

MINUTES

**State Parks, Recreation & Travel Commission
Statehouse Convention Center
Little Rock, AR 72201
September 23-24, 2009**

Commissioners Present

Danny Ford, Chairman
Steve Arrison
Bill Barnes
Jay Bunyard
Jim Gaston
Darin Gray
Debbie Haak
Bob Knight

Montine McNulty, Vice-Chairman
Billy Lindsey
Mike Mills
Tom Schueck
Ness Sechrest
Jim Shamburger
Cindy Smith

Department Staff Present

Richard W. Davies, Executive Director
Gloria Robins, Executive Assistant
Cynthia Dunlap, Director of Administration
Greg Butts, Director, Arkansas State Parks
Joe David Rice, Tourism Director
Nancy Clark, Assistant Tourism Director
Mac Balkman, Operations Manager
Stan Graves, Planning & Development Manager
Joe Jacobs, Marketing & Revenue Manager
Joan Ellison, Public Information Officer
Jon Brown, Region I Supervisor
Marcel Hanzlik, Region III Supervisor
Dena Woerner, Tourism Communications Manager
Renee Robison, Group Travel Manager
Donna Perrin, Tourism Development Manager
Joanne Hinson, Research & Information Services Manager
Dottie Boyles, Administrative Specialist
Kris Richardson, Administrative Specialist
Anna Mitchell, Administrative Specialist

CJRW

Wayne Woods
Shelby Woods

Karen Mullikin
Carrie Orahoad

Aristotle

Jonathan Eudy

Guests

Kathy Holt, Governor's Office
Julie Baldridge, Public Relations, Arkansas State Lottery Commission
Linda Collins Smith, Days Inn & Suites, Pocahontas
Jared Lindsey, Lindsey's Rainbow Resort
Kelley Linck, Executive Director, Ozark Mountain Region Tourist Association
Ross Moore, Greers Ferry Lake/Little Red River Association
Ernie Passailaigue, Executive Director, Arkansas State Lottery Commission
Kathy Ritter, DeGray Lake Resort State Park
Chris Snodgrass, Park Superintendent, DeGray Lake Resort State Park
Jessica Sutton, Arkansas Legislative Council

Roll Call

Chairman Danny Ford called the meeting to order at 2:32 pm on September 23, 2009.
Gloria Robins called the roll.

Chairman Danny Ford welcomed visitors Ross Moore with the Greers Ferry Lake/Little Red River Association, candidate for the Arkansas House of Representatives and Linda Collins Smith with Days Inn & Suites in Pocahontas, also a candidate for the Arkansas House of Representatives, along with Kathy Ritter from DeGray Lake Resort State Park.

Approval of Agenda

Bob Knight moved to approve the Agenda as presented. Jay Bunyard seconded and the motion carried

Presentation of Minutes from Previous Meeting

Steve Arrison moved to approve the Minutes from the August 2009 meeting. Mike Mills seconded and the motion carried.

Financial Report

Cynthia Dunlap presented the financial report for the fiscal year-to-date period ended August 31, 2009. Expenditures were: Parks Division, \$12,547,145; Tourism Division, \$1,399,699; Keep Arkansas Beautiful, \$56,132; Administration Division, \$606,583; and History Commission, \$316,797. Expenditures for the Department totaled \$14,926,356, which included construction and grants. Fiscal year-to-date operating revenue for the Parks Division totaled \$5,462,447, an increase of 0.3% over last year's total.

Ness Sechrest moved to approve the Financial Report. Debbie Haak seconded and the motion passed.

EXECUTIVE DIRECTOR'S REPORT

Executive Assistant Gloria Robins reported that paperless Commission meetings will begin in October. Commissioners will be provided computers with agenda items and support documents.

Executive Director Richard W. Davies reported on the Ouachita River Valley Association's August meeting in El Dorado. The conference focused on multi-purpose development of water and land resources in the Ouachita River Valley. The keynote speaker was Brigadier General Michael Walsh, Commanding General, Mississippi Valley Division, U. S. Army Corps of Engineers. Speakers included Senator Mark Pryor, Congressman Mike Ross, and experts in the areas of navigation, flood control, recreation/tourism, water supply, and fish and wildlife.

Richard Davies reported that Bill Hobgood, retired Chief of Operations of the US Army Corps of Engineers Vicksburg District has taken over the Ouachita River Valley Association and has made it a personal interest to get the Arkansas lakes noticed in the corps budgets (specifically Lakes DeGray, Ouachita, and Greeson). General Walsh has traveled to Arkansas twice in the last two months, giving more attention and understanding to recreation than we have seen in a while.

PARKS DIVISION

Removal of Structures

Stan Graves requested approval to remove deteriorated structures from inventory: Historic Washington State Park – one deteriorated 1920's residence (Asset No. 38.47, AASIS No. 120004043) from inventory; and Pinnacle Mountain State Park – one deteriorated 1950's structure (Asset No. 42.07, AASIS No. 1200001715) from inventory.

Mike Mills made a motion to approve the removal of one residence structure (Asset No. 38.47, AASIS No. 120004043) from Historic Washington State Park's inventory and one structure (Asset No. 42.07, AASIS No. 1200001715) from Pinnacle Mountain State Park's inventory. Darin Gray seconded and the motion carried.

Pinnacle Mountain Agreement Renewal

Greg Butts reported that the 17th annual Pinnacle Mountain Rendezvous & Fall Festival is near and requested renewal of the concession and operating agreement. This is a standard five year agreement with yearly negotiations regarding payment to ASP. Currently the agreement states Partners for Pinnacle (PFP) pay ASP 5% of the net profit. At the 2008 event, PFP supplied off duty law enforcement officers to assist with traffic control and Boy Scouts to direct traffic to assist in the operation of the festival. Discussion ensued regarding the payment requirements for ASP with a suggestion of 5% of the gross amount. It was a concern of the commission if inclement weather affected the event's revenue it could cause a hardship for PFP. This annual event is a big fundraiser for the PFP group. As a specific park support group, 100% of their profits must be spent on the park. In light of 100% of revenues going directly back to the park, the commission recognized the value of the grass roots support of the PFP and thought it best for all to maintain the agreement at 5% of the net profit paid to ASP.

Ness Sechrest made a motion to renew the concession and operating agreement for Pinnacle Mountain Rendezvous Fall Festival with Partners for Pinnacle paying Arkansas State Parks 5% of the net profit. Jim Gaston seconded and the motion carried.

Village Creek Update

Greg Butts provided an update to commissioners on the status of the Village Creek Resort (VCR). The management agreement that managed and operated the golf course has been terminated. The lease agreement, which developed and managed the clubhouse, resort, and cart barn will soon be terminated. ASP and Cross County Bank (CCB) are finalizing a temporary agreement with CCB responsible for the pro-shop operations and ASP maintaining the golf course. CCB is interested in the front end of operations as it deals with people that may be interested in the VCR project and also maintaining promises to the community to temporarily keep the golf course open. ASP has moved forward with the maintenance plan by hiring five maintenance staff, soil testing, and maintenance and upkeep work. In the interim, many vendors and suppliers have called requesting payment for services supplied to VCR. Although an actual amount from vendors and suppliers is not known at this time, Marcel Hanzlik estimated a ballpark figure of \$130,000 - \$ 150,000 is owed to various small business owners. The Cross

County Chamber of Commerce is working on compiling a complete list of vendors and suppliers, and amounts owed to each. It is challenging to gather a complete and accurate list because there are many vendors owed money by different companies. However, ASP is not responsible for these debts. Although ASP may get pulled into the legal process, the state of Arkansas has no legal liabilities for any of these debts. The commission is concerned about the local vendors and suppliers and debts they are owed. ASP is in discussions with the Arkansas Building Authority (ABA) if ASP can compensate the contractors, vendors and suppliers for some of the work completed on the resort. Commissioner Ford commented there are still questions and issues that are being sorted out. In the interim both ASP and CCB will work cooperatively to find a replacement developer to complete the resort and manage the golf course while keeping the golf course open during this uncertain time.

Miscellaneous

Greg Butts reported the FY 2009 Arkansas State Parks Awards were announced at the September Superintendent's Meeting for the four regions: Region I – Hobbs State Park-Conservation Area; Region II – Bull Shoals-White River State Park; Region III – Crowley's Ridge State Park, and Region IV and Overall Winner – Lake Catherine State Park. Presentations of awards will be celebrated with each winning park in the upcoming weeks. Commissioners are invited to attend and will receive a schedule of presentations via email.

Other park winner's were Interpretive Park of the Year – Lake Dardanelle State Park; Outstanding Hospitality – Lake Ouachita State Park; Outstanding Park Maintenance – Crater of Diamonds State Park; Outstanding Special Event – Prairie Grove Battlefield State Park; Resource Management – Logoly State Park; and Volunteer Program – Cane Creek State Park.

Stan Graves reported the five new cabins at Morrow Bay are open for business and look great.

Proposed CY 2010 Fees & Rates

Greg Butts noted it was time for the public meeting and reported his office had not received any comments or correspondence during the 30 day public comment period. At 3:30 pm, Danny Ford opened the floor for comments and/or discussion on the proposed CY 2010 Fees and Rates for ASP. There were no public comments received during the public meeting.

Jim Gaston made a motion to approve the proposed CY 2010 Fees & Rates as reviewed the last two months. Montine McNulty seconded and the motion carried.

TOURISM DIVISION

Travel Leadership Summit

Tourism Director Joe David Rice reported the Travel Leadership Summit in Washington, DC was a success. The Travel Promotion Act of 2009 (S. 1023) passed in the Senate. Mr. Rice met with Congressman Mike Ross, one of the original House Sponsors, and Congressman Marion Berry who has since signed on. Mr. Rice also reported on Senator Blanche Lincoln's appointment as Chair of the Agriculture Committee, which will assist the state's Agritourism efforts.

Ernie Passailaigue, Executive Director, Arkansas State Lottery Commission

Executive Director of the Arkansas Lottery Commission, Ernie Passailaigue, reported on the upcoming Arkansas State Lottery. The lottery is scheduled to begin on September 28th with four different scratch-off tickets. Powerball is scheduled to begin on October 31st.

Proceeds from the lottery will be used to fund scholarships. The goal of the lottery is to increase the number of Arkansans attending college.

Mr. Passailaigue also reported that Arkansas is the 43rd state to have a lottery and joins Georgia, South Carolina and Tennessee as the fourth state to designate lottery proceeds for scholarships.

Research and Information Services Section

Research and Information Services Manager Joanne Hinson reported the Spring/Summer Mail and Online Conversion Studies are in progress and the staff is working on the execution of the Economics Research Associates online survey.

The Research and Information Services Section processed 20,242 requests for information during August 2009. The year-to-date total is 305,140. Arkansas Welcome Centers received 92,411 visitors in August, up 11.2% from August 2008. Visitation from January 2009 – August 2009 was up 11.4%.

Ms. Hinson also reported twenty Welcome Center staff members participated in the Fall Familiarization Tour.

Communications Section

Communications Manager Dena Woerner presented two new Web pages on Arkansas.com: "Haunted Arkansas" and "Culinary Tourism." "Haunted Arkansas" features music, legends, mysterious lights, legendary monsters, ghost towns, events, and haunted places to visit. "Culinary Tourism" features restaurants, festivals and cook-offs, wineries and breweries, fresh food farms, farmers markets, and culinary quests.

Ms. Woerner attended the Travel Media Showcase held in Montgomery, Alabama and reported on several travel writer leads gained as a result of this event.

Tourism Development Section

Henry Awards Nomination ballots are now available online at ArkIndustryInsider.com. Hard copies are also being mailed to industry partners. Awards will be presented at the 36th Annual Governor's Conference on Tourism, March 7-9, 2010 in Eureka Springs.

Group Travel Section

Group Travel Manager Renee Robison reported the section received 58 leads for August 2009, up from 13 leads for August 2008. The majority of the leads came from group tour operators and motorcycle markets. The year-to-date lead total is 819, up 210 leads over 2008. The American Bus Association named Little Rock's *Riverfest* and the Arkansas Arts Center's *World of the Pharaohs* exhibits two of the 2010 Top 100 Events.

Ms. Robison announced the Group Travel Web site and E-Newsletter launched September 3rd.

Advertising/Marketing

Spring/Summer Advertising and Marketing Campaign

Tourism Director Joe David Rice welcomed members and guests to the presentation for the Spring/Summer Advertising and Marketing Campaign for 2010. Mr. Rice and Wayne Woods, President and Director of Travel and Tourism Division, with Cranford Johnson Robinson Woods reported on trends in the tourism industry.

Mr. Woods then presented the proposed 2010 Spring/Summer advertising campaign. A series of road-trip theme ads are new for the season. Ads are to be featured through several media sources including, national magazines, internet, and television.

Ness Sechrest moved to approve the \$6.67 million budget for the Spring/Summer Advertising and Marketing Campaign for 2010. Montine McNulty seconded and the motion carried.

With no further business, the State Parks, Recreation and Travel Commission adjourned the meeting at 10:14 a.m. on Thursday, September 24, 2009.