker for the meeting.

Donna Perrin thanked everyone who donated to the United Way Auction. Ms. Perrin reported the funds raised were well over \$6,000, which is the highest amount collected in the past five years.

Research and Information Services Report

Nancy Clark delivered the report for Research and Information Services. Ms. Clark reported over 90,000 requests for information in October were processed, which is an increase of 158% over last October; internet inquiries caused the increase. The October Arkansas Welcome Visitation was up 2.4%, while Retirement and Relocation inquiries were up 22% for the year.

Nancy Clark also reported no official date has been set for the Corning Welcome Center dedication. A new telemarketing company (Answer Ft. Smith Inc) has been selected to handle inquiries from the 1-800 number; they began November 1 at midnight. The Arkansas Parks & Tourism booth at the Arkansas State Fair in October had over 2000 visitors; Welcome Center managers from across the state met on November 2 to discuss questions, issues, and policy changes; the Conversion Studies will be ready for the January 2006 Commission meeting.

Group Travel Report

Joe David Rice reported Melinda Hawes attended the National Tour Association (NTA) marketing event in Detroit. Laurie Green, from the Little Rock Convention and Visitors Bureau, reported that the Arkansas delegates went as "Destination Arkansas." Ms. Green said a great job was done showcasing Arkansas and generating interest for the state.

As a member of the planning committee, Ms. Hawes recently attended a meeting for the Travel South Showcase; another meeting will be held at Richmond, Virginia next February. TAP hired a new Executive Director from Pennsylvania. Mr. Rice added there would be a further report at the January Commission meeting.

Marketing / Advertising Items

2005 Trail of Holiday Lights Television Creative

Karen Mullikin presented the proposed commercial to advertise the Trail of Lights along with brochures that have been printed and distributed. There were additional advertisements with the *Arkansas Democrat -Gazette* and the Arkansas.com website. The partners for this promotion included Bank of America and Shell Superstops who will distribute the brochures. Also, brochures will be distributed at the Arkansas Welcome Centers.

Commissioner Mike Mills moved to approve Holiday of Lights television advertising creative. Debbie Haak seconded and the motion passed.

2005 See Arkansas First Wrap-up Report

Karen Mullikin showed a See Arkansas First video clip talking about tourism in Arkansas on Channel 7. The amount of publicity devoted towards tourism (over 200 minutes) was worth over \$303,000, if purchased. Channel 7 was paid for a \$50,000 schedule; the station solicited other clients to participate in the tourism advertising. Hot Springs contributed \$25,000 and there were other private interests that contributed lesser amounts. The total amount Channel 7 collected for additional advertising time was approximately \$177,000.

Aristotle Internet Update

Marla Norris (Aristotle) presented the Addy awards received, which included the Silver award for the immersive tour on Arkansas.com and the Gold Addy award for the Adventure State Parks web site.

Jonathan Eudy showed a PowerPoint presentation involving various updates and changes regarding the following web sites: Autumn Arkansas; Great Culinary Escapes; Trail of Holiday Lights; Natural State Golf Trail Courses; Calendar of Events; Retirement and Relocation.

In addition, Mr. Eudy explained the changes on the Administration tools section that allows staff members to go online to add images and text in order to create sub-categories in the primary category of their choice. Staff also has the ability to assign key words, phrases, and city locations with the ability to forward the content to other web pages, this helps to encompass various parts of search engines. Mr. Eudy also explained about Tracking and Marketing results from September 2004 through September 2005. Mr. Eudy said visits to web sites were up 4%, hits on web sites up 34%, and page views up 48%.

Miscellaneous

Karen Mullikin reported that Destination Arkansas – Partners with Destination Arkansas plan to rent one booth that takes up two spaces at the PowWow (International Travel Trade show) in May. Billboards in Texarkana went up in October and the Van Buren billboard (double billboard made into one at the cost of \$882.00 per month) should go up the week of November 21st.

Wade Williams asked how long are the billboard contracts for? Ms. Mullikin replied one full year. Debbie Haak asked if they charged for the whole month of October? Ms. Mullikin replied they began charging the week the billboard went up. Ms. Haak reported the billboard for Texarkana area looks great, in a wonderful location and the icons really draw people's attention. Jim Gaston asked if there had been any feedback from the staff at the Welcome Centers on the billboard. Ms. Mullikin said she had not heard anything. Nancy Clark said she expects to have a report at the next meeting. Danny Ford asked what would happen when the contract was over, would the price go up? Ms. Mullikin replied we have the first right of refusal; however she is not sure if price will go up. Shelby Woods said he thought there would be some great feedback and a positive impression for the Welcome Centers. Ms. Haak asked if all billboards were going to have the same icons? Richard W. Davies responded that they would.

Karen Mullikin talked about the successful advertising spots on the eighty-three (83) radio stations in thirty-four (34) communities for the five vacation packages to be given away. Ms. Mullikin reported over 20,000 registrations were received. Ms. Mullikin then presented a radio ad as an example of advertisements that ran for thirty (30) seconds on the various radio stations.

Shelby Woods reported Branson passed a 1% retail sales tax, with a ten year clause, that is expected to raise approximately \$6 million a year. Branson will be spending the additional funds on advertising and marketing to help promote the area. Mr. Woods presented both a television and radio spot which points out southwest Missouri has had no growth in the tourism area.

Joe David Rice asked Tony Perrin to report on the status of recruiting the U.S. Marshall's Museum to Ft. Smith. Mr. Perrin reported the museum will not generate a lot of money and will need our support. Richard W. Davies asked what cities appeared to be the competition? Mr. Perrin replied the competition is St. Louis, Dallas, and Washington.

Joe David Rice reported a bill has passed the House of Representatives and will be going to the Senate; involves a minimum flow with regards to recreation lakes and utility companies. Jim Gaston said a lot of compromises had to be made; including utility companies getting credit and funds going to the Corps of Engineers. Mr. Gaston also pointed out this would be the first time recreation has won a battle with a power company in the United States. Wade Williams said the same legislation authorized the placement of a trout hatchery near Beaver Dam.

Mr. Rice reported tourism has increased in Little Rock since the opening of the Presidential Library. He introduced Dan O'Byrne from the Little Rock Convention and Visitors Bureau. Mr. O'Byrne presented a copy of the press booklet for Little Rock tourism and explained they tried to capture all the good things accomplished in Little Rock over the past 12 months. Mr. O'Byrne reported on statistics for Little Rock tourism in the past year. He stated that Little Rock expected 300,000 visitors to the Presidential Library in first twelve months of operation. The Presidential Library has had approximately 500,000 visitors within this time period. These numbers include 500 out-of-state motorcoaches and 650 school groups (from Arkansas and surrounding states). The results from this increase in visitors include a 11% increase in tax collections for the first 10 months of the year; the average daily rates for motel rooms are up an average of \$4.00 (room costs are approximately \$75.00); room revenue in Little Rock is up nearly \$15 million, a 21% increase; and sales team productions for meetings and conventions are up 18% over last year.

PARKS DIVISION

State Parks' Advertising Plan

Linda Scroggin outlined the 2005-2006 Advertising Budget which included: State Parks Brochures \$190,945, Arkansas Broadcasters Association \$125,000, Arkansas Press Association \$20,600, Consumer Travel Shows \$47,363, Media Recommendations, Contingency, Ad Production, and Internet for a total of \$338,115.96 (which excludes lodge parks). The proposed budgets for lodge parks are: DeGray Lake Resort State Park \$81,930.56, Ozark Folk Center \$199,164.42, Mount Magazine State Park \$235,225.92. Ms. Scroggin detailed the billboards, magazines, television and radio, etc. for the lodge parks. Karen Mullikin outlined publicity proposed for the opening of the lodge and cabins at Mount Magazine. The proposed budget for the Publicity Plan totaled \$30,900 and includes News Events Invitations, a Gala event that includes invitations and programs, mementos, entertainment and agency coordination. The proposed budget for grand opening expenses totaled \$34,650 and includes media kit, Fam Tour planning and expenses, E-mail and web expenses, postage, a reception/dinner, travel, lodging and meal expenses for guests. Ms. Mullikin proposed some of the VIPs who could be invited to the grand opening which included President George Bush. Ms. Mullikin said there are probably many corporations and organizations that would want to participate in the opening events. Many of the expenses listed in the proposed budget present sponsorship opportunities for them.

Ms. Mullikin said the recommendation was that the grand opening be a week long event – a festival atmosphere. Live remote radio and satellite television coverage would be sought for the opening and gala. In addition, a specific sales effort will be targeted for filling the lodge Sunday through Thursday after the grand opening.

Richard Davies said he was not in favor of inviting President Bush because he has not had any role in the development of the park, and funding for state and local parks had been cut from the federal budget by the President. Lastly, the Secret Service would be in charge of all the events. Every car would be searched and everyone would have to pass through a metal detector. Due to limited parking, etc. it will be difficult enough with just the guests who will be attending the opening and gala. Mr. Davies said he felt the gala was a good idea but it would pose logistical issues, also. Greg Butts said it had been discussed to invite the U.S.D.A. Secretary of Agriculture, Mike Johanns and the Chief of the Forest Service, Dale Bosworth. Steve Arrison said we are building a four-star hotel and the opening activities need to be quality events with a very select guest list. Mr. Davies said there needs to be a lot of “exclusive” media hard-hat tours in order to promote the lodge. Something to consider would be a souvenir hard-hat for the media tours. Billy Lindsey credited Governor Huckabee for his support of tourism, state parks and the overall economic development of Arkansas, and that the Governor’s legacy would be his support of the tourism industry.

Regarding the Ozark Folk Center (OFC), Jay Bunyard said the best way to generate revenue was through the Celebrity Concert Series. Mr. Bunyard said \$12,000 was spent promoting Collin Raye in DeQueen and the net profit was \$50,000. The \$12,000 budgeted for the OFC is not enough to cover Batesville and Searcy radio. It needs to be at least doubled. Mr. Bunyard suggested that it be discussed with Grady Spann where to move the funds within the budget. Ms. Scroggin said the Celebrity Concerts were promoted in the *Arkansas Democrat Gazette*. Mr. Bunyard said the bulk of concert goers come from radio – that is the music audience. Mr. Davies said Mr. Bunyard had brought up a good point and staff would look at that. Wade Williams asked what the results were from underwriting programs on National Public Radio (NPR). Mr. Spann said guests had said they heard the spots on NPR underwritten by the OFC. The OFC is in the situation now where the visitation is so low that it needs that call for action – “come to the OFC to do.....”. During the past season there was some discretionary funds but only enough to focus on a very small market. Performers worked a show recently in Harrison and they reported back that 50% of those in attendance didn’t know about the OFC. Mr. Spann said that sends a clear message that we need to get the word out in Arkansas about what the OFC is, what it does and where it is located. Every time someone turns on the radio, they should hear about the OFC. Mr. Spann said we advertise in some media from which he does not see any results. Mr. Lindsey said there are people in Heber Springs who have never heard of the OFC and agreed we are not adequately promoting the OFC in Arkansas. Mr. Spann said radio advertising is the key to getting into more local markets around the state. Mr. Williams asked what media advertising Mr. Spann felt was not affective. Mr. Spann said it is the Fall/Winter and Spring/Summer newspaper inserts. There were only 1,000 responses and there was no peak in hits on the web site during that advertising. Mr. Spann said he thought it was not good to spend almost \$9,000 for just 1,000 responses. Producing the ads through the OFC and using that \$9,000 in local market advertising would bring better results. Mr. Davies asked how

many Celebrity Concerts would be held in 2006. Mr. Spann said eight to ten – it will depend on the availability of the talent. Mr. Spann said during the 2005 season 1,000 guests were surveyed. Seventy-five percent said they heard about the OFC by word of mouth. Sixteen percent was from the Internet and the rest was from ads. Mr. Davies asked if through the Arkansas Broadcasters partnership program if we could ask that the Celebrity Concert spots be run in a 100 mile radius during a specific time period. Joan Ellison said the stations run the spots when they can and the spots need to be generic. Mr. Bunyard said that would be asking the station to change copy about ten times when they are used to changing it twice. The best approach would be for Mr. Spann to visit each country music station and tell them he needs \$500 worth of publicity but he only has \$100 cash and I can give you ten tickets to give away on the air. Mr. Bunyard said Mr. Spann would have to have cash in hand in order to do the negotiating. Mr. Spann said he sends tickets to the radio stations and it has worked.

Bill Barnes moved to approve the Arkansas State Parks 2005-2006 Advertising Budget for a total of \$1,238,344.96 as presented with the stipulation that the allocation of funds for the Ozark Folk Center be re-examined. Ness Sechrest seconded the motion.

Steve Arrison asked if the Commission wanted to add to the budget, where would the funds come from. Mr. Butts said the Cash Fund and the first pledge is paying debt service for Mt. Magazine along with paying for all the positions that are funded from the Cash Fund. If we add to the budget we would have to do less in other areas, such as interpretive programs. Mr. Arrison said he did not want to “short change” the grand opening of Mt. Magazine because it will only happen once and it has to be first class. Mr. Williams asked if there were funds available from tourism that could help publicize the new lodge since Mt. Magazine is a tourist attraction. Mr. Davies said there will be a lot of staff effort through Mindy Hawes’ and Jana Greenbaum’s offices. Mr. Davies said he didn’t think that the tourism budget had any specific Mt. Magazine funds. Ness Sechrest asked how CJRW had arrived at the dollar amount proposed for the grand opening events because he thought it was not enough to do a “first class” job. Ms. Mullikin said it is difficult to know until all the details are worked out. Mr. Butts said there are a lot of things done by staff throughout the course of the year that the Commission attends. A lot of the costs for special events are not seen or approved by the Commission such as sending a bus from the OFC and Old Washington for tours or shuttle service, or assigning ten Rangers for traffic control. We will do all we can to get sponsors and hold expenses down as much as possible. Bill Barnes said business created by the Internet is increasing tremendously. As part of the effort to get the word out on Mt. Magazine, we need to maximize the Internet exposure. Mr. Barnes added that he would not spend money on a memento because everyone already has many items they received as mementos from events. The funds could be put into a more worthwhile area. Mr. Barnes said he felt the lodge market will be family vacationers, groups and special events like weddings and questioned the placement of ads in RV publications. Joan Ellison said she felt people with RVs would travel to Mt. Magazine to see the lodge. Mr. Barnes said he did

not think that should be a high priority for advertising. Guests in RVs might go to the lodge for a few minutes to see it but they won't rent rooms. Superintendent David Flugrad said he didn't want the advertising to just concentrate on the lodge and cabins because though they are a big part of the park it is not all of it.

A vote was taken on the motion and the motion carried.

Arkansas Broadcasters Association – Winter TV & Radio Spots

Joan Ellison introduced the proposed radio and television advertising spots for winter 2005-2006. The advertisements include promotion of mountain cabins, visiting state parks in the winter, the web site and Mt. Magazine State Park lodge. The four radio spots are each 30 seconds in length and will run on stations throughout Arkansas from December 1, 2005 until further notice.

Debbie Haak moved to approve the 2005-2006 Winter radio spots as presented. Danny Ford seconded and the motion carried.

Ms. Ellison showed the two 30 second television spots that will run on stations throughout Arkansas until further notice.

Ness Sechrest moved to approve the 2005-2006 television spots as presented. Billy Lindsey seconded and the motion carried.

Bill Barnes asked if during the television spot that showed the cabin at Mt. Magazine State Park, when Mt. Magazine is referenced, an insert could be added with a rendering of a cabin. Ms. Ellison said "supers" identifying locations were purposely left off because we wanted viewers to focus on the surprise of the cabin offering the view. Jay Bunyard, referring to the rotation of the ads, said most radio and television stations will run one or two a day, seven days a week. With Mt. Magazine featured on one of the four spots, it will be brought in front of listeners once every three or four days – it will play 25% of the time. Mr. Bunyard suggested taking out one of the other ads and Mt. Magazine would then be heard 33% of the time. If we are concerned about occupancy at Mt. Magazine a spot or two could be pulled out and that would bump up the frequency of the Mt. Magazine ad. Ms. Ellison said she would do that and asked which one should be dropped. Mr. Bunyard suggested cut #4 *Why Visit an Arkansas State Park in Winter* since it was being brought back from the winter of 2003-2004 and could be held for another year. Ms. Ellison said she would do that and also move the Mt. Magazine ad to the first spot on the dub.

Land Acquisitions

Greg Butts said during the January 20-21 meeting, approval was given for FY06 Arkansas Natural & Cultural Resource Council (ANCRC) grant request that included land acquisitions. Grants for the funding of the acquisitions were awarded by ANCRC in May. A.C.A. 22-4-106 requires the advise of the Governor, Department of Finance and Administration

(DF&A) and the Arkansas Legislative Council (ALC) be sought 60 days prior to the Commission's approval for additions or expansions of existing state parks not specifically authorized by the legislature. Favorable advice has been received from Governor Huckabee, Richard Weiss, Director, Department of Finance & Administration, and the Arkansas Legislative Council. Mr. Butts requested approval to acquire 146.77 acres at Mt. Nebo State Park, 5.62 acres at Pinnacle Mountain State Park, 101 acres at Cossatot River State Park – Natural Area, 40 acres at Petit Jean State Park and 80 acres at Hobbs State Park – Conservation Area.

Mike Mills moved to approve the following land acquisitions: 146.77 acre Nathan George property at Mt. Nebo State Park (NE1/2, NW ¼ and W ½, NW ¼, Sec 5, T6N, R21W, Yell County, Arkansas), 5.62 acre Bauer property at Pinnacle Mountain State Park (Pt. of NE1/4, SE ¼, Sec 4, T2N, R14W, Pulaski County, Arkansas), 40 acre Hendrix property at Cossatot River State Park – Natural Area (SW ¼, SW ¼, Sec 21, T5S, R30W, Howard County Arkansas), 61 acre Gray and McGinnis Crank property at Cossatot River State Park – Natural Area (Pt. Sec 21, T5S, R30W, Howard County, Arkansas), 40 acre Robertson property at Petit Jean State Park (Pt. W1/2, SW ¼, Sec 31, T;6N, R18W, Conway County, Arkansas), and 80 acre Redford/Bredehoeft property at Hobbs State Park – Conservation Area (W1/2, SW ¼, Sec 25, T19N, R28W, Benton County, Arkansas. Billy Lindsey seconded and the motion carried.

Village Creek State Park – Lodge & Golf Course Update

Greg Butts said he had met with the staff at the Arkansas Department of Finance Authority (ADFA) after we had received all the financial information from Brand Enderle on Village Creek Resort, LLC (VCR). ADFA expressed concerns and recommended that a law firm be hired to represent us. Attorneys with the Rose Law Firm have opined that, based on Amendment 65, there is still some question about state parks involvement with the Series B bonds and how that would conflict with court opinions since Amendment 65 passed. Therefore, there is a change in the structuring of finances. Richard Davies said in the opinion of our attorneys, only ADFA can issue bonds for state parks. And only ADFA can have a pledge of our revenues. That is not constitutional; it is statutory. Mr. Butts said our attorney's recommendation is we will need to pull the golf course component out of the original lease agreement and handle it as an easement. Also, in this case, we will utilize a Development Services Agreement which would be the funds loaned directly from ADFA to state parks for the golf course and a Management Agreement would address operation requirements of the course. Mr. Davies said the big change is we are no longer involved with the bonds from Cross County Facilities Boards. We will now borrow money from ADFA as though it was a bank. It may be wise for the Commission to approve this change. Wade Williams asked if we had an obligation to spend \$7 million on the project. Mr. Davies said the wording was "up to" \$7 million. We will pay ADFA back what it costs for the course. Mr. Butts said VCR will solicit bids first, which could be less than \$7 million. The loan shouldn't be made before we know the amount required. Mr. Williams said the attorney needs to understand that we are not going to spend more than the golf course costs or \$7 million; whichever is less. Mr. Davies said ADFA made it clear that

there will not be any pre-payment penalties. Ness Sechrest asked why we had to hire a lawyer. Mr. Butts said because the Attorney General's office does not have anyone on staff that is an expert on bonds. Mr. Sechrest asked if the Attorney General was going to pay the attorney's fees. Mr. Davies said, no. It will be included in the loan cost.

Debbie Haak moved to approve entering into a loan agreement with the Arkansas Development Finance Authority for the construction of the golf course at Village Creek State Park. Steve Arrison seconded and the motion carried.

Mr. Butts said Mr. Enderle had suggested that our staff visit Carter Plantation (CP) to look at the operation and meet its management team who will be the interim managers at Village Creek. Stan Graves said he, Mac Balkman, Marcel Hanzlik and Mike Brawner visited CP. Their golf course is a 7,000 yard course on the Audubon Trail that cost \$8 million to construct. It is a first-class facility and the employees are well paid. Also, there are about 25 staff who work on the course – there are five or six at our course at DeGray. Approximately 28,000 rounds per year are played on the course. Marcel Hanzlik said the course is immaculately maintained and manicured. Mr. Graves said the greens fees at CP are \$85 weekdays and \$95 weekends. There are 63 villas at the course that range from \$99/night to \$200/night.

Petit Jean State Park

Museum of Automobiles

Greg Butts requested renewal of the lease agreement and approval for the Museum of Automobiles to remove water treatment equipment that is no longer needed in order to provide storage space.

Bill Barnes moved to approve a five-year renewal of the lease agreement with the Museum of Automobiles at Petit Jean State Park and approval to remove equipment from the Water Treatment Building and permit museum staff to use the space for storage. The term of the new lease is January 1, 2006 to December 21, 2010. Ness Sechrest seconded and the motion carried.

Morrilton Aviation, Inc. (MAI)

Greg Butts said Marvin Perry's business had been dramatically impacted by the events of 9-11 and had decided to semi-retire and move to Florida. Mr. Perry is behind on his reimbursement on our building insurance requirements. Mr. Perry has filed personal bankruptcy and the Attorney General's office will be checking to see if it includes MAI. Mr. Butts said he had terminated the lease agreement with MAI effective December 31, 2005. The good news is there is an individual who lives in Russellville and works for a flying service in Little Rock who would like to take over the operating agreement. He is a pilot and has camped at the campground.

DeGray Lake Resort State Park – Renewal of Concession Agreement

Greg Butts requested approval to renew the horseback rides concession agreement at the park. The agreement has been beneficial and all parties agree on the recommendation to renew.

Danny Ford moved to approve a five-year renewal of the Concession and Operating Agreement for horseback rides at DeGray Lake Resort State Park. The Term of the new agreement is from January 1, 2006 to December 31, 2010. Debbie Haak seconded and the motion carried.

Mammoth Spring State Park – Renewal of Agreements

Greg Butts requested approval to renew of an agreement with the Little League for the operation of a concession stand at the ball field and an agreement with Mammoth Spring High School for the maintenance and use of the ball field.

Ness Sechrest moved to approve five-year renewals of the following agreements at Mammoth Spring State Park: (1) A Concession and Operating Agreement with Mammoth Spring High School for the use and maintenance of the ball field. The term of the lease is January 1, 2006 to December 31, 2010. (2) A Concession and Operating Agreement with Mammoth Spring Little League for the operation of a concession stand at the park. The term of the lease is January 1, 2006 to December 31, 2010. Mike Mills seconded and the motion carried.

Parkin Archeological State Park – Memorandum of Agreement (MOA)

Stan Graves requested approval to enter into a MOA with the Arkansas Game & Fish Commission (AGFC) and the Arkansas Archeological Survey (AAS) for the construction of a boat launch ramp and parking improvements, and an easement agreement with AGFC to provide an area for the construction of the ramp and parking lot.

Ness Sechrest moved to approve entering into a Memorandum of Agreement between the Arkansas Game & Fish Commission and the Arkansas Archeological Survey for the construction of a boat launch ramp and parking lot at Parkin Archeological State Park, and an Easement Agreement with Arkansas Game & Fish Commission on approximately 2.10 acres (Part of the West Half W1/2 of Section 34, T-8-N, R-5-E, Cross County, Arkansas) to provide an area for the construction of the boat launch ramp and parking lot adjacent to the northern right-of-way of U.S. Highway 64 on the east bank of the St. Francis River at the park. Danny Ford seconded and the motion carried.

Removal of Structures from Inventory

Stan Graves requested approval to remove structures from inventory. The structures at Crater of Diamonds and Lake Dardanelle are deteriorated and no longer needed by the parks. At Lake Catherine approval is requested to remove the former employee residence that was severely damaged by a fire on July 21, 2005 caused by a lightning strike.

Steve Arrison moved to approve removal from inventory at Lake Catherine State Park employee residence #03.03 (AASIS #120001805. Mike Mills seconded and the motion carried.

Debbie Haak moved to approve removal from inventory at Crater of Diamonds State Park a vending shed #23.25. Mike Mills seconded and the motion carried.

Debbie Haak moved to approve removal from inventory at Lake Dardanelle State Park a former well house #07.22 (AASIS #120002416). Mike Mills seconded and the motion carried.

Miscellaneous

Greg Butts said the Historic Preservation Alliance of Arkansas awarded the Outstanding Preservation Project of the Year for the restoration project of the 1888 Powhatan Courthouse. Mr. Butts said new exhibits will be installed in the Courthouse in February or March 2006 and he encouraged the Commissioners to visit the park when they are in the area.

Mr. Butts said Mr. Davies had been sent a copy of the Audubon Society's 2006 calendar which includes photographs of beautiful and unique places in North America. Petit Jean State Park was recognized in the calendar along with Yosemite and Yellowstone National Parks.

SPECIAL ORDER OF BUSINESS

Nomination of the 2006 Chairman and Vice Chairman

Danny Ford reported that the Nominating Committee, that consisted of himself as Chairman, Montine McNulty and Steve Arrison, wished to recommend Jim Shamburger as Chairman and Jay Bunyard as Vice-Chairman of the 2006 State Parks, Recreation & Travel Commission.

Mike Mills moved to accept the nominations of Jim Shamburger as Chairman and Jay Bunyard as Vice-Chairman of the 2006 State Parks, Recreation & Travel Commission. Bill Barnes seconded and the motion carried.

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The State Parks, Recreation and Travel Commission meeting adjourned at 8:30 a.m. on November 18, 2005 at the Comfort Inn Convention Center in Harrison, Arkansas.