

**REGULAR BOARD MEETING**  
**GVB MAIN CONFERENCE ROOM, 4:00PM**  
**THURSDAY; April 28, 2011**

**Board of Directors Present:**

Chairman Monte Mesa	Vice-Chairman Mark Baldyga
Theresa Arriola	Bruce Kloppenburg
Judy Flores	Rizk Saad
Hayato Yoshino	Carol Tayama
Oscar Miyashita	Nathan Taimanglo
Jennifer Crisostomo	

**Board of Directors Present Telephonically:**

**Board of Directors Absent:**

Champ Calvo	Hope Cristobal
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**GVB Management and Staff Present:**

Joann Camacho	Pilar Laguana	Rose Cunliffe
Nadine Leon Guerrero	Debi Phillips	Gina Kono
June Sugawara	Felix Reyes	Sonja Lujan-Sellers
Doris Ada	Amanda Lawson	Amy Pangelinan
Kraig Camacho	Haven Torres	Laurette Perez
Regina Nedlic	Charlene Hitosis	Jeffrey Mindo
Dee Hernandez		

**Guests:** Minakshi V. Hemlani, Fisher & Asso.

❖ **Proceedings:**

Meeting called to order at 4:10 p.m. by Chairman Mesa.

Review of the previous Regular Board minutes dated April 14, 2011.

- Motion made by Director Tayama, seconded by Vice-Chairman Baldyga, to approve the minutes of April 14, 2011.

Motion approved (subject to correction).

❖ **Chairman's Report:**

- Chairman Mesa welcomed and introduced Director Jennifer Crisostomo, Governor's appointee to the board.
- Chairman Mesa stated that he forwarded to all the board members a copy of the Governor's letter to Secretary Janet Napolitano. He stated that the Governor left this morning with his senior staff to again pursue the issue directly with Homeland Security.



- Chairman Mesa stated that the issue is moving along quickly and he is hoping for good results after the meeting.
- Chairman Mesa stated that he also forwarded the 2010 International US Travel Report. He stated that it has interesting statistics and suggested board members to review it especially in the market areas that they are overseeing.
- Chairman Mesa stated that part of the relationship with GIAA is to have a direct working relationship with them in growing direct flights out of certain market areas.
- Chairman Mesa stated that the interesting part of the report is that 870,000 plus Chinese that go through the US visa application process have gone into US ports, which Guam has very little share of.
- Chairman Mesa stated that a big significant share of it is going through Hawaii, which gives a picture of the ability to get visitors to Guam even under the strict visa regulations.
- Chairman Mesa stated that the Corporation for Tourism Promotion (CTP) is a new program that supports visa waiver countries for travelers coming into US ports to have facilitation through the immigrations process. He stated that there are funds that have been collected through the \$10 fee being charged. The account has now earned about \$22 million since October when it was first implemented. He stated that there is potential marketing dollars that have yet to be determined on how the distribution would be. He stated that he would be tracking that and is working with the congresswoman's office to try and influence the committee on how the funds would be allocated in a national campaign to include the territories.
- Chairman Mesa stated that with the change in Gerry's position, Gerry is now laying down the foundation of the 5-year strategic plan. He stated that he mentioned at the last board meeting with each respective committees to really get their marketing budget as well as the strategy hopefully finalized by June so that it could be consolidated in order to weed out what the priority would be based on the forecast for 2012 and based on what has happened in Japan.
- Chairman Mesa stated that Guam is now starting to see some effects of the disaster.
- Chairman Mesa requested the full cooperation of all the committees to finalize their budget with their respective GVB officers and to validate their wish list, which will be submitted to the Governor's office and the oversight chair, Senator Barnes, for her support and to ensure that the Bureau get what it needs and to justify the needs as well.
- Director Kloppenburg commented that there is an appointment under the Chairman's Report for Director Calvo as an Executive Committee Member.
- Chairman Mesa stated that Director Flores was appointed as an interim member until Director Calvo's hearing process is complete and confirmation by the Legislature is given.
- Chairman Mesa stated that now that Director Calvo is confirmed, he could serve fully and is tapped to be one of the Executive Committee members.
- Director Kloppenburg stated that he wants to revisit the issue because historically all of the three sectors, Legislative, Governors Appointees and Membership, each had representation on the Executive Committee. He stated that with Directors Calvo, Tayama and Baldyga on the Executive Committee the only representation is the Executive Branch.
- Director Kloppenburg cautioned everybody to be aware of it because there is no representation from the Legislature or from the Membership. He stated that he wants to see more balance to it.
- Chairman Mesa stated that it may be the practice but there is consideration in spreading evenly the officers of the Bureau. He stated that there is representation from the membership, legislative body and the appointed.
- Director Kloppenburg stated that now that there is a full board it should be discussed.



- Chairman Mesa stated that it is up for discussion. He inquired if there are any comments or questions from the other board members.
- Director Arriola stated that as the Secretary of the Board, she is an ex officio, a nonvoting member of the committee. She stated that there were executive committee motions where she was not copied on.
- Chairman Mesa stated that she is a nonvoting member. He stated to make it clear the Vice-Chair chairs the Executive Committee and Director Tayama was appointed as one of the members and Director Calvo would be the third.
- Chairman Mesa stated that in the interim it was Director Flores, the treasurer is Director Cristobal and the secretary is Director Arriola. He stated that those are the members of the Executive Committee but nonvoting between the treasurer and secretary.
- Chairman Mesa stated that moving forward, the secretary and treasurer would be included in the circulation of the motions of the executive committee.
- Director Kloppenburg reiterated that he wants to revisit the issue because he is not comfortable having no representation on the executive committee at the membership level. He stated that Director Yoshino would be a great candidate.
- Chairman Mesa stated that the chairman of the Executive Committee has questions about the real authorization and decisions that the executive committee is making.
- Chairman Mesa stated that the executive committee may make the decisions but it still needs to be ratified at the board. He stated that the question was brought was, what happens if the board does not ratify the approval.
- Director Kloppenburg stated that he understands, but all sectors should be represented at the executive committee. He stated that normally when something is vetted through the executive committee, it is already vetted and would not oppose on actions that were taken by people that is given the authority to act on behalf of the board when they can't get together because of timing issues.
- Director Kloppenburg stated that the board should make it a policy decision that all three sectors are represented at the executive level.
- Director Miyashita stated that the bylaw states that the Vice-Chair is the chairman of the executive committee and two other members selected by the board.
- Director Kloppenburg stated that when there was no full board in place, names were thrown out and now that there is a full board, there is a need to discuss executive committee appointments.
- Chairman Mesa stated that Vice-Chairman Baldyga as the chairman of the executive committee has the authority to appoint two members.
- Director Kloppenburg stated that the chairman shouldn't be on the Executive Committee because he is the tie-breaking vote. He stated that there should be broad representation.
- Director Yoshino stated that he agrees with Director Kloppenburg. He stated that it does sound reasonable.
- Director Yoshino stated that from the membership side there should be representative in the Executive Committee.
- Chairman Mesa stated that he would leave it up to the chairman of the Executive Committee.
- Vice-Chairman Baldyga stated that he wants to hear everybody's input.
- Director Arriola inquired if it is limited to two members.
- Chairman Mesa replied yes, it is stated in the bylaw.
- Vice-Chairman Baldyga inquired what was the representation at the previous board.
- Director Kloppenburg replied one from each, which is Jim Beighley from membership, Theresa Arriola from the Legislature and Judy Flores from the Governor. He stated that it protects everybody.



- Chairman Mesa reiterated that it is up to Vice-Chairman Baldyga.
- Vice-Chairman Baldyga stated that if it is okay with everybody to give him two weeks to make a decision because there are a couple of other issues that he wants to look at. He stated that the bylaws were poorly written.
- Vice-Chairman Baldyga stated that if you look at the phraseology of what the Executive Committee's authority is, it is any authority granted by the board. He stated that he doesn't really know what the previous board has granted or authorized at Executive Committee level.
- Vice-Chairman Baldyga stated that it is unclear to him if anything the executive committee does is mandated or authorized by the board.
- Vice-Chairman Baldyga stated that another issue is the bylaws states that the board should ratify any decisions made by the Executive Committee that involves emergency funding within one week. He inquired what constitutes emergency funding because technically what the board does is an emergency.
- Vice-Chairman Baldyga stated that historically the board does not ratify things within a week. He stated that he does not want to put the executive committee members selfishly in any personal liability.
- Vice-Chairman Baldyga requested for one meeting with Legal Counsel to clarify the language of the bylaws and put forth a motion to the board.
- Chairman Mesa stated to make it a holistic approach in making any changes to the bylaws.
- Chairman Mesa also stated the need to inform GVB membership on the changes of the bylaws if that is the recommendation.
- Chairman Mesa stated that the Executive Committee motion regarding Director Calvo would be tabled. He stated that Director Flores would still be an interim member until Vice-Chairman Baldyga reports back to the board.
- Director Arriola stated that in her packet is a letter from Guam Election regarding the Financial Disclosure. She stated that her concern is the deadline is April 22<sup>nd</sup> and it is already the 28<sup>th</sup>.
- Chairman Mesa stated that as long as you fill out the form and turn it in good faith.
- Director Arriola reiterated that her concern is the deadline.
- Chairman Mesa inquired when was it dated.
- Director Arriola replied that the letter was dated March 24<sup>th</sup> and the deadline was a month later, which was April 22<sup>nd</sup>.
- Chairman Mesa inquired when was it submitted to the Bureau.
- Director Tayama replied April 20<sup>th</sup>.
- Director Arriola suggested that the GM make a call to Guam Election because she does not want to get into trouble.
- Director Kloppenburg stated that he went through this at the previous board and that elected members are not required to complete the form.
- Chairman Mesa replied that is correct. He stated that only the appointed members are required to file.
- GM Camacho stated that she would contact the Guam Election.
- Chairman Mesa stated to make it a point of being transparent and abide by the statutes that all board members especially the new ones are required to attend the Ethics Training at UOG. He requested management to follow up on it.
- D. Hernandez stated that she is communicating with UOG.
- Chairman Mesa stated that if you served in other government boards and have been certified then there is no need to take it again unless there are new things to be updated.



❖ **General Manager's Report**

- Copies of General Manager Joann Camacho's report were distributed to all Board members present during the meeting.
- Chairman Mesa inquired on the drop of visitor arrivals for the months of March and April from Korea, what does it contribute to; is it the negative news about Guam being unsafe.
- GM Camacho replied that it is part of the situation. She stated that there was a FAM tour last week and they are saying that they are working hard in adjusting to meet their projections.
- Chairman Mesa inquired with the recent visits with the airlines and tour agent representatives last week, if there were any results on what their strategy is to grow the market, and their conclusion on their visit and what the next steps would be.
- GM Camacho stated that they are pushing hard to continue their marketing efforts.
- P. Laguana stated that Henry Lee brought in Korea's major newspapers, which was impressive. She stated that H. Lee did an outstanding job in bringing them to Guam.
- P. Laguana stated that they represent a total of 25 million readers. She stated that they met with the Governor, EPA, Homeland Security and Civil Defense.
- P. Laguana stated that all the officials had an opportunity to be interviewed by the press. She stated that the goal was to get accurate news out to the audience of Korea because the perception is that the radiation is in Guam.
- Chairman Mesa inquired if there are any newspaper articles.
- P. Laguana stated yes and is included in KMC's report.
- P. Laguana stated that prior to the arrival of the media from Korea, the cancellation numbers for a flat week were from 24% to 25% but since then it has minimized. She stated that as of Friday it was 13%, so the momentum is coming back.
- P. Laguana stated that H. Lee knows that he should stay on top of communications with the audience through the Clean and Safe campaign and On Line Social Media campaign. She stated that they are doing as much and as quickly as they can.
- P. Laguana stated that after all the efforts there was negative news in Saipan, which impacted Guam. She stated that a gentleman in Saipan stated that radiation was moving to the top of the mountains.
- P. Laguana stated that it is something that would counteract positive news. She stated that the media has direct accessibility to the security people on Guam so they get direct up to date news on Guam's safety in terms of the environment.
- Chairman Mesa inquired with the reprogramming of \$50,000, which was earmarked, where is it at now.
- P. Laguana stated that it was \$40,000 from the Rainy Day Fund; \$20,000 went to Taiwan and the other \$20,000 went to Hong Kong.
- Chairman Mesa stated that \$50,000 was reallocated within the Korea budget.
- P. Laguana stated that it is part of the Clean and Safe Campaign.
- Chairman Mesa inquired if there is another opportunity to bring another set of media to Guam.
- P. Laguana replied that a huge TV program is coming to Guam. She stated that they had a pre-inspection.
- P. Laguana stated that the KGMC was on Guam because they wanted to see for themselves what the condition is. She stated that they were all convinced that Guam is clean and safe.

- Director Miyashita stated that the next stage is to ensure that the tour agents and media understand that Guam is a safe destination. He stated that it is something that cannot be done once.
- Director Miyashita stated that April and May would be challenging but June would look better. He stated that H. Lee is continuing to push to minimize the damage and to send the message that Guam is clean and safe.
- Director Miyashita stated that H. Lee mentioned that Ms. Korea might be featured on Guam, which would have a significant coverage. He stated that it is not budgeted so he might come to the board for it.
- GM Camacho stated that there is a lot of marketing coverage in Korea to help balance and minimize the downturn.
- Chairman Mesa stated that he and Vice-Chairman Baldyga are scheduled to be off island during EIT. He inquired if Director Kloppenburg would be able to represent the board during the event.
- Director Kloppenburg replied that he is scheduled to be off island as well.
- Chairman Mesa inquired if Directors Yoshino and Arriola would be on island. He requested board members that are on island to attend EIT.
- GM Camacho stated that it would mean a lot to the awardees if more board members were present.
- GM Camacho reminded board members to attend the dinner scheduled for tonight for the HOT bond proceeds transfer.
- GM Camacho stated that M. Munoz is working on the procurement for the board pictures. She stated that the attire is island wear.

❖ **Report of the Treasurer:**

○ **Cash Position Report:**

- Cash report as of April 25, 2011.
- Total cash in banks report (as of 4/25/11) \$5,614,137.68
- Total allotment received to date: \$7,159,447.00

- Chairman Mesa stated that the cash position report was emailed to all board members. He stated that the income and expense statement is done monthly so the next report would be at the next board meeting.
- Director Miyashita requested for a monthly balance sheet.
- Director Miyashita inquired if the Japan balances are dollar or yen.
- R. Cunliffe replied yen.
- Vice-Chairman Baldyga inquired if the cash is in a time deposit account and what is the rate.
- Chairman Mesa replied that the rate is about 1.5 and is interest bearing.

❖ **Report of the Board Committees:**

A. **The Strategic Advisory Council:**

- Nothing to report.

B. **Administration/Government Relations:**



- Chairman Mesa distributed to all board members present Resolution 2011-002 regarding the bond proceeds. He stated that it was discussed that GVB take the lead in terms of managing the proceeds of the bond's earmarked projects.
- Chairman Mesa stated that he would like the board to take a position since it was always been raised about the fiduciary responsibility of the board and also the accountability of the HOT being spent and if the board really feels the need to have some oversight of it and control the project especially the projects that support the tourism industry and to make sure it gets executed. He stated that the problem would be if it is farmed out to other agencies and they have other priorities then it might fall through the cracks.
- Chairman Mesa stated that it is a position that the board doesn't want to find themselves in. He stated that if the board is going to be in that position then they need to take full responsibility and see the projects from cradle to grave.
- Director Miyashita stated that at the last discussion Director Yoshino raised the issue of the Guam Museum and that it should be a multi-purpose building.
- Director Kloppenburg stated that it is in the law.
- Director Miyashita stated that the \$27 million is in the law but it could be a little bit more flexible as long as the museum is covered.
- Vice-Chairman Baldyga stated that there is a little bit of history behind it. He stated that it is a different issue on the functionality and need, which is not really relevant to the resolution.
- GM Camacho stated that the Guam Museum is also a place for education. She stated that the term Guam Museum is used but it is much broader.
- Chairman Mesa stated that the interpretation of Director Miyashita's question is that the resolution should include the board overseeing the design and construction of the Guam Museum. He inquired if that is what he meant.
- Director Miyashita replied no.
- Vice-Chairman Baldyga stated that it is the functionality.
- Chairman Mesa stated that the resolution is a recommendation to the Governor to delegate his project management to GVB.
- Vice-Chairman Baldyga inquired if there are any further feedback on the issue of the board's responsibility and liability of the bond.
- Vice-Chairman Baldyga stated that fundamentally when you take responsibility you have liability and he stated that no one at the board is a construction management professional.
- Chairman Mesa stated that an RFP would be announced for a construction manager.
- Vice-Chairman Baldyga stated that he met GEDA personnel today and stated that GEDA was going to suggest that the Governor's office take the lead on the construction management.
- GM Camacho stated that she heard that conversation as well. She stated that if that is where it ends up then it leaves GVB out of it.
- Director Arriola stated that the title of the resolution should be very clear. She suggested stating what GVB wants and the recommendation so that it could be repeated in the resolved of the resolution.
- Director Arriola stated that you want the Governor to look at the resolution and know exactly what the Bureau is asking for.
- Chairman Mesa stated that the resolution would be refined and clear. He suggested getting assistance from the legislative oversight chair to make sure that it is in proper format and that the Bureau is complying to the format.



- Chairman Mesa requested GM Camacho to get assistance from the legal counsel.
- Chairman Mesa stated that he inquired from an insurance standpoint if there is a Directors and Officers insurance coverage for the board members.
- GM Camacho replied that she didn't get confirmation.
- Chairman Mesa stated that based on his experience at the Port, he is covered. He stated that he is expecting the same thing at the Bureau.
- Director Arriola stated that on the Vice-Chairman's comment, is there any progress from legal counsel on the liability of the board.
- M. Hemlani from Fisher & Associate stated that she is aware of the issue and the office is researching it. She stated that the liability is still unclear so she does not want to comment but would inform the board at the next meeting.
- Chairman Mesa stated that the intent of the resolution after so many discussions is to take not only the responsibility but also execute the project.
- GM Camacho stated that she would clean up the resolution and send it to the board. She stated that the resolution states that GEDA would be the agency to monitor the funds.
- Vice-Chairman Baldyga recommended that an alternative is to submit a stronger resolution restating the board's position with respect to the project listing and priorities. He stated that if the board wants to address how it gets done, then it should submit another resolution stating that intent.
- Director Kloppenburg stated to the new board members of the Bureau, he would like to publicly state that thanks to the efforts of the staff and management of the Bureau the bond became a reality.
- Director Kloppenburg stated that it started a few years ago with the management of the Bureau. He stated that they did a very good job.
- Director Kloppenburg stated that they got it to a point than they turned it over to GEDA.
- Chairman Mesa inquired for point of clarification are the board members covered under the insurance policy for Directors and Officers.
- R. Cunliffe replied no.
- Chairman Mesa requested management that at the next opportunity to renew the insurance to revisit the coverage for Directors and Officers. He stated that if it is a while from now for renewal than the need to get the coverage.
- Vice-Chairman Baldyga stated that there is a need for two quotes, one for the liability for normal operating budget and the other for an \$80 million budget. He stated that there is going to be a big difference between the quotations if the Bureau takes on the responsibility for the bond proceeds.
- Vice-Chairman Baldyga stated the point is what would the limit of liability be; would it be \$80 million or \$2 million. He stated that would drive the premium.
- Chairman Mesa stated that the coverage that he is looking at is on the original amount. He stated that serving on the board, there are certain limitations on the board's liability to protect the officers when decisions are made.
- Director Miyashita stated that he thought there was coverage under Gov Guam.
- Chairman Mesa stated that the Bureau is a public corporation with membership representation that is not subject to the confirmation hearing process.
- GM Camacho stated that she would bring up the issue with legal counsel to get clarification based on the law and the bureau's structure.





**C. Executive Committee:**

- o Motion made by Vice-Chairman Baldyga, seconded by Director Arriola, to ratify approval of travel for the GVB Acting General Manager to attend the 43rd U.S. Travel Association International Pow Wow in San Francisco, California and to attend the Chamorro Cultural Fest in San Diego between May 21 - May 25, 2011. (Travel cost approximately \$3,190.20; Acct. #US-TTC044). Motion approved.

Airfare	\$2,000 x 1 pax	\$2,000.00
Per Diem – Lodging (SDO)	\$188.31/day x 1 days	\$188.31
Per Diem – M&IE (SDO)	\$88.75/day x 1 days	\$88.75
Per Diem – Lodging (SFO)	\$215.63/day x 3 days	\$646.89
Per Diem – M&IE (SFO)	\$88.75/day x 3 days	\$266.25
<b>TOTAL</b>		<b>\$3,190.20</b>

**Discussion:**

- Chairman Mesa stated that on May 23<sup>rd</sup> the Corporation for Tourism Promotion has a scheduled board meeting in San Francisco. He stated that GM Camacho must attend the meeting.
- Chairman Mesa stated that he knows that GM Camacho would be in San Diego on May 21<sup>st</sup> but the need to make it a point to attend the meeting because it would be the first opportunity to get introduced to the board and an opportunity to speak on the position of the territories to be part of the consideration.
- Chairman Mesa stated that it would be the first opportunity to be present face to face.
- Director Arriola inquired if the trip for GM Camacho is to San Francisco and San Diego.
- Chairman Mesa replied yes.
- Director Arriola inquired if there is an additional meeting in San Francisco.
- Chairman Mesa replied that it is during the same period as Pow Wow, May 23<sup>rd</sup> to the 25<sup>th</sup>. He reiterated that the CTP board meeting is scheduled for May 23<sup>rd</sup> in San Francisco.
- Chairman Mesa stated that it is posted on their website.

**Background:** As the largest generator of travel to the USA with more than \$3.8 billion in future travel booked each year, the U.S. Travel Association's Int'l Pow Wow is incredibly important to the economic well-being of its participating 1,200 U.S. travel organizations, including Guam. Approximately 5,500 delegates, including international and domestic buyers from 70 countries and across the U.S. will once again attend this 43rd Anniversary International Pow Wow. Between 350 – 400 travel journalists from around the globe will be attending as well. This event allows GVB management and marketing staff to follow-up with those met in prior Pow Wows and to meet one-on-one with dozens of influential travel professionals to reinforce Guam travel. During last year's event, GVB marketing staff met with more than 100 travel journalists, and travel agents to discuss Guam and regional travel from their respective destinations. In fact, GVB marketing was interviewed by TravMedia.com and featured online on their travel network. The show provides unprecedented opportunities to expose Guam to the North American market as well as internationally in a single venue.

To maximize opportunities while saving valuable GVB marketing funds, and since the GVB marketing staff will be in California already for the USTA Int'l Pow Wow, they will be attending the Chamorro Cultural Fest in San Diego, California on May 21. This event brings together more than 10,000 Chamorros, friends and





families of Guam (many who have never been back home) and west coast residents creating a rare and important opportunity to interact with consumers with connection to Guam and to encourage travel our way.

These initiatives strongly support the FY2011 North America Marketing Plan in reaching out to the VFR and SATO representatives in the region.

**Issue:** Time sensitive and board approved required for all travel.

- o **Motion made by Vice-Chairman Baldyga, seconded by Director Tayama, to ratify approval of travel for Governor Eddie B. Calvo and three (3) of his senior advisors to attend meetings in San Francisco and Washington D.C. to discuss the Visa Waiver Program and other related matters with federal representatives. Travel dates from May 1 – 5, 2011. (Estimated cost up to \$9,561.62; Acct. No. CI-S\$4,000 & Cultural Presentation Taiwan CPO-003 \$5,561.62).**  
Motion approved.

**Discussion:**

- GM Camacho stated that the airfare for Henry Taitano is reduced from \$3,512.72 to \$2,800, which reduces the total amount.
- Chairman Mesa stated that it is a policy that all travel with the exception of the Governor and Lt. Governor is on the economy class rate. He stated that anyone that wants to upgrade would be at their own expense or mileage.
- Director Arriola stated that she knows Frank Arriola and Arthur Clark but inquired who is Henry Taitano.
- Chairman Mesa replied that Henry Taitano is the advisor for the economic and tourism development for the Governor.
- GM Camacho stated that H. Taitano is responsible for the Bureau under his subcommittee.
- Chairman Mesa stated that one of the requests of the board is to have a liaison to the Governor's office for all tourism related functions in terms of investment as well as working with the visa waiver program.
- Director Arriola stated that she totally supports the visa waiver program but for the record she has to fight for the cultural presentation because there is not enough funds in CHaCo for the things that they want to do and she notices that it is being tapped.
- Director Arriola stated that she hasn't had a CHaCO meeting to reprogram the funds but the board supersedes the committee. She stated that if money is to be taken out for the visa waiver needs then it should be taken out of the proper account and not the cultural account.
- Director Kloppenburg stated that he also supports the Governor going to Washington DC but the funds should have been taken out of the China account. He stated that it is not the only business that they would be doing there; they are doing other business and when the board starts to raid funds from other accounts then a program would not be funded.
- Director Kloppenburg stated that lately the board has been sending the least people as possible to wherever they need to go. He stated that the Bureau shouldn't be funding the entire Governor's office to do the trip.
- Director Kloppenburg stated that absolutely yes the Governor and his senior policy advisors because they are totally engaged in the China Visa Waiver Program and the success of it is going to be predicated upon them in their meetings.



- Director Kloppenburg stated the need to be cautious on spending the Bureau's money because there isn't a lot of it. He stated that for the future when the executive committee makes a decision in taking money from his committee that they call him first and get him on board on the decision so that he could justify it when he goes into his committee meetings.
- Vice-Chairman Baldyga stated that on his email regarding the trip, he was wondering if they are only going to conduct GVB business and if not, if they could do an allocated percentage of the travel but he didn't get a clear response if it was realistic or not.
- GM Camacho stated that from the original request it was nearly \$20,000 and she really scrutinized what they wanted. She agrees with Director Kloppenburg that if any funds would be tapped from other committees to discuss it with the committee's chair.
- GM Camacho stated that she did work with R. Cunliffe to make sure on how to find the funds and those accounts were the recommendation. She stated that she did look at the Taiwan project, which was leftover monies and was available.
- GM Camacho apologized to Director Arriola.
- Vice-Chairman Baldyga stated that when he received the email he didn't realize what accounts were being tapped. He stated that he thought that it was from an administrative budget.
- GM Camacho stated that the Bureau doesn't have an administrative budget.
- Vice-Chairman Baldyga inquired if it was noted on what department the funds were coming from.
- Director Kloppenburg stated that it is on the motion and that is why there is a need to be cautious.
- Director Arriola stated that for the record this is not going to be the last time the front office is going to need to go in regards to the visa waiver so they need to be very careful.
- Vice-Chairman Baldyga inquired if the board is setting precedent.
- Chairman Mesa replied no.
- Chairman Mesa stated that the window of opportunity is at its peak and the visits that are now happening as a result of Senators Webb and Levine being on Guam, which made it even more time sensitive.
- Director Kloppenburg stated that it is totally essential that the Governor and his senior policy advisors be in Washington DC for the meetings, which he understands.
- Chairman Mesa stated that yes the board has to be diligent. He stated that the Bureau is not the only agency that is benefitting so it is a shared expense with the airport and GEDA.
- Director Arriola suggested that if the front office is going to request for the Bureau's assistance on tourism related issues then they need to set aside funds for that purpose and not tap other committee funds.
- Director Arriola stated that she would like to see it clearly that it is an account that is needed specifically for that purpose.
- Chairman Mesa stated that in this particular case for the record, there is a Rainy Day Fund that has been put aside, which has not been tapped.
- Chairman Mesa stated that there is a mechanism in place.

#### **BREAKDOWN**

Governor Calvo

Per Diem: \$366.60 x 4 days = \$1,466.40

Frank Arriola

Per Diem: \$352.50 x 4 days = \$1,410.00



April 28, 2011; 11



Henry Taitano:

Airfare: \$3,512.72  
Per Diem:  $\$282.00 + 25\% = \$352.50 \times 5 \text{ days} =$  \$1,762.50

Arthur Clark

Per Diem:  $\$352.50 \times 4 \text{ days} =$  \$1,410.00  
**TOTAL COST:** \$9,561.62

**Background:** Due to the recent global economic developments as well as the disaster in Japan, it has heightened the need for Guam to pursue various tourism and economic related opportunities by meeting at an executive level with senior officials in the Federal Government. Members of GVB Board have clearly stated that Guam's visitor industry and our economy are at a fragile state and that we are at a very critical juncture in our history. In addition, GVB Board members have stated that these issues and matters will be most effectively addressed at the Governor's level.

The Governor has a track record of success in enhancing the tourism industry as displayed with the Administration's successful marketing of the Hotel Occupancy Tax bond, which was sold despite a tough economic environment. The successful sale of that Bond has cleared the way for the financing of multiple tourism related projects including the museum. The Governor is once again coming to the aid of the tourism industry with this critical mission to San Francisco and D.C. to address the inclusion of China and Russia to the Visa Waiver Program. The Governor plans to bring along his senior advisors to support his effort in pursuing this critically important initiative for the people of Guam and the tourism industry. Members of GVB's Board have expressed their full support of this initiative, which is in line with GVB's mandates.

**Issue:** Board approval needed for all travel.

**D. Japan Marketing:**

- Vice-Chairman Baldyga reported that he attended the JGTC meeting in Tokyo. He gave a synopsis of the meeting:
  - United Airlines are reducing flights beginning May 13<sup>th</sup> to July 1<sup>st</sup>
  - Niigata, Hiroshima and Okiyama will reduce 8 flights from May to June; they were up 30% January to March; pre March 11<sup>th</sup>. They are expecting 20 to 25% down to September.
  - Delta - January to March reduced seat capacity by 18%, January to March already down, expecting 25 to 30% cancellations. Overall April to May 25, 30% decrease.
  - RNC group tours reservations are now exceeding cancellations, which is good news. They are holding the lines on pricing for now so that the summer price difference with the oil surcharges won't be as great. NTA is concerned and is also avoiding selling cheap tours.
  - HIS golden week impacted primarily in Tokyo. Osaka during Golden Week is plus 10% so there is less affect in western Japan. Cancelled groups are now rebooking for later in the year so that is positive news.
  - JAL says Guam is less impacted than other destinations due to the fueling.
  - JTB World 70 – 80% transferred to summer versus prior.



- JalPak will be back in April. With JAL they have merged with domestic and international which is now down to 1 flight from Narita.
- Vice-Chairman Baldyga stated that they also discussed the 2012 Marketing Plan. He stated that he was excited to see that they are totally in sync with the thought of them getting involved in a little bit of strategic planning and dialogue.
- Vice-Chairman Baldyga stated that a Special JGTC Kanto Area meeting is scheduled on May 17<sup>th</sup>, which he would be attending.
- Vice-Chairman Baldyga stated that they would be talking about “where we are now, where we are going to be and how do we get there,” which is very positive. He stated that it would tie in with the three years planning.
- Vice-Chairman Baldyga stated that the Special JMC meeting minutes are attached to the board packet. He encouraged board members to read through the minutes.
- Vice-Chairman Baldyga stated that the two core competitors, Okinawa and Hawaii, if you look at their strengths and cross out what Okinawa and Hawaii has, there is only one thing left in the grind, which is the Chamorro Culture.
- Vice-Chairman Baldyga stated that ADK is suggesting that the Bureau focus on quantity and value and not worry about the quality so much because of the post tsunami. He stated that they are looking at the gradual trend, which right now Guam is cheap and moving towards value versus quality but focusing mostly on the value.
- Vice-Chairman Baldyga stated that he is proposing putting together for Linala all the collection of cultural attractions and market them as a package with each keying in with their strength.
- Vice-Chairman Baldyga stated that there are two elements of the summary of the suggestions: the 5-year strategic thought process and once it is defined to figure out how to plan it in with the 2012 ADK marketing plan. He stated that ADK is doing a good job, coming up on their 6-month mark and had requested for a mid-year report for the board, which is what they first thought they were accomplishing versus where they are at now.
- Vice-Chairman Baldyga reported that he would like to solidify the renewal of ADK’s contract 90 to 120 days before the expiration in the unlikely event that the board pulls it; there is an alternative plan. He stated that they are doing a good job so it is likely that their contract would be renewed.
- Vice-Chairman Baldyga stated that as far as the renewal and where they go with it, there is huge disconnect between JGTA, JMC, ADK, etc and he is trying to pull the bandwagon together.
- Vice-Chairman Baldyga stated that he just got JMC’s input on the strategic thinking. In two weeks, he would be going to Tokyo and get JGTC’s input on the strategic thinking. ADK is listening to all of it and sucking it all in. He would come back in June with their first craft plan for 2012 having heard all the input than it will be presented to the board at the end of June.
- Chairman Mesa stated that the bottom line in terms of what the projected budget allocation is so that the board could ensure that it justifies the plans.
- Director Miyashita inquired what does the outlook look like for June and July in terms of numbers.
- Vice-Chairman Baldyga replied that if he had to put his money on a bid, June would be down 22% and July down 15% and slowly going back to minus 10%.
- Vice-Chairman Baldyga stated that May is the worst, which is minus 25% to 30%. He stated that every agent is different; if you are an internet agent, you are not affected; if you are doing a lot of groups, your business is down 50% so the amalgamated combination of that is 20% at least through the month of June.
- Chairman Mesa stated that it is not bad at all compared to other destinations.



- Chairman Mesa stated that in the strategic planning for consideration in the discussion up at Japan, he highly recommends that if ADK is suggesting on volume, than they sell the hotels on the mountainside as a special prices. The oceanside hotels need to maintain the value otherwise you will never succeed in maintaining the perception of a real resort destination if selling the mountainside hotels rate the same as the oceanside.
- GM Camacho inquired on the length of stay.
- Vice-Chairman Baldyga replied that one of the comments at the special meeting was the 3-1/2 days stay on Guam, which has declined to 3 days now. He stated that Hawaii is a 7 to 8 days stay.
- Vice-Chairman Baldyga stated that the thought was put on the table if it could be 4 to 5 days average length of stay. He stated that one of the points brought up was that the agents don't offer 4 to 5 days trip to Guam.
- Vice-Chairman Baldyga stated that they are going to push the agents to start and offer a 4-1/2 to 5-1/2 days package. He stated that it is a good time to do it because people are reticent to travel to Hawaii so Guam might pick up those people who want a 7 days package and all they could buy for Guam is a 3-1/2 days package.
- GM Camacho suggested picking a handful of agents that are proactive.
- Vice-Chairman Baldyga stated that they are targeting the segments that have a longer length of stay like weddings for example.
- Chairman Mesa stated that in the interim and current situation in Japan, he inquired if the committee had overlaid the scenario on the health issue prospective on when there was bird flu, SARS and the H1N1 and paralleled the recovery period and see the similar indications as to the forecasting and try to see if there are commonalities again in both health related years that Guam was impacted by reduced bookings. He stated that it would paint the picture on potential early or later recovery.
- Chairman Mesa stated that it lingers on in terms of the radiation.
- Vice-Chairman Baldyga stated that it is a little different because it is a significant economic impact to Japan, which would have a greater impact than anything else in the consumer mentality.
- Chairman Mesa stated that it is interesting to see the forecast at 27%, which is amazing versus the other short-term health issues where it is 46% and 50% drop.
- Vice-Chairman Baldyga stated that it is a much more lingering effect. He stated that there is already a pent up travel demand from people that have cancelled their vacations.
- Chairman Mesa stated that as an exercise when a major catastrophe occurs, to look at the recovery period and see if there is anything that could be extrapolated.
- Vice-Chairman Baldyga stated that he invited Jim Beighley, who has agreed and Saito-san, who he hasn't heard from yet and a couple of others that have a lot of history to meet him in Tokyo and have a strategic planning session with four or five key executives about the same issue "where do we want to be."
- Director Yoshino inquired if there are any plans for Haneda.
- Vice-Chairman Baldyga replied that he doesn't have a plan but the fact is that JGTC was made aware that the Bureau wants to push on getting airlift out of Haneda. He stated that nobody seems to have an instant answer.
- Director Yoshino stated that Senator Respicio drafted a Haneda Resolution.
- Chairman Mesa stated that he forwarded it to Vice-Chairman Baldyga.
- Chairman Mesa stated that the board would have a resolution in support of the airlift from Haneda and how it would work out with the rest of the industry players.
- Vice-Chairman Baldyga stated that the resolution would be that the GVB board supports the petition that the Japan Government should support direct flights from Haneda.

**E. Korea Marketing:**



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- Director Miyashita stated that the first three pages of the GM's slides regarding Korea are very important.
- Director Miyashita stated that he requested H. Lee to provide the market share information; consistently it is about 1% with no information for March and April. He reported that January and February is 1.1%.
- Director Miyashita stated that for a competitive market, the report is similar to Japan; the impact for Guam from Korea has been bigger than Saipan and Hawaii. They have a significant increase because of Hawaiian Air's added flight.
- Director Miyashita stated the need to be aware because Hawaiian Air has been really promoting Hawaii by giving discount packages similar to Guam's package, which is a concern to some of the agents. He stated that it is a two-month promotion only.
- Chairman Mesa stated that one of the things he expressed to H. Lee are the joint meetings with the airport in working with the low cost carriers out of Busan. He suggested that H. Lee follow up with that.
- Director Miyashita stated that one of the things H. Lee mentioned is that it was mentioned that now is not a good timing for LCC out of Busan because of what is happening in Korea. He stated that he would definitely follow up on it.

**F. Existing Markets:**

- Director Yoshino announced that in two weeks a meeting is scheduled to discuss the 2012 budget.
- Director Yoshino announced that Eva Airlines would start services on June 18<sup>th</sup>.
- Chairman Mesa stated that it would help because it wasn't factored in the forecast.

**G. New Market Development:**

- Director Kloppenburg apologizes because he was unable to get an update this morning on a very important meeting in DC. He stated that it went very well but he doesn't have the specifics on it.
- Director Kloppenburg stated that he would be getting them tonight and that he would email the update tomorrow on where the visa waiver is.
- Director Kloppenburg stated that the very quick word that he got is that it looks very good and that things went very positive.
- Director Arriola inquired with the Governor heading to DC, was that a different meeting.
- Director Kloppenburg replied yes but it is setting it up, it is just another piece of the puzzle.
- Chairman Mesa stated that with the Governor, it is a direct appointment with Secretary Janet Napolitano.
- Chairman Mesa stated that all the meetings are time sensitive, which puts it up on the radar, high on the discussion list and the support of the two senators that were in Guam recently. He stated that they made a commitment to look into the issue because they were amazed that Homeland Security was concerned about the swim between Guam and the US Coast.
- Director Kloppenburg stated that Homeland Security is not doing anything because they don't have to do anything and that they are really happy with the status quo. He stated that they have no reason to deny Guam's parole authority.
- Chairman Mesa stated that one good indication is that there were no incidents of the problem rates or issues that was DHS' concern.
- Director Kloppenburg stated that there is no reason for them not to issue it to Guam. He stated that they couldn't deny Guam because everything that they said that Guam had to do has been done; the historical data from Saipan indicates that all of DHS' concerns are really not a concern.



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- Director Kloppenburg stated that Department of Defense is behind all of it and they are using DHS as their alibi.
- GM Camacho stated that she called Robert Robertson to put something in writing to substantiate that all the Chinese that come to Guam had no problems. She stated that it would help the cause if she gets it in writing.

**H. Destination Management:**

- Director Saad reported that a meeting was held last Friday with the Lt. Governor and Al Ysrael. He stated that they focused on a lot of issues. He stated that they discussed the trash, flooding, law enforcement on the beach, abandoned buildings and several other issues.
- Director Saad stated that the Lt. Governor requested a few things from the committee, which they are working on.
- Director Saad stated that the Lt. Governor requested him and Bob Salas to walk the beach in Tumon and Hagatna and take a look at the issues that were raised during the meeting. He stated that the walk is scheduled for next week.
- Director Saad stated that the Lt. Governor assigned Kelly to work closely with DPW and is scheduling a meeting in regards to the flooding.
- Director Saad stated that they discussed the signage that would be posted on the beach regarding littering. He stated that a lot of law enforcement would be there to give citations as well as for illegal parking.
- Director Saad announced that a tour of San Vitores Road, Tumon Beach, Hagatna as well as Farenholt up to the Sheraton, which was requested by Director Yoshino, is scheduled for tomorrow at 2:00 pm. He stated that 28 people have signed up for the tour.
- Director Saad stated that anyone is welcomed to join the tour.
- Director Saad announced that the next Destination Committee meeting is scheduled for next Thursday at 10:00 am.
- GM Camacho inquired if Director Yoshino has any recycled bins that could be used. She stated that the biggest problem is the receptacles because the trash is left on the park grounds or on the beach.
- Chairman Mesa suggested discussing the issue at the committee level.
- Director Taimanglo inquired if the committee brought up the issue of the streetlights that was discussed at the last board meeting.
- GM Camacho replied that GPA has awarded the contract and is with the AG's office, which still needs to go to the Guam Energy Office. She stated that whoever gets it has a one month trial on the LED or induction lights.
- GM Camacho stated that when they make a decision, it would be all of Tumon and a 12-year maintenance contract. She stated that the request for the trial area be from JFK to Fiesta or Holiday Inn.
- Chairman Mesa stated that Kin Flores spoke at the Chamber Membership meeting. He stated that part of it is being funded utilizing ARRA funds, which is time sensitive.
- GM Camacho stated that the ARRA funding started from the Bureau through D. Ada and E. Galito. She stated that the grant went over to GPA.
- Chairman Mesa stated that the \$480,000 that was earmarked for the walkways and repaving; the walkways were done. He inquired if there are any updates on the asphalt.
- Director Saad replied that he received an update that they need \$600,000 to finish the project. He stated that they are still trying to find the funds.
- Chairman Mesa inquired if that is an additional fund on top of the original.







- Director Saad replied yes. He stated that he has a meeting with Joann Brown and Carl Pangelinan tomorrow and he would raise the question.
- GM Camacho stated that part of the bond addresses the flooding in Tumon Roadway. She stated the need to tighten up before any more money is spent.
- Director Kloppenburg stated that there is one area that is always unaccounted for. He stated that maybe that is the one area that they are talking about.
- GM Camacho inquired which area is that.
- Director Kloppenburg replied the additional funding requirement. He suggested GM Camacho to call E. Galito and get more information and background before her meeting with Joann Brown.
- GM Camacho stated that she has a meeting scheduled on Monday with Maeda and D. Ada regarding Phase II and III.

**I. Membership Development:**

- Director Kloppenburg stated that they had a committee meeting and they are still working on some projects to increase the membership. He stated that there were some good ideas.
- Director Kloppenburg announced that the next Quarterly Membership Meeting is scheduled for June 25<sup>th</sup>. He stated that Admiral Bushong would be the keynote speaker with his topic being "Could the military and tourism co-exist."
- Director Kloppenburg requested Admiral Bushong's staff to work with the marketing department to ensure that membership get new information.
- Director Kloppenburg stated there are two new board members present and they are welcomed to join his committee.

**J. Research:**

- Director Taimanglo reported that he met with Debi Phillips and Ana Cid last Friday. He stated that they went over what they do and broke down their methods on how they collect data and how current it is in regards to tourist arrivals, which is up to date.
- Director Taimanglo stated that he was briefed on everything they do as far as having the markets base the research numbers on budgets. He stated that he brought up the concern of what Chairman Mesa brought up as far as working on existing markets that is there.
- Director Taimanglo reported that they are working on the budget for next year. He stated that they established a meeting date, which is the first Thursday of every month.
- Director Taimanglo announced that a meeting is scheduled for May 5<sup>th</sup> at 8:30 am.
- Chairman Mesa stated that there is an opportunity on numbers coming out of existing visa waiver countries that are now coming to Guam but has not yet devised a marketing strategy to get visitors from the visa waiver countries to illustrate the opportunity. He stated for example Singapore's outbound travel to resort destinations like Thailand and Australia is over half a million Singaporeans traveling outbound yearly and 800,000 goes to Australia.
- Chairman Mesa stated that all is needed is to get 25,000 to Guam, which would help offset the challenges that are faced today. He stated for an airline to fly direct flight twice a week is possible through Philippine Airlines.
- Chairman Mesa stated that he discussed the issue with them already but there is a need to look at it. He stated that what would support it is statistics and to really look at the outbound reports of all the destinations.



- Chairman Mesa stated that he has done it and got his analysis but wants the committee to look at it because he is interpreting it in a different way and is also seeing it as a different opportunity.
- Chairman Mesa stated that he wants to make sure that the committee drives it and to look at the different markets and how to synergize it because there is a conduit and PAL already has direct flights and that they are willing to work with the Bureau.
- Chairman Mesa stated that he is working with the airport to give PAL some avenues to make it happen.
- Director Taimanglo stated that he spoke to Debi and she said that there are mechanisms as far as looking into existing data that does talk about Singapore other than visa waiver programs that are already happening. He stated that it is there and he would discuss it at the committee level and would bring it to the board.
- Director Taimanglo stated that there is one airline rep, which is Korean Air that was invited to join the committee. He stated that half the people that were invited have responded and that they are willing to join the committee.
- Director Taimanglo stated that he invited PAL to join as well.
- Chairman Mesa stated that they are already flying that particular destination.
- Director Kloppenburg inquired if the Bureau is doing anything in Singapore.
- G. Kono replied just the participation in ADEX but not the market in itself.
- Director Kloppenburg inquired what is the reason for not going after that market.
- G. Kono replied that there is no funding.
- P. Laguana stated that the other reason why is whenever the Bureau goes into another market, it is not just done because of its gut feeling. She stated that all the markets that the bureau has gone into have always been a board policy direction.
- P. Laguana stated that it is a good discussion in the strategic planning. She stated that once the board decides what markets should be developed and it becomes a board policy, then the staff would pursue it.
- P. Laguana stated that they don't want to waste limited resources on doing something that there is no policy. She stated that Singapore is a good market to look at.
- P. Laguana wanted to share with the Research Chair that PATA's 60<sup>th</sup> anniversary that she just attended really highlighted and praised GVB's research department for the daily numbers that were reported. She stated that GVB is the only NTO that publishes it and that it is available to the Pacific Asia Travel Association.
- P. Laguana stated that the Bureau should be very proud of that. She stated that it was on the screen, which was a very big compliment.
- D. Phillips stated that if she is to track the Singapore markets then they need to change the custom's form because they are not being tracked.
- Chairman Mesa stated that he is not saying to change the form but to gather the information from other NTOs.
- D. Phillips stated that she couldn't quantify Singapore visitors to Guam because they are not listed on the custom's form.
- Chairman Mesa stated that he is looking at what is the actual outbound out of all those countries that have potential and shoot for a certain amount. He stated that he is not looking to attract the whole outbound market but a percentage in a market share.
- Director Miyashita inquired if the chairman is talking about PAL through Manila.
- Chairman Mesa replied yes because they are already flying that segment.
- Vice-Chairman Baldyga stated that he is married to a Singaporean and he is scheduled to be there in June. He stated that if he could get an official invitation he could easily connect with them on an official basis.
- Vice-Chairman Baldyga stated that he used to know the head of STPB, Singapore's Airline.



- Vice-Chairman Baldyga stated that Singapore has potential. He stated that he is there four times a year.
- Vice-Chairman Baldyga stated that the flight goes to Manila and the only problem is the connections are lousy. He stated that it is not just PAL but Continental to Manila and then SQ to Singapore.
- Vice-Chairman Baldyga stated that the Singapore government is all about bringing Singapore to the world. He stated that it might be possible to put coop marketing where the Bureau puts in money and the Singapore government would put in some money.
- Vice-Chairman Baldyga stated that the great thing about it is that it is a smaller island than Guam. He stated that it takes very little money to get a share of voice and recognition in a small market.
- Vice-Chairman Baldyga stated that his wife's friends that came to Guam state that they have never heard of Guam. He stated that they enjoyed Guam and that they are spenders.
- Vice-Chairman Baldyga stated that it is a good market to at least explore.
- F. Reyes said COAL/United's Barry Bergmann reviewed a presentation by Singapore's COAL office about direct flights to Guam just two weeks ago.

**K. Cultural Heritage & Community Outreach:**

- Director Arriola distributed the findings of the Guam Cultural Chamorro Conference out of the branding initiatives. She recommended that the board members read it.
- Director Arriola announced that the next CHaCo meeting is scheduled for May 4<sup>th</sup>. She stated that they might need two meetings in May to discuss the budget.
- Director Arriola inquired when does the board want to discuss the budget.
- Chairman Mesa replied that all the committees should work on their budgets in May to be discussed at the first board meeting in June.
- Director Flores announced that the fiesta tour for Inarajan is scheduled for this Sunday. She invited all board members to attend.
- GM Camacho announced that the sand sculpture is also scheduled for this Sunday at Matapang Beach.
- Director Arriola stated that the schedule of events for the month of May is included in the GM's Report. She stated that 90% of it is CHaCO events.

**L. Sports & Events:**

- Director Crisostomo stated that she has yet to form a committee.
- Director Crisostomo reported that her first trip is scheduled for May 2<sup>nd</sup> to 6<sup>th</sup>, to attend the Toyohiragawa Marathon. She stated that she would travel with Amy Pangelinan and two runners representing Guam.
- Director Crisostomo stated that they would be updating the agreement for the Ko'ko' Run.
- Chairman Mesa commended Director Crisostomo in her sponsor for the table tennis international competition especially in attracting families to come to Guam. He inquired if there are any updates.
- Director Crisostomo replied that it was a great success with the three-day tournament. She stated that there were a number of countries that came to Guam.
- Director Crisostomo stated that at the end GM Camacho was slated to attend but she spoke on behalf of the Bureau, thanking everyone and most especially the families. She stated that they had a great time while on Guam.
- Chairman Mesa inquired if it was a traveling competition or an annual event on Guam.
- Director Crisostomo replied that it moves to other countries. She stated that James Ji, who is the head of the table tennis federation, is trying to get it back again.



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- Director Crisostomo stated that Calvo Enterprises was a major sponsor as well as the Bureau.
- Director Kloppenburg stated that Richard Lai, who chaired the Sports Committee for a number of years, is a good source for background and suggested that Director Crisostomo contact him.

❖ **EXECUTIVE SESSION**

- Chairman Mesa called for executive session.

❖ **OLD BUSINESS:**

- Director Kloppenburg stated that he has the thumb drive that the Chairman requested for him to bring.
- Chairman Mesa stated that if he wants the information downloaded than Felix Reyes is the contact person.
- Chairman Mesa stated that for those that were absent at the last board meeting, he would give them a thumb drive, which includes his MCA reports. He stated that the reports could be downloaded.
- Chairman Mesa stated that he hopes the board members that did receive the thumb drive had time to review them.

❖ **NEW BUSINESS:**

- Director Saad stated that as the committees go through the budget for 2012 and the Destination Management has very limited resources moneywise and they want to really address the issue of the trash in Tumon, San Vitores Road and adding the landscaping from the Westin to Nikko, which requires additional funds. His committee is working on it but he understands that usually when it goes to the Legislature, they chop it off. He inquired if there is something that could be done to explain in the budget to give consideration.
  - Chairman Mesa replied that is why all committees put up their wish list by order of priority. He stated that with the current budget and current situation that is being addressed, there is some money on reserve for that purpose.
  - Director Saad inquired what is the budget process.
  - Chairman Mesa replied that after it is discussed at the board, to make sure that it is justified based on the forecast and support the bond repayment and all the extras that the board believes that's going to be there in terms of arrivals then the board would allocate projects that has been identified that needs to be addressed.
  - Chairman Mesa reiterated that the first board meeting in June would establish the budget and a refinement at the following meeting in June.
  - Chairman Mesa stated that he wants to solidify it and have everybody budgeted and ready to be presented to the Legislature.
- Motion made by Vice-Chairman Baldyga, seconded by Director Tayama, to approve the confirmation of the Acting General Manager Joann Camacho as the General Manager subject to clarifications within thirty (30) days as to the updated written job description and some measureable performance criteria period agreeable to the board.
- Motion approved with one abstention by Director Kloppenburg

❖ **ANNOUNCEMENTS**

- Chairman Mesa announced that the oversight committee chair Senator Barnes invited all the marketing committee chairs to make a presentation to the legislature on three issues:



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1. The current situation in Japan – requested Vice-Chairman Baldyga to make the presentation
  2. The latest update on the China Visa Waiver – requested Director Kloppenburg to work on it.
  3. Resolutions regarding the Bond proceeds and how it would be handled and secondly to get direct flights from Haneda to Guam and the government's standpoint.
- Director Arriola inquired what time is the meeting.
  - Chairman Mesa replied that the Senator's staff is checking the schedule on the legislative hall because they wanted it presented there.
  - Vice-Chairman Baldyga inquired if it is primarily for the senators.
  - Chairman Mesa replied yes, it is for the legislatures information. He stated that the Speaker had requested the meeting through the Oversight Chair.
  - GM Camacho announced that a Public Hearing was held in regards to the transfer of land in Dededo for a tennis court. She reported that she testified in favor of the transfer.

❖ **ADJOURNMENT:**

- Motion made by Director Miyashita, seconded by Vice-Chairman Baldyga, to adjourn the meeting. Meeting adjourned at 6:15 p.m.

Attested:

Ms. Theresa C. Arriola, Secretary of the Board of Directors

Board Minutes prepared by Dina Rose Hernandez, Executive Secretary