

**CITY OF JACKSONVILLE, ARKANSAS**  
**Advertising and Promotion Commission**



**A & P Commission**  
**Regularly Scheduled Meeting**  
**June 17, 2019**

**CALL TO ORDER:**

The Jacksonville A & P Commission met in the regular meeting place of the Commission on Monday, June 17, 2019. Council member/Chairman Reddie Ray called the meeting to order at 6:00 p.m. He then delivered the invocation and led a standing audience in the "Pledge of Allegiance".

**ROLL CALL:**

Commissioners Ray Patel, David Bush, Jim Hurley, Billy Hall, and Council member Kenny Elliott answered roll call. Council member/Chairman Reddie Ray also answered roll call and declared a quorum. Present (6), Absent (1) Commissioner Andy Patel was absent.

Others present for the meeting included: Recording Secretary Nikki Wilmoth, City Attorney Stephanie Friedman, Mayor Robert Johnson, Finance Director Cheryl Erkel, Parks and Recreation Director Kevin House, Parks and Recreation Assistant Director Marlo Jackson, Chamber of Commerce Board President Terry Weatherford, Chamber of Commerce Director Courtney Dunn, Dr. Bob Price, Warren Dupree, Kate Starnes, DannaKay Duggar, LaConda Watson, Freddie Scott Sr., and Rick Kron with "The Leader" newspaper.

**MINUTES:**

**Commissioner Jim Hurley moved, seconded by Council member Kenny Elliott to approve the minutes from the April 09, 2019 meeting as presented. Motion Carried.**

**FINANCIALS:**

Finance Director Cheryl Erkel presented the financial report for May noting assets of \$905,398.00 and liabilities of \$137,034.00. She explained the assets were allocated to cash in the amount of \$644,833.00 and \$254,562.00 in investments. She continued explaining the liability reported is the amount due to Parks and Recreation. She reported revenues of \$274,937.00 and expenditures of \$43,202.00, with revenues exceeding expenditures in the amount of \$231,735.00. She pointed out the amount would be reduced with the liabilities reported thereby reducing the excess revenues to \$94,701.00. She noted there are funds allocated for projects totaling \$555,590.59 that have not been expensed at this time.

She reported April hotel/motel gross receipts of \$206,005.00, noting a 6% decrease regarding the year-to-date comparison and a 15% decrease regarding the current month comparison. She noted prepared food tax gross receipts of \$3,313,986.00, explaining this is a 1% decrease regarding the year-to-date comparison and a 5% decrease for the current month comparison. She reported overall gross receipts of \$3,519,991.00, which is a decrease of 1% regarding year-to-date comparison and a 6% decrease regarding the current month comparison.

**Council member Kenny Elliott moved, seconded by Commissioner David Bush to approve the financial report for May as presented. Motion Carried.**

**OLD BUSINESS:**

**NEW BUSINESS:**

**A. \$3,000.00 MHP marketing proposal for Big Bang on the Range**

Recording Secretary Wilmoth related this is a \$3,000.00 marketing proposal from Mangan Holcomb Partners (MHP) for Big Bang on the Range.

Commissioner Jim Hurley noted the Commission had already approved over \$10,000.00 for the event questioning if it included marketing. He clarified the \$3,000.00 would be in addition to the \$14,000.00 already approved by the Commission.

Recording Secretary Wilmoth provided a copy of the original funding request which was noted not to include marketing.

Commissioner Hurley stated he read the proposal and found the information a little misleading.

Parks and Recreation Director Kevin House related he received additional information today; explaining MHP will be running 84 radio ads both on The Point 94.1 and 106.7 The Ride. He further clarified that each station will have 84 radio ads run. He related they have already secured one television segment and are working on securing additional segments.

Commissioner Hurley questioned if the account representative was present.

Director House stated she had contacted him about attending but he informed her that would not be necessary.

Commissioner Hurley stated that if approved going forward, the account representative should be present.

In response to a question from Council member Elliott, Director House replied that several emails and phone calls have been exchanged, saying they seem to be very professional.

Commissioner Hurley noted MHP is one of the major agencies in Little Rock who has a lot of contacts that provide added value.

**Commissioner Hurley moved, seconded by Council member Elliott to approve the \$3,000.00 marketing proposal from MHP for Big Bang on the Range. Motion Carried.**

**B. \$15,000.00 Marketing Proposal from MHP for FestiVille.**

Director House related this is what the Sells Agency has done for this event in the past. He stated their funding request was for the event itself and the bulk of the marketing was handled by the Sells Agency.

Commissioner Hurley noted \$38,000.00 has been approved for FestiVille this year which would take total funding for this event to \$53,000.00.

Director House said he had been given the information from Recording Secretary Wilmoth as to the amounts spent for marketing each event last year. He stated MHP is planning to run 231 ads on each radio station The Point 94.1 and 106.7 The Ride, and 144 ads on 103.7 The Buzz.

It was noted the proposal includes print marketing as well as a direct mailing.

Commissioner Hurley stated he had heard there might be some discussion regarding merging Five Points and FestiVille.

Director House related there has been some discussion, explaining it would not have worked for 2019 because they start planning FestiVille in October.

Commissioner Hurley asked if there is going to be coordinated efforts with the Chamber of Commerce in 2020.

Director House replied the Chamber of Commerce is helping with FestiVille now. He said it is too early to say they are going to combine and have one event, reiterating there has been some discussion.

It was noted that the original funding request did not include marketing funds.

**Commissioner Hurley moved, seconded by Council member Elliott to approve the marketing proposal from MHP in the amount of \$15,000.00 for FestiVille. Motion Carried.**

**C. Chamber of Commerce Contract**

City Attorney Stephanie Friedman stated she had recently met with Lanny from the Municipal League and worked on a contract that addresses economic development under Arkansas Code 14:174:107 which is the amendment from 2017 that kind of reversed the ruling from the North Little Rock case. She continued saying it also covers the advertising and promotions' statute 26:75:606 which allows the Commission to use the funds collected in this manner. The contract covers both statutes and is very clear that the funds are not used to pay for salaries, which is one of the things that the statute expressly prohibits. She said that essentially the Chamber of Commerce would give a monthly report, explaining the statute calls for some qualitative progress to be shown which is listed within the contract. She related that Courtney might be able to give better information because she has done quite a bit of work on this contract as well. She continued saying legally Lanny has stated it has "belts and suspenders" which as an attorney, is the best thing that can be said regarding a contract.

She said Lanny feels it is legally sound and the Commission would be safe to proceed with the contract unless the Commission has certain provisions that it would like to see amended. She related that essentially the bones and outline of the contract, according to Lanny, are legally solid.

Council member Elliott questioned page five, section 5, subsection B which states that “examination of records can only be requested by the Mayor or the Chair of the City Council Finance Committee”, should that not be at the request of the A & P Chairman.

City Attorney Friedman replied the contract could be amended to the A & P Chairman.

Commissioner Hurley questioned under page 2, section 1, and subsection B, if it should read a “maximum” of \$35,000.00 versus a “minimum” of \$35,000.00.

City Attorney Friedman replied if that is the Commission’s intent, it can be amended.

Commissioner Hurley stated it would be his intent. He then questioned the enumeration of progress, questioning what it would look like and how the Chamber of Commerce would go about doing it. He expressed his uncertainty as to how to measure that.

City Attorney Friedman replied it was one of the struggles that was faced when developing the contract, how to quantify something that is more qualitative; explaining the contract can be amended as to how the Commission would like to see it, saying in her mind she is thinking the Chamber of Commerce gives a monthly report documenting how they spent their time and who they talked to regarding job development or economic development as well as advertising, those types of things would satisfy the requirement of showing progress. She reiterated the contract could be amended to something the Commission would like to see. She related they tried to get away from the invoice based approach because there seems to be a lot of issues regarding that approach.

Commissioner Hurley clarified the Commission would not be looking at specific targets like in numbers or anything else.

City Attorney Friedman agreed, saying it was something the Chamber of Commerce could quantify which would be the number of people they discussed job development or those types of things to show progress but as they discussed last week, there weren’t specific numbers, like a targeted goal, for example.

Commissioner Hurley stated that on page three, section A and subsection 5, where it states “to assist in the continuation, operation and promotion of specific tourism events” and then it goes on to list the Christmas Parade, the Little Rock Air Force Base Air Show, city sponsored events held at the Community Center and Shooting Range and the city’s annual FestiVille, noting a lot the events are funded by the Commission. He continued saying he assumed the Chamber of Commerce would come in and want reimbursement for the same event, questioning if that was accurate.

City Attorney Friedman related her understanding they would be offering different services.

Chamber of Commerce Director Courtney Dunn stated she sees her role as offering her ideas and suggestions in the meetings for these events. She related that Air Power Arkansas (APA) holds their meetings at the Chamber of Commerce and she attends and is involved in the planning. She continued saying maybe not for reimbursement for physical things or ads but helping to prepare and put the events on.

Council member Elliott offered that he sees them working with the Parks and Recreation Department, as they have done in the past, to put on FestiVille; adding the Chamber of Commerce has always helped out working a booth and supporting the Parks and Recreation Department.

Director Dunn said the Chamber of Commerce has a good working relationship with the Parks and Recreation Department.

Chamber of Commerce President Terry Weatherford related there are a couple of things the Commission may not be aware of, saying Director Dunn spent a tremendous amount of her time helping with Fun at Five Points and was out there about all day, approximately a 12-14 hour day. He questioned if that was a Chamber of Commerce event, answering "no it was not". He continued saying it might have been listed as a co-sponsored event but Chamber of Commerce resources are being utilized to do these things they are really not getting reimbursed for. He related that Director Dunn's time is something that cannot be measured, explaining they know what she does, that she went to Washington D.C., met with the congressmen where she primarily talked with them regarding the Little Rock Air Force Base because there is a need to keep that ongoing; and then FestiVille and other various events. He said he does not know how many calls she gets when something like FestiVille or Fun at Five Points is going on, or how many calls she gets from people and businesses looking to relocate to Jacksonville. He stated that Mayor Johnson has indicated, that going forward, he wants the Chamber of Commerce and himself to be working closer together, primarily Director Dunn, because she does have economic development credentials and a degree; which is her background and what she has been trained to do. He continued saying the problem is that due to the decline of businesses within the city there is just not enough of a business base right now to support the Chamber of Commerce strictly off of membership dues unless they increase the dues by a tremendous amount; adding if they do that, membership will decrease. He stated to get reimbursed for the time Director Dunn spends on some city events and he would also like it pretty well documented as to how they are going to do that whether it is going to be per quarter, per month, however; that doesn't really matter as they are not broke, adding long term they cannot continue on the present path. He continued saying if business improves with the coming of the high school and the new businesses that Mayor Johnson is trying to bring to town, maybe they can get "off the public trough" if you will, but right now it is not going to work that way.

Commissioner Hurley offered he is good with that, saying last year the Commission went around questioning exactly what the reimbursement would look like; billable hours for the time spent? He added he is aware the Chamber of Commerce is trying to get away from invoicing so are they going to say that Director Dunn worked “x” amount of time which is worth \$1,000.00? He questioned what the Commission would need in order to abide by the terms of the contract.

City Attorney Friedman stated the Chamber of Commerce would give a monthly report documenting what activities they have been involved in and who they have spoken too, which is a part of the contract; explaining it is a “service” contract and not a “goods” contract so the Commission does not have to see everything invoiced, if that makes sense. She continued saying this contract is the agreement so with this \$35,000.00 the Chamber of Commerce is agreeing to fulfill what is set forth within this contract. She stated the Chamber of Commerce is agreeing to participate and plan certain activities, assist with Parks and Recreation activities, and essentially everything listed in section two within the contract. She noted that presently the contract states the payment would be annually however, that can be amended.

In response to a question from Commissioner Hurley, Chamber President Weatherford replied that it was the Commission’s decision however; the Chamber of Commerce would be good with quarterly payments with a quarterly report that lists Director Dunn’s activities.

Council member/Chairman Ray offered that everything discussed is included within the contract; saying two or three meetings have been held to discuss it.

Council member Elliott commented that it is important that we have a healthy community and relationships.

Chamber President Weatherford questioned once the contract was signed, is the Chamber of Commerce going to give a monthly report and then get paid off of the report or is the Commission going to fund it in advance, explaining the Commission is funding Parks and Recreation as far as advertising in advance; further clarifying the Commission does not get the advertising and then pay for it later is what he is saying.

Recording Secretary Wilmoth clarified the Commission allocates funds to Parks and Recreation however, expenditures are paid from the general fund and the Commission reimburses the general fund from the approved and paid expenses. She continued saying she wanted to make sure everyone understands the Commission does not write a check to Parks and Recreation for a bulk amount without documentation of expenditures.

City Attorney Friedman stated that she believes the point was that it is agreed upon in advance so if both parties do not fulfill the terms of this contract, there is no need to renew; saying she is aware that it is a concern. She continued saying this is both parties making a promise to pay and fulfill the obligations within the contract.

Chamber President Weatherford stated there has been difficulty, even though the funds were approved a year ago in how to go about getting it and to get paid to everyone's satisfaction.

Commissioner Hurley offered that "we all did" and that is why there is a new contract and why the Commission met with Lanny and City Attorney Friedman to try and get it resolved to everyone's satisfaction where it was not the last time.

**Commissioner Hurley moved, seconded by Council member Elliott to approve the Chamber of Commerce contract in the amount of \$35,000.00 with the following amendments: removing the word "minimum" before the \$35,000.00 and to change the authorized requestor of records from Mayor Johnson and the Chair of the City Council Finance Committee to A & P Commission Chairman and to change the payments from annually to quarterly.**

Director Dunn questioned whether the remaining balance from the 2018 contract would be discussed.

City Attorney Friedman related this was also a point of discussion with Lanny and considering there was a contract for \$35,000.00, it was their understanding, since there was no evidence the Chamber of Commerce did not fulfill their side of the obligation that the Commission would also fulfill theirs.

Director Dunn noted the remaining balance is \$18,283.19.

**Motion Carried.**

**Commissioner Hurley moved, seconded by Commissioner David Bush to approve the additional expenditure of \$18,283.19 to the Chamber of Commerce to fulfill the 2018 contract. Motion Carried.**

Council member/Chairman Ray asked for a motion to place the Boys and Girls Club contract on the agenda for discussion.

City Attorney Friedman stated that to be honest, she has not had a lot of time to study this contract as much as she would like; explaining she received the contract from LaConda Watson yesterday and it is essentially a model used by the Chamber of Commerce. She stated they are essentially requesting funds, from her understanding, for tournaments at the Boys and Girls Club which are open to the public. She related that under the new statute 14:147:107 and then under the A & P statute as well in chapter 25 the A & P does have the discretion to fund these types of activities so long as they are open to the public.

Council member/Chairman Ray stated he wants to suspend the rules and place the Boys and Girls Club contract on the agenda for discussion to allow for the Boys and Girls Club director to make a presentation.

**Council member Elliott moved, seconded by Commissioner Hurley to place the item of business on the agenda for discussion only. Motion Carried.**

LaConda Watson, Boys and Girls Club CEO, thanked the Commission for allowing her to make a presentation. She related they are experiencing an opportunity to expand their reach under their edifice with the Boys and Girls Club not only for the sports tournaments, but to be able to offer community service when looking at health and fitness and wellness throughout the community. When looking at non-duplication of services they do understand they have a great opportunity with the Boys and Girls Club regarding basketball tournaments. She noted that standing to her left is a professional retiree from the National Football League (NFL) who is also looking to provide services for NFL training camps as well as some other activities the Boys and Girls Club does not hold right now. She related it is a membership only type of club but they are open to the suggestions and ideas that were brought before them by Lanny regarding making it open weekends because the tournaments are already open on the weekends; but also being able to provide more services and to have a better reach to the youth as they understand there is an epidemic in our city as well as our country. She continued saying being able to be that positive role model and reinforcement of a safe place for all children. She related the tournaments gives them a reach outside of Jacksonville that they provide throughout the year, explaining they have special clinics in the summertime and a full-fledged basketball season starting in December that is open to all residents in the Arkansas. She stated they are excited about the opportunity, saying not only do they bring that to the table but they also bring their marketing expertise; explaining she has a strong sales background loves the opportunity to go and talk with media outlets. She related she has a great relationship with most of the media outlets, working with television, radio, and print; saying they do a great job of advertising for the Boys and Girls Club. She stated her understanding that under this new agreement that anything that they do, they are going to be tagging and marketing not only the Boys and Girls Club but also the A & P Commission from branding with logos to signage. She explained they have an "in kind" billboard from Lamar located on Hwy 67/167. She stated they have a strong connection when it comes to marketing and advertising and understand what it takes to have that reach and what it takes to bring people into the city. She then introduced Mr. Scott Sr. to speak.

Freddie Scott Sr., Treasurer of the Board of Directors for the Boys and Girls Club, wished all of the men present a happy Father's Day, saying he stands before the Commission as a proud father himself. He states he is excited, explaining his day to day job is caring about the kids across the state, adding he works as an operations manager for the Department of Education. He continued saying for the last year the Boys and Girls Club has become a hub for bringing the community together around what is called "family and community engagement". He stated that every school within the state will have to perform to what is called "every student succeeds act" that replaces the "no child left behind act"; explaining that you cannot have success in education unless you have great economic development. He continued saying that in itself says we have to leverage all assets, all entities, involve one single point of success with the kids; success across the community. He stated with the A & P Commission he appreciates the other hat that he wears which is going around and providing technical assistance for boards. He stated the Commission taking time to review and have discussion is a huge point, adding he would not expect the Commission to make a decision right now without having a firm opportunity to review.

He continued saying he welcomes any questions the Commission may have and wants to be sure they are legal, and more importantly, because they are providing a kind of service approximately forty times during the course of a year, they can have touch points for these kinds of activities. He said they are excited about being able to make that happen and having a mutual benefit across the board. He reiterated they welcome any questions the Commission may have.

Council member/Chairman Ray thanked them for the presentation.

Commissioner Hurley stated that based on the contract the Commission really has not had the chance to review, this is only just a point of discussion, the Boys and Girls Club is requesting \$85,000.00 from July 1<sup>st</sup> to December 31<sup>st</sup>; questioning if that is accurate.

Treasurer Scott Sr. replied that is incorrect, it would be an annual amount.

Commissioner Hurley stated section 1 and subsection point A states July 1<sup>st</sup> through December 31<sup>st</sup> of 2023.

Treasurer Scott Sr. clarified the contract was from July 1<sup>st</sup> to June 30<sup>th</sup> assuming that it was a fiscal year and renewable annually.

Commissioner Hurley noted the Commission was unable to budget beyond a calendar year.

Council member Elliott offered he is a big supporter of the Boys and Girls Club and acknowledged he hasn't really read the contract however, it appears that it is the same services offered by the Chamber of Commerce and the Boys and Girls Club does not provide the same services as the Chamber of Commerce. He stated it is a big risk as it is presently written, adding it would have to be re-written.

Treasurer Scott Sr. acknowledged it is a good point and it does mirror the Chamber of Commerce's contract but they wanted to be sure that the value add and the differences are spelled out within it. He continued saying during the time to deliberate if the Commission identifies certain areas the Boys and Girls Club needs to clarify, they would be happy to do that. He noted this was designed to move from discussion to a meeting of the minds.

Commissioner Hurley stated he would like for City Attorney Friedman to review the contract and requested she obtain some contracts from other cities that have existing contracts between A & P Commissions and Boys and Girls Clubs. He stated he is not opposed however; he wants the Commission to get it right.

CEO Watson expressed her appreciation for the questions, explaining they are novices when it comes to this. She stated they work "hand in hand" with the Chamber of Commerce also but the thing that is different, that they want to make sure they are talking about, is the children that are physically in the building that they are able to impact the lives of on a daily basis.

She continued saying that not only are they looking at providing tournament services but they are also talking about everything that is under the mission of the Boys and Girls Club, leadership, character, development and things of that nature, not just with the tournaments, but also with STEM and gaming which falls under the athletic umbrella.

Commissioner Hurley offered that as a former Boys and Girls Club board member along with Council member Elliott, he is familiar with what was done at that time. He continued saying Council member /Chairman Ray is a supporter of the Boys and Girls Club and feels they do good work. He stated over the years, the Commission has tried to find ways to help but there were certain rulings that left the Commission unable to continue funding. He reiterated that he is not opposed to doing something but “we have to get this part right first and then drill down the specifics.” He stated that he does not need to be sold on the Boys and Girls Club, adding there are certain things within this contract that he is not sure he is comfortable with.

Treasurer Scott Sr. stated they welcome the opportunity for the Commission to review and identify any areas of concern and to let them know so they can be addressed with City Attorney Friedman.

CEO Watson questioned what the next step would be.

City Attorney Friedman replied that a meeting will be scheduled to go over everything and if some Commissioners were available, and of course invite the media as well, to iron out some of these things it will go a lot faster as opposed to presenting something and realizing that it needs further discussion.

Commissioner Hurley stated his assumption that Recording Secretary Wilmoth will be sending an email regarding this meeting.

It was the consensus that Recording Secretary Wilmoth would send an email regarding the meeting

**ANNOUNCEMENTS:**

Recording Secretary Wilmoth read the announcements of the Big Bang on the Range and the H2GO Miler Water Fun Run and Walk to benefit Alzheimer’s Arkansas upcoming events.

**ADJOURNMENT:**

With no further business, Councilman/Chairman Ray adjourned the meeting at 6:50 p.m.