

State Parks, Recreation and Travel Commission
Via Zoom or in-person for Commissioners & Key Staff and Via Zoom for Public
1100 North St., Little Rock
10 a.m., July 16, 2020

Commissioners Present

Kalene Griffith, Chair	Ron Gossage
Eric Jackson, Vice-Chair	Molly Jackson
Austin Albers	Weston Lewey
Blair Allen	Montine McNulty
Jeff Baskin	Ness Sechrest
Bob Connell	Jim Shamburger
Mike Gibson	Mike Wilson
John Gill	Randy Wolfenbarger

Absent

Shash Goyal

Department Staff Present

Stacy Hurst, Secretary Arkansas Department of Parks, Heritage and Tourism
Jim Andrews, ADPHT General Counsel
David Bell, ADPHT Chief of Policy and Legislative Affairs
Cynthia Dunlap, ADPHT Chief Fiscal Officer
Caleb Osborne, ADPHT Chief of Staff
Elaine Lienhart, ADPHT Executive Assistant
Travis Napper, Tourism Director
Kristine Puckett, Deputy Tourism Director
Tammy Boyce, Tourism Director Assistant
Jessica Ledbetter, Sales Manager
Leah DiPietro, Communications Manager
Grady Spann, Director, Arkansas State Parks
Shea Lewis, Deputy Director, Arkansas State Parks
Jeff King, Project Manager, Parks Division
LaJeana Carroll, Executive Assistant, Parks Division

CJRW

Darin Gray
Jennifer Morgan
Dalaney Thomas

Miles Media

Susie Kardas
Daniel Czerwinski

Guests

Scott Suddath, North Little Rock CVB
Gray Jones, Jones Video
Luke Story, Arkansas Broadcasters Association
Bill Ott, Crescent Hotel, Eureka Springs
Miguel Fuentevilla, Imprenta Printing & Signs
Enrique Fuentevilla, Imprenta Printing & Signs
Marty Ryall, Arkansas PBS
Hazel Hernandez, Experience Fayetteville
Matt Bell, Explore Harrison
J.R. Shaw, Visit Rogers
Kelly Parker, Visit Rogers
Charlie Gocio, Sells Agency
Doran White, 682-5577 Department of Finance & Administration
666-9314, Ciber Inc

Chair Kalene Griffith called the meeting to order at 10:00 am. Elaine Lienhart called the roll.

Welcome

Kalene Griffith welcomed Commissioners and all participants to the Zoom/conference call to the State Parks Recreation and Travel Commission (SPRTC) meeting.

Approval of Agenda

Mike Wilson moved to approve the Agenda as presented. Eric Jackson seconded, and the motion carried.

Presentation of Minutes from Previous Meeting

Eric Jackson moved to approve the Minutes from the June 18, 2020, meeting. Ron Gossage seconded, and the motion carried.

Divisions of Parks and Tourism Financial Report – June 30, 2020

Cynthia Dunlap presented the FY2020 Year-to-Date financial report for the twelve (12) month period ending June 30, 2020.

FY 2020 Year-to-Date Revenues were:

- Parks Division Operating Revenue - \$21,718,506 a decrease of -15.70%**
- War Memorial Operating Revenue - \$1,266,651 a decrease of 1.42%
- 1/8% Tax Revenues - \$34,074,641 an increase of 4.44%
- 2% Gross Tax collections - \$16,572,111 a decrease of -2.06%

FY 2020 Year-to-Date Expenditures were:

- Department Total - \$110,618,370 a decrease of -12.70%
- Parks Division (including Construction and Grants) - \$88,504,889 a decrease of -12.37%
- Tourism Division - \$15,382,291 a decrease of -18.80%
- Keep Arkansas Beautiful - \$717,669 an increase of 10.02%
- Administration Division - \$3,964,820 an increase of 5.11%
- War Memorial - \$2,048,701 a decrease of -12.33%

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

** Please note that the change in reservation systems from ASPIRA to MAESTRO has required a restatement of FY2019 operating revenue. Advanced deposits included in FY2019 operating revenue have been backed out for comparative purposes so that each year is reporting only earned revenue.

Discussion ensued.

John Gill moved to approve the Divisions of Parks and Tourism June 2020, Financial Reports as presented. Eric Jackson seconded, and the motion carried.

Divisions of Parks and Tourism FY19 Audit Report

Cynthia Dunlap presented the FY19 Legislative Audit Report for the Arkansas Department of Parks and Tourism that was released on June 30, 2020. There were no audit report or supplemental findings. The report was received and approved by the Commission.

John Gill moved to approve the Divisions of Parks and Tourism Fiscal Year 2019 audit report as presented. Jim Shamburger seconded, and the motion carried.

Secretary's Report

Secretary Stacy Hurst reported Arkansas Department of Parks, Heritage and Tourism (ADPHT) work, related to COVID-19 is ongoing. Staff continues to monitor possible exposure in ADPHT; this is a time-consuming process.

Secretary Hurst stated the hiring freeze has been lifted for state agencies and she and division staff are working together to select the positions to advertise.

Secretary Hurst reported she is working together with Commissioners Blair Allen and Montine McNulty and others in the tourism industry for a relief package for the hospitality industry utilizing the Cares Act funding.

Secretary Hurst commented Representative Beck is still very interested in the naming of the Petit Jean State Park Visitor Center. Hurst remarked she is in the process of reviewing

recommendations provided by Jeff King on the naming procedures for Arkansas State Park (ASP) facilities and is working toward a streamlined naming process with public input.

Parks Directors

Grady Spann requested permission to pause the updates on retreat items until after the first of the year. The ASP team is focusing on COVID-19 and managing parks with the fluid changes required as Arkansas fights the pandemic.

Spann mentioned the articles shared in the box, specifically the “18-mile Addition Makes Mt. Nebo Another Must Ride Trail in Arkansas” (Robinson, Arkansas Democrat-Gazette, June 19, 2020). This additional 17 miles of trail is a great addition to Mount Nebo State Park and the ASP trails.

Spann commented that a recent visitor to Crater of Diamonds found a significant diamond in June but did not report it to Crater of Diamonds State Park until July. The article and information on this find will be available at the August SPRTC. Named the Serendipity Diamond, it is a 6.93 carat diamond and is the 12th largest diamond since the park opened. Park staff are anticipating increased visitation following this find. The current visitation for the search area is limited to 800 people a day; ASP will continue with this limitation until this number begins to reach this limit followed by evaluating if the number should be raised to 1,000. ASP did not see the need to raise the limit if the park is not selling out of tickets each day. Discussion followed.

Spann remarked most of the capital improvement projects (CIP) were temporarily stopped due to the budget freeze. With the new fiscal year starting July 1, 2020, ASP will begin starting some of these projects and reengaging with design and construction firms.

Spann reported ASP’s visitation numbers continue to be high on the weekends and camping is continuing to exceed records. Discussion ensued.

2019 SPRTC Retreat Items Update

Tabled until after the first of the year.

Reengagement Plan

Shea Lewis presented the updated Reengagement Plan for ASP; a revised digital copy was emailed to the commissioners this morning. During the past month, ASP has been in a holding pattern. A few changes were made recently, to occupancy in restaurants as ASP continues to look at guests’ expectations and what ASP staffing can manage. Standardization for 52 separate locations is a difficult process. The biggest change for the plan is reopening meeting rooms, conference centers, enclosed pavilions, and other group facilities with limitations. The group lodges remain closed. Opening the group meeting facilities will open parks back up for third party organizers who will work closely with park staff to manage these events. For events larger

than 100 people an Arkansas Department of Health approved plan will be required. ASP hopes this change will increase occupancy in the lodges. Discussion ensued.

Kelso-Rohwer Watershed Improvement District – Temporary Use Permit Agreement – Delta Heritage Trail State Park

Jeff King reported a request has been made by the Kelso-Rohwer Watershed Improvement District regarding Delta Heritage Trail’s wooden trestle bridge at Cypress Bend, a few miles south of the Rohwer trailhead, for removal.

Continued heavy rain and flooding leads to accumulation of debris along the vertical trestle supports, greatly reducing the flow of water under the bridge. The surrounding row crop fields and roadways experience exaggerated flooding during these rain events. The Drainage District has offered to remove this trestle bridge at no cost to Arkansas State Parks to improve area drainage. Currently, this section of the DHT is not a part of the actively used trail nor is it planned for any future trail development. This bridge, along with the railbed south of Rohwer was rendered “obsolete” by our amended master plan extension to Arkansas City. The connection of the DHT from Rohwer to Arkansas City is now via the Mississippi River levee shared use roadway.

Ness Sechrest moved to approve the Arkansas State Parks temporary use permit agreement with the Kelso-Rohwer Watershed Improvement District to remove this trestle bridge at no cost to Arkansas State Parks to improve area drainage. Eric Jackson seconded, and the motion carried.

Structure Removals

Lake Chicot State Park structure removal

Jeff King requests permission to remove a structure from Lake Chicot State Park’s inventory; the Marina Covered Dock (Building 61.05/AASIS No. 120006580) is a 1,880 square foot dock constructed out of metal, concrete, and a metal roof with plastic dock floats. Six of the boat slips were last remodeled in 1980. The structure is approximately 94' long with plumbing and electrical lines in conduit but no gas pumps.

During recent storms, the marina received extensive damage. Three of the support posts have completely broken loose from the dock, and two more were rusted through so now they move with the waves. The metal roof sustained damage as well with a piece of the ridge cap hanging on the side of the roof. With these recent damages, the structure has become unsafe for use by guests and employees. The dock needed repairs prior to the storm event and has now deteriorated beyond repair. In the future, a new and smaller courtesy dock structure will replace the removed structure.

The building will be demolished and disposed of in accordance with all federal, state, and local regulations.

Jim Shamburger moved to approve based on the information presented; the commission finds the following structure at Lake Chicot State Park the Marina Covered Dock (Building 61.05 AASIS 120006580) obsolete notwithstanding the insured value and approves the removal from Arkansas State Park inventory. Mike Wilson seconded, and the motion carried.

CIP Quarterly Report

Jeff King reported at the end of June 2020, Arkansas State Parks maintains 25 open Methods of Finance (MOFs) for design, construction, and property acquisition efforts of the Capital Improvement Projects (CIP), with approximately \$51 million of prior encumbered funds, over \$35 million of funds spent in open MOFs, and an available open MOF balance of approximately \$15.9 million. The State Parks Division is currently funding or has previously committed funding in open MOFs for 164 projects of various size and scope. In Fiscal Year 2020, 19 MOF's were closed, totaling \$32,124,737.

Since the passage of Amendment 75, Arkansas State Parks has utilized over \$183.6 million to complete system-wide improvements with our apportionment of the 1/8th Cent Conservation revenue. Discussion followed.

Director's Report

Travis Napper reported that Tourism staff is still working remotely. Napper has been slowly making his way around the state visiting with various partners and seeing the sites. Napper has been in the process of working with Kristine Puckett and Cynthia Dunlap combining budget plans and working on baseline numbers.

Napper reported that starting in March 2020, Smith Travel Research data shows revenue was down 37%, April was down 65% and May was down 56.2%. Unemployment numbers in the hospitality industry started going down in February 2020 by 0.2%, down 3.5% in March, down 35.6% in April and May was down 35.5%.

The Economic Development Administration grant is in process and discussions are being held with the Arkansas Association of Development Organizations and the Central Arkansas Development Council to be partners in submitting the grant. Napper stated that the Department is also working with the Arkansas Economic Development Institute to assure that efforts are not duplicated. The Department is continuing to work with the Regional Tourist Associations and hopes to bring more opportunities to work with advertising and promotion commissions and convention and visitor bureaus.

Napper is sending out weekly emails through the Industry Insider, doing various radio and podcast interviews, and speeches when available and trying to stay out in front of the industry.

The Department is putting together a safe travel campaign piggybacking off ArkansasReady.com and is going to compile information on restaurants and lodging procedures to let the public know what guidelines businesses have in place. The staff is working on details of what it will look like.

GoUSA, a Brand USA ROKU channel, is airing a "Visit Arkansas" video. Arkansas is also a featured video on the channel's "Southern Road Trip."

Communications is working on content for the 2021 Travel Guide and is putting together a series of budget-friendly and one tank travels that will be featured on social media. Research and Development is helping with the coordination of the economic development grant and looking at doing an overhaul of the small festival advertising grants. The Regional Tourist Associations grant program was able to save \$112,000 in the FY20 budget. Sales is working on videos with the A-Team called "We're all in together," setting up a virtual sales mission to Kansas City, and evaluating and making adjustments to tradeshow. Staff continues to develop an online training video, a restructure of the "Welcome to Arkansas" guest services training program.

Welcome Centers opened June 29. Managers were given freedom on how to structure their facility operations. Re-opening got a bit of good media coverage when KY3 out of Springfield interviewed manager Leesha Miller. Barbara Harmon, Welcome Center manager in Corning retired after nine years of service.

John Gill inquired about the EDA grant and evaluating our options. Discussion ensued.

CJRW

With the volatility of what is happening, CJRW is pulling back and reevaluating the funds the Department has and how to spend most effectively, when the time is right.

Darin Gray thanked the Department for their work and thanked Cynthia Dunlap for her work on projections. In the last 90 days, changes to the budget have been made six different times. There is more information needed and conversations to be had before presenting the plan. Eric Jackson stated that a lot of companies are coming up with two plans to build in flexibility. Discussion ensued.

Susie Kardas reported on the conversion breakdown for the website. Total users are up 4% and partner referrals saw a 33% increase. Guides ordered saw a 12% decrease and guides viewed online are up 59%. Newsletter subscriptions saw a 3% increase. Total users saw a 19% increase and partner referrals saw a 32% increase. Guides ordered saw a 71% increase. Guides viewed online had a 228% increase. The conversion rate was at 6%, which is down from where it needs to be but is seeing improvement. An increase was seen in early June, which is a little bit ahead of the curve.

Kardas gave an update on COVID-19 and where tourism is since restrictions have been lifted. Accommodations are seeing about the same amount of website traffic. Restaurant views on the website are starting to pick back up since restaurants reopened. There was an increase of 73% out-of-state views on the website and 27% in-state from January through June. Organic search has been the best way for people to find information in Arkansas and views are going up.

Arkansas.com is part of the largest direct marketing organization study in the industry. A survey by Miles Partnership started in January and goes through the end of the year. A poll pops up when you open Arkansas.com and asks, "Do you live in Arkansas?" The survey results are showing that most people feel safe. Less than 15% felt unsafe or extremely unsafe and almost 50% of Arkansas residents are planning a "staycation." Potential visitors were asked why they were visiting the site and 70% said they were looking to plan a trip. When asked what type of trip they were planning, a majority were for weekend getaways and vacations. Visitors to the site were asked where they were in the planning process and most said within 3 weeks. When asked when they were visiting, the majority said June through October. Discussion ensued.

MISCELLANEOUS

Eric Jackson motioned to adjourn, and John Gill seconded. Motion carried.

The meeting adjourned at 12:09 p.m.

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