

State Parks Recreation, and Travel Commission
Ozark Folk Center, Bois D'Arc Room, 1032 Park Ave, Mountain View, AR 72560
July 18, 2019

Commissioners Present

Jim Shamburger, Chair
Kalene Griffith, Vice Chair
Austin Albers
Bill Barnes
Jeff Baskin
Mike Gibson
John Gill

Ron Gossage
Eric Jackson
Weston Lewey
Montine McNulty
Cindy Smith
Mike Wilson
Randy Wolfinbarger

Commissioners Absent

Shash Goyal
Bob Knight
Ness Sechrest

Department Staff Present

Stacy Hurst, Secretary
Cynthia Dunlap, Chief Fiscal Officer
Jim Dailey, Tourism Director
Grady Spann, State Parks Director
Joy Barlogie, Research and Development
Manager
LaJeana Carroll, Parks Executive Assistant
Kelly Farrell, Program Services Manager
Kayla Hardage, Welcome Center
Administrator
Joe Jacobs, Marketing and Revenue
Manager
Leigha Jones, Tourism Development
Consultant

Jeff King, Special Projects Manager
Jessica Ledbetter, Sales Manager
Shea Lewis, Deputy State Parks Director
Bridget McLemore, Tourism Deputy
Director Assistant
John Morrow, Superintendent, Ozark Folk
Center
Kristine Puckett, Deputy Tourism Director
Kris Richardson, Executive Assistant
Randy Roberson, Planning and
Development Manager
Jill Rohrbach, Travel Writer
Michalle Stephens, Group Sales, Ozark Folk
Center

CJRW/Miles

Darin Gray
Chris Ho

Susie Kardas
Brian Kratkiewicz

Jennifer Morgan
Amanda Stewart

Dalaney Thomas
Keegan Wright

Guests

Stacey Avery, Stone County Judge
Gary Jones, Jones Media
Bill Ott, Crescent Hotel
Danny Simmons, Mountain View City
Council

Scott Sudduth, North Little Rock Convention
and Visitors Bureau
Rex Vannatter, City of Mountain View
Jak Williams, Mountain View City Council

Call to Order

Chair Jim Shamburger called the meeting to order at 8:30 a.m. Kris Richardson called roll.

Approval of Agenda

Jim Shamburger requested approval of agenda.

Austin Albers moved to approve the agenda as presented. Mike Wilson seconded and the motion carried.

Presentation of the Minutes from Previous Meeting

Jim Shamburger requested approval of the minutes from the June meeting.

Mike Wilson moved to approve the minutes from the June 20 meeting as presented. Austin Albers seconded and the motion carried.

Jim Shamburger introduced guests and thanked the Mountain View Stone County Chamber of Commerce and the Ozark Gateway Tourist Council for hosting dinner for Commissioners and guests previous evening. And he thanked local officials for attending dinner as well.

FINANCIAL REPORT

Theresa Helliwell presented the FY 2019 Year-to-Date financial report for the Eleven (11) month period ending June 30, 2019.

FY 2019 Year-to-Date Expenditures were:

- Department Total - \$126,708,207 an increase of 6.98%
- Parks Division (including Construction and Grants) - \$101,003,967
- Tourism Division - \$18,943,120

- Keep Arkansas Beautiful - \$652,310
- Administration Division - \$3,772,107
- War Memorial - \$2,336,703

FY 2019 Year-to-Date Revenues were:

- Parks Division Operating Revenue - \$27,345,829 a decrease of 4.42%
- War Memorial Operating Revenue - \$1,284,948 a decrease of 24.76%
- 1/8% Tax Revenues - \$33,680,720 an increase of 2.43%
- 2% Gross Tax collections - \$16,921,497 an increase of 3.55%
- Grocery Store Wine Revenue - \$292,638 a decrease of 54.88%

* Please Note: percentages (%) are in comparison to the same period in the prior fiscal year

Austin Albers moved to approve the financial report as presented. Montine McNulty second and the motion carried.

Jim Shamburger had a question regarding a decrease in lodging and grocery sales tax. Theresa Helliwell responded that the grocery sales tax revenue was offset between grocery sales and sale of prepared foods. The lodging decrease was attributed to advance deposits not taken, Aspira being more focused on camping, an issue with credit card no-shows, and closures and renovations.

John Gill requested a revision on Financial Report formatting for a more accurate view of money spent and committed. Cynthia Dunlap advised it could be beneficial to revise format at end of fiscal year to show commitments that will carry over into the next fiscal year.

Cynthia Dunlap stated that the budget reflects the amount of total appropriation or authority to spend, not what is spent or committed. The budget amount does not reflect total funds available to spend. There are times when more funds are available than have been appropriated. The budget is developed based on a projection of what funds will be available. Some appropriations carry forward a fund balance from one fiscal year to another.

Jim Shamburger commented on the grocery store wine tax. Dunlap replied that the grocery store wine tax goes to commerce.

ADPT Staff Appreciation Dinner

Jim Shamburger advised that the annual Staff Appreciation Event will be held at DeGray Lake Resort State Park in August in conjunction the SPRTC meeting. Kris Richardson noted that the format would be a luncheon this year.

Weston Lewey moved that the State Parks, Recreation and Travel Commissioners host the Staff Appreciation luncheon on August 15 at DeGray Lake Resort State Park. Cindy Smith seconded and the motion carried.

Ozark Folk Center State Park Presentation

John Morrow welcomed the group and provided a brief presentation of the history and operation of the Ozark Folk Center State Park.

Secretary's Report

Stacy Hurst spoke briefly about her recent appointment to Secretary of the Arkansas Department of Parks, Heritage and Tourism before transitioning to the topic of transformation. Amid much public commentary, Governor Asa Hutchinson championed transformation exhaustively for over a year. Transformation winnows down the many departments to fifteen, each with its own secretary instead of executive directors. Hurst advised cabinet members have been selected. Cynthia Dunlap has agreed to serve as Chief Fiscal Officer. Jim Andrews has agreed to serve as General Counsel. David Bell will move to Chief of Policy and Legislative Affairs. Caleb Osborne will join the Department in August as Chief of Staff. A Chief of Communications will be brought in at a later date.

Hurst will split her office time between Heritage and Tourism and Parks. Kris Richardson will know which office Hurst will occupy at a given time.

A transformation action team of fifteen, with members from each section of Arkansas Department of Parks, Heritage, and Tourism will be implemented for discussion and consensus.

Hurst also spoke of Jim Dailey's imminent retirement. She plans to begin contacting and interviewing candidates for the position of Director of Tourism, with the goal of finding a replacement by September or October so that Dailey may train him or her.

Jim Shamburger asked John Gill to present Cynthia Dunlap with a resolution passed in the previous meeting. The resolution thanks Dunlap for her time as interim executive director.

TOURISM

Director's Report

Kristine Puckett gave the Director's Report. She began with staff updates. On June 19, Kayla Hardage was the keynote speaker at the Women of Distinction luncheon in Harrison. Kirk Jordan created a time-lapse image of the night sky at the Ozark Cabins just north of Marshall using 380 30-second exposures at 20 frames per second over a period of four hours. This image is featured on Arkansas.com. Tourism's photographers are working on a travelling photography exhibit. The annual Tourism staff conference will be held in August.

Puckett noted that an Arkansas Week interview with Secretary Hurst, Jim Dailey, and Montine McNulty would air on July 19.

In industry news, appreciation was shown for Ruth Hawkins at her retirement party. A delegation from sister city Hannam City, South Korea, arrived in Little Rock as part of the 50th Anniversary of the American Taekwondo Association and was hosted at CJRW.

Puckett also mentioned the Regional Tourist Associations. She has met with all region representatives. Appropriation requests have been approved, with an increase in each region.

Leigha Jones spoke about the Ozark Gateway Tourist Council. She overnighted a box of materials which were handed out to the commissioners. Many community partners were engaged in conversation about cost efficiency. Any questions about regions can be directed to Leigha Jones.

Puckett continued, speaking about the new fulfillment vendor contract, which went into effect on July 1. All June requests have been shipped. Literature requests will be shipped within three to five business days of receipt. This also allows for à la carte ordering.

Austin Albers spoke about the Advertising Committee meeting. Arkansas.com is still trending positively. A review of year-over-year will be available in September. Going forward, ads will be purchased on Bing. Bing owns Yahoo!, MSN, and AOL, so this will reach a new audience. YouTube will also be tested over five months; YouTube is the second most popular social media site after Facebook.

Stacy Hurst reported that ADPT has had an engagement with P. Allen Smith for many years that has been managed through CJRW at annual amount of \$200,000. There has been a request to

consider a substantial increase to this agreement. The Advertising Committee was not in favor of an increase and suggested a resolution come before the body for consideration and discussion.

RESOLUTION

Our marketing, our PR efforts, our advertising and influencer engagements are all entered into with the goal of driving tourism in Arkansas: putting heads in beds. We constantly analyze data and spending to measure efficacy. Based on our metrics, we do not believe that an increased engagement with P. Allen Smith would sufficiently benefit Tourism in Arkansas. We welcome some form of engagement with Mr. Smith that is reasonably priced and measurable.

Now therefore, be it resolved, that the Arkansas State Parks, Recreation and Travel Commission approved this resolution on this 18th day of July 2019.

ARKANSAS STATE PARKS, RECREATION AND TRAVEL COMMISSION

/S/ James D. "Jim" Shamburger, Jr. Chair

ARKANSAS DEPARTMENT OF PARKS, HERITAGE AND TOURISM

/S/ Stacy Hurst, Secretary

Eric Jackson moved to approve the resolution. Weston Lewey seconded and the motion carried unanimously.

Kristine Puckett turned to the subject of the China sales mission she and Jessica Ledbetter participated in through Travel South. Ledbetter's focus was on sales while Puckett's focus was on public relations and marketing. Both attended educational seminars on industry topics. Puckett noted that many travel agencies are part of the government. There was a map that showed real-time purchases and reservations. They visited Marengo, a Chinese service similar to Travelocity. Puckett also described celebrity-led tours, a novelty to Chinese residents.

Jessica Ledbetter talked about her role during the China sales mission. At the Arkansas booth, visitors could dig and sift for Arkansas crystals. Two diamonds, procured from Crater of Diamonds, were given away. Travel South already has one tour featuring Arkansas on the books for October 25. Ledbetter also conceptualized an Arkansas Ambassadors program that would

use existing foreign students in the United States to promote Arkansas through social media in their native language.

Communications

Leah DiPietro gave the Communications report. Monday, July 15, had the first e-mail with the Tourism Information Network activated due to the hurricane and flooding. Responses helped monitor flooding. The network is reserved for weather-related events and situations outside of the norm. Tourism Cares is collecting great stories of the good things happening in Arkansas. Arkansas.com is a finalist for an ESTO award.

Advertising

Brian Kratkiewicz presented the SS19 digital results. Impressions were up seven percent at 141 million impressions versus the goal of 132 million and up eighteen percent over SS18's 119 million impressions. Visits are also up seven percent at 517,588 visits versus the goal and up thirteen percent over SS18's 485,757 visits. Cost-per-visit is down sixteen percent at \$2.97 cost-per-visit versus the goal and down eleven percent under SS18's \$3.32 cost-per-visit. Programmatic buying test for SS19 gave 21 million impressions versus the goal of 15.9 million, 97,586 visits, and \$1.89 cost-per-visit versus the planned average of \$2.97.

Next, Kratkiewicz spoke on the recommended plan for FW19. Projections for media usage and ad spending align at 46.3% digital and 53.7% traditional. This is in-line with other industry media usage and ad spending. The ad buy budget is \$783,200. This slightly increases presence following media consumer usage patterns. Two key months are September and October. Focus will primarily be video and mobile at 70 plus percent each. The plan also concentrates fall digital dollars with the top performing SS19 partners. Mass reach sites/networks, programmatic buys, vertical sites (outdoors, mountain biking/cycling, women's interest, motorcycling, etc.) and local sites will continue to be used. Podcast audio advertising will be tested. Colorado will be tested as a new feeder state for mountain biking.

Programmatic buying will have a target budget of \$733,200. Recommended active/outdoor niche partners include the Under Armour fitness app network, Meredith Women's Network, 4INFO, Bicycling, Motorcycling.com, Outdoor Channel, and Carbon Media Group.

Recommended local and in-state partners include, Centro Dallas television station sites, KTHV11, and northwest Arkansas channel KHBS 40/29. New elements include podcasting, Carbon Media Group, Colorado as a test market for mountain bikers, and northwest Arkansas channel KHBS 40/29.

Dalaney Thomas spoke on the creative aspects of the plan citing focus groups, general outreach showcasing people and place, highlighting unique attractions such as Crater of Diamonds, added Arkansas musicians, and video ads.

Chris Ho gave the Arkansas.com website update. From May to June, total traffic increased 0.72 percent, partner referrals increased 10.12 percent, and guides viewed online increased 2.25 percent while guides ordered decreased 13.85 percent and newsletter signups decreased 6.3 percent. Seven thousand three hundred and seventy-seven is still a high number of guides ordered. Susie Kardas talked about the Arkansas.com dashboard and providing a tip sheet for using Arkansas.com to the Regional Tourist Associations.

PARKS DIVISION

Reservation System

Grady Spann reported that all park staff have been trained and are working to enter 27,000 future reservations to Maestro. Maestro was our reservation system from 2003 until we switched to the Aspira contract. The maestro software license has been renewed and updated to the web-based system. The software license included 110 licenses that can be used at any location. During the changeover Arkansas State Parks (ASP) is also switching to a digital cash receivable reports portal that will be an efficiency and a result in reduced amount of postage expenditures to ASP.

ASP anticipates the new reservation system will go live on July 29, 2019. Aspira has gone dark and guests can make reservations at the parks. Marketing and Revenue has sent out a press release, placed notices on the park websites, social media and sent out a special e-newsletter regarding the reservation system changes. Discussion ensued.

Memo of Understanding; Arkansas Energy Performance Contracting Program

Jeff King reported pursuant to Park Directive No. 1030 and authorized by Arkansas Code Annotated 19-11-1203, ASP asks that you bring the Memorandum of Understanding before the State Parks, Recreation and Travel Commission and seek approval to initiate this agreement with the Arkansas Energy Office.

The Arkansas Energy Office began facilitating a legislatively authorized process to partner state agencies with Energy Service Companies (ESCOs) in order to reduce energy consumption and operating costs of government facilities. In this partnership, prequalified ESCOs would identify energy conservation related improvements to state agency facilities and offer guaranteed cost savings contracts, vetted and negotiated by the Arkansas Energy Office, where cost savings

achieved by the conservation improvements project(s) would provide a savings that covers all project costs, including financing, over a specified contract term. In short, this process provides a means of completing guaranteed energy savings projects that take realized budgetary maintenance and operations savings to pay for energy improvement capital projects, financed over a period of up to twenty years.

Beginning in 2018, ASP began working with Entegrity Partners, a prequalified ESCO, on potential energy and operational cost savings strategies for War Memorial Stadium (WMS). In Dec. 2018, ASP received a Preliminary Assessment Report from Entegrity outlining a proposal for an Energy Savings Performance Contracting (ESPC) partnership for improvements at WMS. Entegrity's initial investigation at WMS found efficiency opportunities; however, their findings did not indicate that improvements exclusive to the stadium, including LED field lighting upgrades, would be feasible per an energy savings financial performance model. Entegrity recommended a second look at additional ASP facilities to bundle with WMS, in order to provide more savings leverage for upgrades throughout our system. In the spring of 2019, ASP and Entegrity began working on a revised Preliminary Assessment Report that included WMS, along with the Arkansas Museum of Natural Resources and the Bull Shoals-White River Visitor Center, two facilities that had seen increasingly higher costs for energy and HVAC repairs/maintenance over the past few years. In late May 2019, ASP received the revised Preliminary Assessment Report that included a barrage of ESPC projects for the identified facilities, and beyond, ranging from lighting and HVAC optimization to retro commissioning and large-scale solar development. ASP recommends moving forward with solicitation of a qualified ESCO, though collaboration with the Arkansas Energy Office. Discussion followed.

John Gill moved to approve the Memorandum of Understanding between Arkansas Energy Office and Arkansas Department of Parks, Heritage and Tourism for an Energy Savings Performance Contracting partnership that can include improvements at War Memorial Stadium, Arkansas Museum of Natural Resources, and the Bull Shoals-White River Visitor Center. Kalene Griffith seconded and the motion carried.

Miscellaneous

Grady Spann introduced Ed Thomas, the new Emergency Services Program Coordinator. Thomas brings 31 years of experience with public safety, emergency services and law enforcement. He has worked for ASP for the past 10 years at Bull Shoals -White River State Park and most recently at the Ozark Folk Center State Park; his past work experience includes the Baxter County Sheriff Office, Mountain Home Police Department, Lakeview Police Department, and three years as an International Police Officer in Iraq, for the Department of State.

Grady Spann highlighted the article “After hiker rescued, Arkansas State Parks offers wilderness survival tips” (Rose, KATV, June 17, 2019). Cale Davenport, Assistant Superintendent at Pinnacle Mountain State Park presented safety tips and suggested items essential for hiker safety in case something goes wrong. Necessities to include in your pack are food, shelter, and water another important item is a whistle.

Spann mentioned “Jacksonport State Park” (The Journal of the American Institute of Architects, June 19, 2019) Jacksonport State Park’s new “modern Visitor Center serves as a window on the past, celebrating a historically significant port town, while lifting visitors above a levee to reunite river and town, past and present.”

Spann highlighted the recent article, “Family whose boat exploded in Hot Springs thankful to be alive” (Glisovic, KATV, June 24, 2019). A Bauxite families’ boat exploded at Lake Catherine State Park, park staff, emergency personnel and other park guest responded to the incident.

Spann shared video, “Adventure Arkansas: Kayaking Lake Fort Smith State Park” (Standridge, | Fort Smith/Fayetteville News | 5newsonline KFSM 5NEWS, June 7, 2019) weatherman Matthew Standridge visited Lake Fort Smith State Park for a segment of Adventure Arkansas.

Structure Removals

Devil’s Den State Park

Randy Roberson reported the following structure Area B storage building (Building No. 16.51/AASIS No. 120005770) is a 104 square foot wooden structure with asphalt shingle roof and natural surface floor that was used for several years as an old sewer lift station. It is no longer needed or used by the park and the cost to repair the structure far exceeds its value.

Pinnacle Mountain State Park

Roberson reported the structure, Residence (Building No. 42.04/AASIS No. 120006377) is a three bedroom, one and half bath, 1170 square foot frame structure with asphalt shingles on a crawl space foundation. This structure is one of the oldest in the park and was acquired when the park was first created in 1973. The structure was originally built around 1950. Currently, the building needs significant repairs such as correcting a shift in the foundation, significant cracks in interior walls, repairs to outside walls, and repairs to roof decking. The residence has been replaced by a new modular unit and costs to repair the structure outweigh the cost of removal.

Roberson reported the structure, Well House/Shed (Building No. 42.29/AASIS No. 120006393) is a 68 square foot wooden building on cinder block foundation with asphalt shingled roof constructed in 1985 to protect a well. The building has become obsolete and is no longer being utilized as the well has been closed and filled in.

Weston Lewey moved to approve based on the information presented; the Commission finds the following structures at Devil's Den State Parks Area B storage building (Building No. 16.51/AASIS No. 120005770) and Pinnacle Mountain State Park Residence (Building No. 42.04/AASIS No. 120006377) and Well House/Shed (Building No. 42.29/AASIS No. 120006393) are obsolete notwithstanding the insured value and approves the removal from Arkansas State Park inventory. Kalene Griffith seconded and the motion carried.

Capital Improvement Progress (CIP) Report

Randy Roberson pointed out the CIP quarterly report the FY2019 report reflects that 199 projects totaling \$65,536,283 in projects are currently underway, with \$49,480,492 expended and 52 projects totaling \$5,994,595 completed.

Adjournment

The State Parks, Recreation and Travel Commission adjourned at 11:32 am on July 18, 2019, Ozark Folk Center, Bois d'arc Room, 1032 Park Avenue, Mountain View, AR 72560