



BOARD OF DIRECTORS REGULAR MEETING

Thursday, October 8, 2015 - 4:00 p.m.

Guam Visitors Bureau- Main Conference Room

BOARD of DIRECTORS PRESENT:

Chairman Mark Baldyga
Director Samuel Shinohara
Director Katarina Sgro
Director Clifford Guzman
Director Theresa Arriola
Director Bart Jackson

Director Hong Soon Im
Director Milton Morinaga
Director Norio Nakajima
Vice Chairman Bruce Kloppenburg
Director Robert Hofmann

BOARD of DIRECTORS ABSENT:

Director Shelly Calvo - Off-Island
Director Eduardo "Champ" Calvo - Prior engagement

GVB MANAGEMENT & STAFF PRESENT:

Mark Manglona
Pilar Laguana
Nathan Denight
Antonio Muna Jr.
June Sugawara
Gina Kono
Nakisha Onedera Garrido

Dee Hernandez
Brian Borja
Telo Taitague
Ana Cid
Joshua Tyquiengco
Russell Ocampo
Doris Ada

Colleen Cabedo
Nicolas Yasuhiro
Dara Roberto
Nadine Leon Guerrero
Rose Cunliffe
Lisa Linek

GUESTS:

Mike Cruz - GEDA
Larry Toves - GEDA
Diego Mendiola - GEDA
Bernice Rivera - Office of Senator Tina Muna Barnes
Alan Cepeda - Office of Senator Tina Muna Barnes

I. CALL TO ORDER

Chairman Baldyga called the meeting of the board to order a 4:20 p.m.

II. MINUTES OF THE PREVIOUS MEETING

Exhibit A

Chairman Baldyga made a motion to approve the minutes of the previous Board of Directors meeting dated September 10, 2015. **Motion Unanimously Approved. (Subject to minor revisions)**

III. CHAIRMAN'S REPORT

San Vitores Flooding Mitigation

The Guam Economic Development Authority, tasked with carrying out the projects mandated by P.L. 30-228 and funded by the 2011 Hotel Occupancy Tax (HOT) Bonds, had requested GVB's support through a Board Resolution for the San Vitores Flooding Mitigation Project.

The Board invited GEDA to make another presentation to help address questions and concerns raised during the prior presentation.

Presentation by GEDA:



Presented to
Guam Visitors Bureau Board of
Directors
October 2015



Stanley Consultants Inc.



Introduction

- GVB Management presented draft Resolution which was tabled pending more information
- Purpose of presentation is to present the recommended option to resolve Tumon flooding and to seek GVB Board approval of a Resolution in support of the project

Background

- Gravity Bay Outlet option presented for regulatory agency and public review
- Comments received expressed concern about impacts on Tumon Bay and fish habitat
- Stanley Consultants have analyzed comments and prepared 100 page report
- GEDA met with GEPA, DPW, BSP, Agriculture on July 1 to discuss report and draft recommendation to Governor.

Options Identified in Original Study

(Pages 1-3)

- PL 30-228 appropriated Hot Bond funds "for resolution of the San Vitores flooding caused by storm water runoff along San Vitores Road north of the Fujita Pump Station by collecting and removing storm runoff via transmission to the Fujita Pump Station to be discharged at a suitable location"
- 6 options were originally identified
 - Expanded Detention through land acquisition
 - 3 options involving pumping excess storm water into bay and ocean; and
 - 2 options involving pumping to different locations – Harmon Sink and Old Tumon Quarry

Options Identified in Original Study (Pages 1-3) (Continued)

- Preferred option
 - Expanded Detention but land acquisition cost to accommodate 10 year storm event would likely exceed budget of \$11.5M (7 acres @ \$500/sm = \$14M).
 - Gravity Bay Outlet option selected instead involving more culverts on San Vitores Road, expansion of Fujita Ponding Basin to the extent possible, discharge of excess storm water into near shore waters of Tumon Bay at Fujita Road

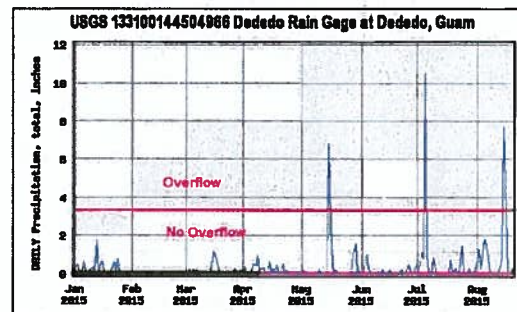
Options Identified in Meetings (Pages 4-7)

- Public wanted to reduce amount of storm water settling at Fujita Pond
 - via rain gardens
 - Inspecting existing private storm water systems for functionality
 - installing injection wells in upper Tumon
 - diversion of water from Marine Drive; and
 - utilizing the unused Tumon sewerline.
- Other options - Matapang; chemical/biological treatment; raise low area of San Vitores road

Findings (Pages 7-10)

- Stanley's analysis:
 - Infeasible options: Matapang, chemical/biological, raise San Vitores Road
 - For a storm like Halong, rain gardens, enforcement of private storm drain systems, etc. will have positive but small impact due to large volume of water
 - Expansion of Fujita Pond to its current boundary (1.6 acres of which 30% privately-owned) would only take care of 2% of volume
 - These reductions are not enough to prevent overflow or the necessity of a major overflow or detention system to handle the large volume of excess storm water

2015 Overflow Events



Possible Options (Pages 11-12)

- Implement options to reduce amount of water ending up at Fujita Pond, expand Fujita Ponding basin to its boundary, and either implement in conjunction with major solution (below) or consciously decide not to implement major solution as cure may be worse than disease
- Major solutions to solve flood problem:
 - Do nothing, leave problem for later.
 - Proceed with Bay Outlet while conducting Independent water quality analysis of Outlet.
 - Land acquisition by 7 acres for Expanded Detention.

Recommendations

- Implement suggestions to reduce amount of water entering Fujita Pond
 - More Inlets to reduce outflow at Outrigger
 - Rain Gardens and pervious pavers
 - Storm drain for Fujita Road (drains back to Fujita Pond)
 - Trench drain across intersection with Marine Corps Drive
- DPW/GEPA
 - Implement Bay Outlet maintenance plan
 - Inspection of private storm drain systems and consider possibility of installing systems at older developments
 - Cleaning SVR culverts
 - Implement water quality monitoring program
- Proceed with Gravity Bay Outlet option



Gravity Bay Outlet – San Vitores Road Improvements



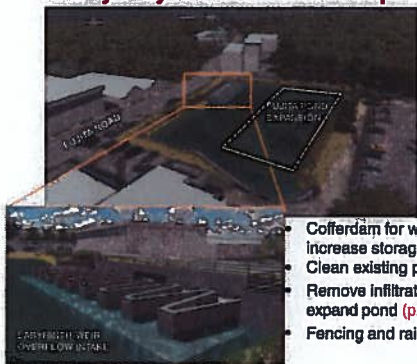
- Install new trench drains at driveways at key locations
- Install new storm sewer inlets at key locations adjacent to existing inlets

Gravity Bay Outlet – Fujita Road Culvert



- Construct storm drain culvert under Fujita Road
- Relocate utilities and re-pave road

Gravity Bay Outlet – Pond Expansion



- Cofferdam for weir construction to increase storage capacity
- Clean existing pond
- Remove infiltration facility and expand pond (private property)
- Fencing and railing limiting access

Gravity Bay Outlet – Beach Culvert



- Construct culvert at beach end of Fujita Road
- Install planters to reduce beach erosion/aesthetics; need beach maintenance after heavy rain events
- Consider establishing water quality monitoring program in Tumon Bay

Tentative Project Schedule

- Detailed design is currently in progress for permitting purposes. Assuming regulatory agency approval occurs, tentative schedule is:
 - Completion of design and construction specs and bid solicitation – mid-Nov. 2015
 - Construction is estimated to begin in January 2016 and finish by September 2016.



Assistance Needed from GVB

- To supplement DPW resources if necessary, in the maintenance of the Gravity Bay Outlet including beach maintenance after heavy rains and inspection of private storm water systems
- To supplement GEPA resources if necessary in the monitoring of water quality post-construction
- Adoption of Resolution in support of project

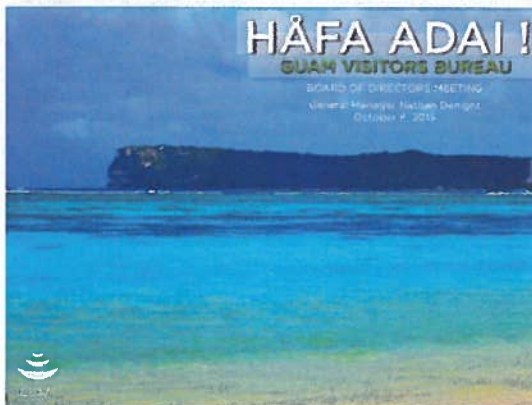


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The Board thanked GEDA for their presentation. They requested the following information to be presented during the next Board meeting in order to have a resolution.

- o Validate the annual recurring costs to include: Culvert cleaning, additional water quality monitoring, beach cleaning after the major events/repairs, and any other recurring costs. What will GVB spend every year?
- o Would those same costs occur if we had an enlarged ponding basin? Or would they be different? For the purpose of doing a life cycle cost analysis.
- o Ensure that the rain gauge frequency metric is accurate with respect to the San Vitores Road data.
- o Verify the actual cost of the enlarged ponding basin option – how much of what we are doing would still need to be done.
- o Analysis on the effects on Tumon Bay.

IV. GENERAL MANAGER'S REPORT



PRELIMINARY Visitor Arrivals SEPTEMBER 2015 Total: 120,922 (7.5%)

| % Market Mix | Origin | Box | % to LY |
|--------------|-----------|--------|---------|
| 58.9% | Japan | 68,744 | 0.5% |
| 29.7% | Korea | 35,895 | 51.7% |
| 4.6% | US/Hawaii | 5,618 | -27.8% |
| 2.5% | Taiwan | 3,063 | -10.1% |
| 2.0% | China | 2,432 | 46.9% |
| 0.1% | Russia | 82 | -58.2% |

PRELIMINARY Visitor Arrivals
CYTD 2015 (January 2015 – September 2015)
Total: 1,042,587 (2.9%)

| % Market Mix | Origin | Pax | % to LY |
|--------------|-----------|---------|---------|
| 56.0% | Japan | 584,353 | -5.1% |
| 28.9% | Korea | 301,425 | 33.8% |
| 5.1% | US/Hawaii | 53,319 | 1.9% |
| 3.3% | Taiwan | 33,197 | -17.1% |
| 1.8% | China | 19,053 | 62.2% |
| 0.2% | Russia | 2,234 | -85.1% |

PRELIMINARY Visitor Arrivals
FYTD 2015 (October 2014 – September 2015)
Total: 1,372,531 (2.3%)

| % Market Mix | Origin | Pax | % to LY |
|--------------|-----------|---------|---------|
| 56.8% | Japan | 779,405 | +5.6% |
| 28.0% | Korea | 384,112 | 30.9% |
| 5.1% | US/Hawaii | 69,745 | 5.4% |
| 3.1% | Taiwan | 42,315 | -16.9% |
| 1.7% | China | 23,589 | 62.2% |
| 0.3% | Russia | 3,539 | -80.7% |

PRELIMINARY MTD Visitor Arrivals
October 1 - 7, 2015
Total: 24,342 (27.1%)

| % Market Mix | Origin | Pax | % to LY |
|--------------|-----------|--------|---------|
| 48.9% | Japan | 11,910 | 10.9% |
| 33.9% | Korea | 8,246 | 79.1% |
| 3.7% | US/Hawaii | 903 | -1.8% |
| 2.9% | Taiwan | 707 | -17.9% |
| 6.4% | China | 1,557 | 42.1% |
| 0.1% | Russia | 25 | -39.0% |

On Island & 100% (Airport/Guests) System Mapping

Japan Marketing News

Toshi-Chan OOG Campaign

- Press Conference held at Ebisu
- Great press coverage
- All 8 stations for Tokyo in attendance
- TVCM played during news coverage
- Toshi-Chan interviews on top morning programs



PRELIMINARY MTD Visitor Arrivals
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On Island & 100% (Airport/Guests) System Mapping

Japan Marketing News

JATA Tourism Expo

- JATA Attendance set new record
- Over 45,000 in trade and media
- 28 Guam Activities & Shows during Consumer Days (Sat/Sun)



Japan Marketing News

JATA Tourism Expo

- **Special Thanks to:**
 - Booth Holders: Japan Guam Travel Association (JGTA), Hilton Guam Resort & Spa, Sheraton Laguna Guam Resort, Fiesta Resort, Hyatt Regency, The Western, LeoPalace Resort, Lam Lam Tours, R&C Tours, Holiday Tours Micronesia, H.L.S., Nippon Travel Agency, Micronesia Hospitality Inc., TMI, Pacific Micronesia Tours, Watabe Wedding, Slydive Guam, GPO and Turner Sands Plaza, and the Pleasure Island Group, T Galleria by DFS, Outrigger Guam Beach Resort, SandCastle, Globe, Dusit Thani Guam Resort, JCB International (Micronesia), Ltd, UnderWater World, Sea Grill, Sky Lounge, the Plaza, Hard Rock Guam and Handera Spa, GVB CHACO and GVB Sports
 - Board Members: Chairman Baldyga, JMC Chair Morinaga, JMC Vice Chair Nakajima, Sport & Events Chair Sgro



1 of 53 October, 2015

Japan Marketing Report

Three Months Forecast for Japanese Outbound (Japan to Guam)

| Month | Forecast | LY | % | 2015 Seats | 2014 Seats | % Seat change |
|----------|----------|--------|--------|------------|------------|---------------|
| October | 60,000 | 60,837 | -1.05% | 83,963 | 92,248 | -10.06% |
| November | 63,000 | 64,939 | -2.99% | 83,975 | 88,730 | -5.36% |
| December | 72,000 | 69,453 | 3.7% | 95,306 | 96,853 | -1.60% |

(U.S. Census Bureau, 1997; U.S. Census Bureau, 2001)

[illegible]

Airline News updates :

[as of 02 October, 2015]

Delta

1. Delta has decided to operate with a bigger aircraft from December 18 up to end of March 2016. The aircraft change will affect all Japan flights from Narita, Nagoya and Kansai to Guam.
 NRT : 174 capacity → 199 capacity +175 seats per week.
 NGO : 174 capacity → 199 capacity +175 seats per week.
 KIX : 174 capacity → 199 capacity +175 seats per week.

2. New aircraft type : B757-200HD (Configuration : F20/EC29/Y155, Total 199)

Energy

- 1, The company has launched services to Guam from Kansai on 01Oct and will operate **three times** a week, Tue, Thu and Sat.

Northern Ala.

1. The company has announced that there would be some scheduled cancellations happened in the month of October and November. The listed below are the dates when the cancellations occur.

October : 2,4,6,7,9,11,13,14,16,18,20,21,23,25,27,28,30. (17 days)
November : 1,3,4,6,8. (5 days)

2. The company also announced on September 14 that their frequency would be returned to daily service starting from November 09 with a bigger aircraft type of B772, which is 261 seat capacity. The operation will continue up to end of March 2015.
- | | | | | | |
|--------------|-------|-------|----------|-----------|----------|
| KE721 NRTGUM | 22:10 | 02:40 | 36C/255Y | 261 seats | B772-200 |
| KE722 GUMNRT | 04:20 | 07:10 | 36C/255Y | 261 seats | B772-200 |

Japan Marketing News

JATA Tourism Expo Coverage

- **Debut of GVB YouTube LIVE stream**
 - live broadcasts of:
 - Toshi-chan Press Conference
 - Jessa & Ruby Show
 - Tour of Guam booth
 - Håfa Adai Chamorro Dance Show
 - Chamorro Dance Academy Workshop
 - Chamorro Craft School
 - San-ai Swimwear Fashion Show
 - Chamorro Dance Academy show on JATA stage
- **Live social media posts on Instagram, Facebook and Twitter** (includes pictures & videos)
- **Press Releases on Toshi-chan campaign launch and Team Guam at JATA**



1 of 23 October 2015

Outbound Travel market : Package tour & Year-end forecast

- Gross sales in outbound travel of the major travel companies were approximately 162 billion yen in June 2015, a 11.9% decrease from June 2014.
- Gross sales of outbound package tours were 47 billion yen, a decrease of 16.3% from 1Y

Gross Sales of Package Tours (June 2015)

| | million AED | | | Percent | | |
|---------------|-------------|---------|--------|-----------|-----------|--------|
| | 2018 | 2017 | 2016 | 2018 | 2017 | 2016 |
| Cost of sales | 47,512 | 54,172 | 58,751 | 210.824 | 250.041 | -13.7% |
| Interest | 472 | 819 | 311.85 | 28.747 | 18.350 | 49.7% |
| Dividends | 67,881 | 66,800 | 3.2% | 2,330.074 | 2,404.077 | -3.1% |
| Total | 115,865 | 122,791 | -6.6% | 2,569.645 | 2,672.318 | -3.1% |

- Under JTB website (<http://www.jtb.co.jp/eng/spot/asia/asia.html>) they have announced that Bangkok has been ranked as the city where popular most wants to visit during year-end holiday period based on their **air ticket sales** for that period (Not including sales of package tour). Guam has been gone up to the **4th position** compared to the position of 6th last year.

Air ticket sales for year-end & new year holiday (JTB)

| Ranking | City | 2014 Ranking |
|---------|-----------|--------------|
| 1st | Bangkok | 1st |
| 2nd | Honolulu | 2nd |
| 3rd | Taipei | 3rd |
| 4th | Guangzhou | 8th |
| 5th | Shanghai | 15th |

1 of 10 October 2015

Charter & Extra update : Year-end & new year period

China Airlines: Additional 2158 seat capacity (4 flights) in each direction

- a. From NRT (26-30Dec, 5days) & from GUM (30Dec-03Jan, 5days): A330-300, 307 seats per flight.
b. From KIX on 29Dec & from GUM on 02Jan: A330-300, 307 seats each.
c. From Hiroshima (HIJ) on 30Dec & from GUM on 03Jan: B787-800, 158 seats each.
d. From Takamatsu (TAK) on 29Dec & from GUM on 02Jan: B787-800, 158 seats each.

Delta: Additional 1791 seat capacity (9 flights) in each direction.

- Korean Air:** Additional 1946 seat capacity (10 flights) in each direction.

d. From Niigata (ICU) on 26Dec & from GUM on 21Jan.

- United:** Additional 118 seat capacity (1 flight) in each direction.
 a. From Nagoya (NGO) on 29-Dec & from GUM on 02-Jan.
 b. From Fukuoka on 29-30-Dec & from GUM on 02-03-Jan.

2. From Shizuoka on 30Dec & from GUM on 02Jan.

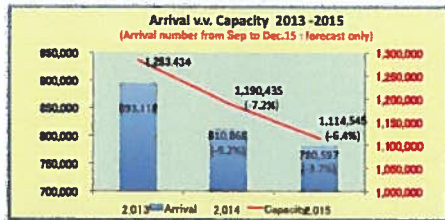
- Total 30 additional flights are planning to operate from Icheon to Guam.

(as of 08 October, 2015)

Seat Capacity v.v. Arrival number 2013 -2015 :

➤ There will a large number of capacity drop since 2013, which has been decreased by -13.2% even if the current scheduled and extra flights operation maintains throughout next year.

➤ There are more than 1.3 million or more capacity needed to achieve the target of 2020 vision. 529,229 of arrival has been achieved against 1,377,842 capacity in 2012, which was the highest record in the past 5 years.

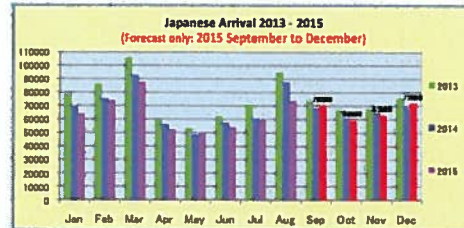


(as of 08 October, 2015)

Arrival Forecast 2015: October to December

➤ There will be additional capacity of 6379 seats to be marketed for the period of Year-end New year holiday. CI, DL, KE, UA and LJ are planning to operate extra flights to Guam.

➤ The forecast still shows approximately 780,000 to 790,000 arrival from Japan in 2015. But the number will be largely affected by seats sold against additional capacity.



China Marketing News

Consumer Advertising - Dalian

Date: September-October

Print Media:

1. Dalian Daily, Dalian Evening, Dalian New Business
Target Audience Coverage : 3.65 million
2. Building Digital Poster
Target Audience Coverage :1.5 million



China Marketing News

Consumer Advertising

Date: September-October

Beijing

Frequency: 1issue/week*8weeks
Print Media: Beijing Youth Daily
Daily Circulation: 600,000

Shanghai

Frequency: 1issue/week*8weeks
Print Media: Oriental Morning Post
Daily Circulation: 970,000



China Marketing News

Online Consumer Advertising- 55BBS & DSP
Promotion period: 60 days



China Marketing News

WOW! Visit USA Outdoor Fun China Road Show

GVB China Office participated in the Wow! Visit USA Outdoor Fun China Road Show that took place in Shanghai, Beijing, Shenyang, and Chengdu from September 8th - 18th. GVB China office engaged in one-on-one talks with the travel trade in these respective cities. In attendance were over 30 representatives of key online travel agencies in Shanghai, 60 representatives of key North China outbound travel agencies in Beijing, 80 representatives of key Northeast China outbound travel agencies in Shenyang, and 10 local media in Chengdu.



China Marketing News

Joint roadshow with US Commercial Service
September 22, 2015

Accomplishments:

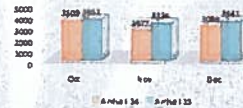
1. There were 14 co-partners who joined the Shenzhen road show.
2. Over 50 pax (local travel agents) attended the roadshow event.
3. Welcome speech made by Consul General Chuck Bennett.
4. Lily Zhang, trade manager from Guam Guangzhou rep office attended this roadshow and conducted presentation on Guam.
5. Guam promotional materials were distributed.



Taiwan Marketing News

| Month | Seat Forecast 15 | Seat Data 14 | % Change Seats | Notes |
|----------|---------------------|--------------|-------------------|--|
| October | 4,888 | 5,013 | -2.5% | |
| November | 4,903 | 5,013 | -2.3% | |
| December | 5,008 | 4,700 | 7.4% | DL-18 flights*155 seats EVA-9 flights*252 seats |

Arrival Comparison



Ko'ko' Weekend

- Ko'ko' Press Conference held October 1, 2015
- Sponsors honored for supporting Ko'ko' Weekend
- Partnership with Department of Agriculture renewed to save the Ko'ko' bird
- 2nd year of Ko'ko' Ambassadors program launched - "Ko'ko' Roadies"

Reminders:

- Ko'ko' Kids Fun Run- 11/07/15
- Ko'ko' Half Marathon & Ekiden Relay - 11/08/15
- Register online at www.guamkokoroadrace.com or at the Pacific Islands Club



V. TREASURER'S REPORT

Exhibit B

CASH, RECEIVABLES, & PAYABLES POSITION FY 2014 & FY 2015 COMPARATIVE REPORT

| FY 2014 (10/8/2014) | Balance | FY 2015 (10/8/2015) | Balance |
|---|------------------------|--|------------------------|
| BANK OF GUAM | \$1,527,784.85 | BANK OF GUAM | \$9,464,280.23 |
| FIRST HAWAIIAN BANK - Membership | \$72,584.93 | FIRST HAWAIIAN BANK - Membership | \$74,179.29 |
| RESONA BANK | \$148,027.48 | RESONA BANK | \$158,183.98 |
| BOG - TAF ACCOUNT | \$1,428,771.78 | BOG - TAF ACCOUNT | \$1,795,322.09 |
| BOG - RAINY DAY FUND | \$1,972,228.27 | BOG - RAINY DAY FUND - NOTE 1 | \$2,085,283.62 |
| BOG - FESTPAC Trust Account | \$1,546,848.68 | BOG - FESTPAC Trust Account | \$2,739,365.78 |
| MORGAN STANLEY - CD ** | \$2,511,423.01 | MORGAN STANLEY - CD ** - NOTE 2 | \$2,515,820.34 |
| BOG - 2702 Memorial Fund | \$24,687.71 | | |
| TOTAL CASH IN BANKS AS OF 09/08/14 | \$15,433,144.80 | TOTAL CASH IN BANKS AS OF 10/8/2015 | \$18,640,438.32 |
| **Morgan Stanley CD Market value as of 07/31/2014 | | **Morgan Stanley CD Market value as of 8/31/2015 | |
| FY 2014 BUDGET P.L. 32-088 | \$ 18,282,134.00 | FY 2015 BUDGET P.L. 32-181 | \$ 23,847,898.00 |
| OPERATIONS | | Operations | \$ 20,115,000.00 |
| OPERATIONS TAF Special Projects | | Destination Development | \$ 1,085,000.00 |
| \$15,487,134.00 | \$2,000,000.00 | Capital Improvement Projects | \$ 1,412,898.00 |
| PASS THRU APPROPRIATIONS - \$775,000.00 | | Pass-thru Appropriations | \$ 1,235,000.00 |
| | | | |
| OPERATIONS | TAF Special Projects | Pass-thru | |
| 11/14/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 11/15/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 11/16/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 11/17/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 11/18/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 11/19/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 11/20/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 11/21/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 11/22/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 11/23/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 11/24/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 11/25/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 11/26/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 11/27/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 11/28/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 11/29/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 11/30/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/01/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/02/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/03/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/04/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/05/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/06/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/07/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/08/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/09/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/10/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/11/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/12/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/13/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/14/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/15/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/16/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/17/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/18/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/19/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/20/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/21/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/22/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/23/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/24/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/25/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/26/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/27/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/28/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/29/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/30/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| 12/31/13 \$1,181,335.00 | \$ 150,000.00 | \$ 58,125.00 | \$ 150,000.00 |
| TOTAL | \$15,487,134.00 | \$2,000,000.00 | \$775,000.00 |
| Total FY 2014 Allotment Received to Date: | \$7,575,903.68 | | |
| Accounts Receivable FY 2014 | \$689,230.45 | | |
| FY 2014 ACCOUNTS PAYABLE as of 10/8/2014 | Amount | | |
| Assets Invoices June 2014 / July/Aug/Sept 2014 | \$2,174,639.12 | | |
| Japan Miscellaneous Invoices | \$65,208.70 | | |
| Guam Miscellaneous Invoices | \$1,028,181.60 | | |
| FY 2011/2012/2013 Pass-thru appropriations | \$292,842.24 | | |
| FY 2014 Pass-thru appropriations | \$8,625.00 | | |
| Encumbered Contracts (not yet incurred) | \$2,378,108.43 | | |
| Encumbered Purchase Orders (not yet incurred) | \$214,801.28 | | |
| FESTPAC Trust Account | \$1,546,848.68 | | |
| Total Payables to Date | \$7,848,741.08 | | |

VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

IMEX America 2015

Director Kloppenburg made a motion, seconded by Chairman Baldyga to ratify Executive Committee's approval for travel for two marketing staff to attend the IMEX America at the Sands Expo in Las Vegas, Nevada from October 13-15, 2015. Cost is approximately \$6,604.00 from account US-SMD023

Motion Approved.



| | |
|--|-------------------|
| Airfare: \$1,900 x 2 pax | \$3,800.00 |
| Per Diem Lodging + M&IE: \$167.00 x 6 days x 2 pax | \$2,004.00 |
| Misc. Expenses | <u>\$800.00</u> |
| Total | \$6,604.00 |

Background: With the new Dusit Thani Guam that opened their doors this past summer, Guam now has the facilities to hold MICE groups with Dusit Thani's convention hall that holds up to 1,000pax. The Guam Visitors Bureau (GVB) plans to attend the IMEX America that will be held at the Sands Expo in Las Vegas, Nevada from October 13-15, 2015. This is an opportune time to attract more MICE participants from the U.S. and source markets. This will be the first time GVB will be attending IMEX America as an exhibitor. IMEX is a worldwide exhibition for incentive travel, meetings, and events that is committed to providing outstanding business opportunities for exhibitors and buyers. IMEX has two exhibitions a year, in Frankfurt, Germany and in America.

IMEX America is Americas largest MICE Expo with over 10,300 participants, 2,900 buyers from 54 countries in 2014; an increase of 8% over 2013. GVB will have the opportunity to meet qualified buyers from North America and around the world within the 3-day event. This year, GVB expects to have over 100 pre-scheduled appointments with buyers from North America, China, Japan, Korea, Philippines, Russia, and other source markets. In addition, GVB will also have an opportunity to meet over 100 domestic and international press.

Issue: Board approval needed for travel.

Supplemental Information on IMEX America for Board motion:

IMEX America was approved in FY2016 North America Marketing Plan and Budget and a part of our FY2016 SMART Goals.

IMEX is the largest meetings industry trade show in the U.S. bringing together suppliers and buyers from around the world, as well as offering inspiring education, career development opportunities and networking events, and attending will support our future objectives in building the MICE market segment for Guam.

IMEX America is an appointment-led, business focused trade show that will give GVB Marketing personnel the opportunity to meet with and source buyers who are planning upcoming meetings and events in a productive and efficient environment.

The appointment scheduling is based on buyers making the appointments with the sellers. GVB Marketing as a seller can then respond to their request and secure the appointment. So far we have 7 very good appointments. We are also reaching out to buyers for appointments. We believe more buyers would schedule

For the seven (7) appointments we have, they are from:

- Team Lead of American Express Meetings & Events (U.S.)
Incentive travel agency; interested in the Asia Pacific region
- Planner from IACDE (international association of clothing designers) <http://uacde.net/> (U.S.)
Association/Government Organization; interested in the Asia Pacific region
- Global VP from ConferenceDirect <http://conferencedirect.com/> (U.S.)
Incentive travel agency; interested in the Asia Pacific region
- East Shanghai International Travel Service Co., Ltd. (China)
Incentive travel agency; handles groups of 1,000 – 15,000 pax
- Experient (U.S.)
Incentive travel agency; interested in developing new relationships

- Shanghai Huaxia International Travel Service Co. Ltd. (China)
Incentive travel agency; interested in Asia Pacific region
- BCD Meetings & Events (Australia)
Incentive travel agency; interested in developing new relationships; interested in Asia Pacific region

We have reached out to IMEX registered buyers and requested meetings with each of them. We have also forwarded the buyers company names to our overseas marketing rep offices and requested them to contact the buyers in their markets and request them to meet with GVB at IMEX. We want to be more aggressive in contacting those buyers from the Asia Pacific region but are afraid to secure meetings with them should GVB Marketing not obtain approval from the Board to participate in IMEX 2015.

GVB's Marketing wants to reach those MICE buyers from our Asia Pacific region but we also believe we can attract the MICE buyers from the US whose US business clients may have offices in Asia. GVB Marketing will present Guam as an ideal location and discuss our visitor inventory offerings for these companies to consider scheduling and planning their meetings and incentive trips.

With all the key players from the meetings industry attending the show, the exceptional networking at this event will allow GVB Marketing to not only develop relationships, but also foster new and important connections with other industry colleagues who specialize in MICE.

IMEX has scheduled numerous creativity and engagement workshops that showcase a variety of tools and techniques, providing planners with immediately useable ideas to implement in meetings. All show floor education during IMEX, has a dedicated creative learning track with impactful sessions designed to booth engagement and create a memorable delegate experience. Here are some of the workshop topics/titles:

- o Certified Incentive Specialist
- o Deep Dive: LinkedIn MBA (Meetings and Business Accelerator) School
- o Selling to the incentive market – storytelling, a sales pro's most powerful tool
- o Cybersecurity – top 10 things you need to know now
- o Meeting “e-xpectations” – exploring the future of virtual education
- o The global exhibition industry: trends worth watching
- o Prove it or lose it – ROI metrics that matter most to the c-suite
- o Engage Me! Using mobile and its data to improve events

Discussion/Comments:

- o It was discussed at the last Board meeting concerns over IMEX's relevancy and value. Management came back to the Board with a schedule of confirmed meetings including major travel agencies in Asia.

Director Kloppenburg made a motion, seconded by Director Arriola to ratify Executive Committee's approval to authorize the General Manager as Chief Procurement Officer to enter into negotiation and contract with the highest rated and most qualified Offeror for GVB RFP 2015-006 Holiday Project

Motion Approved.

Background: The Holiday Illumination Project is a month long attraction to enhance the festive Christmas season. The objective of the “Holiday Illumination – Christmas on Guam” is twofold: (1) to leverage the heritage of Chamorro culture and traditions with updated and sophisticated images of Christmas on Guam today and (2) to reinforce a sense of pride about Guam as our home and a desirable visitor destination

Issue: Board approval required

Discussion/Comments:

- o The Board noted they would like to enhance the holiday illumination project to extend throughout all of Tumon and not just one property. If additional funding are required, Management would get back to the Board with that amount.

Guam Economic Development Authority (GEDA) China Trade Mission

Director Kloppenburg made a motion, seconded by Director Jackson to ratify Executive Committee's approval for travel for the Governor of Guam, GVB General Manager, and GVB Chairman to attend the Guam Economic Development Authority (GEDA) China Trade Mission in Shanghai, China from October 13-16, 2015. Cost is approximately \$11,648.80; funding source to be identified by GVB management.

Motion Approved.

| | | |
|-----------|--|-------------|
| Airfare: | October 13-17, 2015: \$2,000 x 3 pax | \$6,000.00 |
| Per Diem: | Governor | |
| | Shanghai Lodging: \$259 x 4 Nights + 30% | \$1,346.80 |
| | Shanghai M&IE: \$143 x 5 Days + 30% | \$929.50 |
| | General Manager | |
| | Shanghai Lodging: \$259 x 3 Nights + 25% | \$971.25 |
| | Shanghai M&IE: \$143 x 4 Days + 25% | \$715.00 |
| | GVB Chairman | |
| | Shanghai Lodging: \$259 x 3 Nights + 25% | \$971.25 |
| | Shanghai M&IE: \$143 x 4 Days + 25% | \$715.00 |
| | Total | \$11,648.80 |

Background: The purpose for this overseas trade mission, led by GEDA, is to build trade relations, expand Guam's tourism base, and create new economic activity for our island. The trade mission will provide opportunity to promote Guam as a strong investment destination and showcase our island's tourism and economic development potential.

Focus will be the following:

- Establish the sister city relations with Shanghai Pudong Government
- Meet with potential business investors from Shanghai Pudong and Nanjing City
- Meet with travel related companies to start charter flights from Shanghai, Hangzhou, and Nanjing
- Meet with businesses that are interested in airport operations on Guam

Issue: Board approval needed for all travel.

***NOTE:** GM Denight will no longer be attending.

Discussion/Comments:

- o GM Denight noted the mission would involve meetings for tourism so it would be in our benefit to support these meeting.

B. ADMINISTRATION & GOV'T RELATIONS

GVB Board Resolution 2016-001

Item 1

Director Kloppenburg made a motion, seconded by Director Jackson to approve GVB Board Resolution 2015-001 Relative to the Concerns expressed by GVB and its Membership regarding Guam's Policy Makers use of TAF Funds for Non-Tourism Related Purposes.

Issue: Board Approval Required.

TAF appropriations from FY2009 through FY2016

Item 2

Director Shinohara made a motion, seconded by Director Guzman to amend the motion to eliminate "Guam's policy makers" from the motion.

Motion Amended.

Discussion/Comments:

- o The Resolution was presented at the last Membership Meeting. They were asked to vote on supporting it or not. 60 of the 90 participants returned their votes with 100% unanimously in support of the Resolution.
- o With unanimous support from its Membership and Board, GHRA is going to create a Resolution supporting the GVB Resolution.

GVB FY2016 Budget

Item 3

Director Kloppenburg made a motion, seconded by Director Jackson to approve GVB's FY2016 Budget in the amount of \$22,279,191 as presented by Management.

Motion Approved.

Issue: Board Approval Needed

Cultural & Sports Ambassador Program Rules & Regulations

Item 4

Director Sgro made a motion, seconded by Director Jackson to approve submission of the Cultural & Sports Ambassador Program Rules & Regulations to the Guam Legislature pursuant to Public Law 33-10.

Director Shinohara made a motion, seconded by Director Arriola to table the motion.

Motion Tabled.

Background: Pursuant to Section 9403 of Public Law 33-10, Subsections 9105(d) and (e) of Chapter 9, Title 12, Guam Code Annotated, the Administrative Adjudication Act, the Guam Visitors Bureau has developed certain rules and regulations related to the Cultural and Sports Ambassadors Fund necessary to implement the Cultural and Sports Ambassador Program. It has been duly heard by GVB at a Public Hearing held on July 22, 2015.

Issue: Board Approval Required

Imagine Guam Sponsorship

Director Kloppenburg made a motion, seconded by Director Jackson to approve sponsorship in the amount of \$20,000 to the Imagine Guam Committee under the Guam Economic Development Authority for the development of a Guam Strategic Vision. (Account to be determined by Management).

Motion Approved.

9/13 Directors Approved.

Not present for the vote – Director E. Calvo and Director S. Calvo.

Background: At GVB's Board of Directors regular meeting held on August 13, 2015, Imagine Guam Steering Committee Chairman presented Governor Calvo's initiative for the development of strategic vision for Guam that encompasses all aspects of society. From economic development to infrastructure planning and healthcare, the Imagine Guam team seeks to overlay all GovGuam strategic plans to include Tourism 2020 to see how proposed actions relate to each other, have gaps and are redundant.

Discussion/Comments:

- o Chairman Baldyga noted the funding would be used for an analysis and consolidation of the different plans that exist – including Tourism 2020.

Bond Rating Motion

Director Jackson made a motion, seconded by Director Shinohara for board approval travel for the GVB General Manager to accompany Governor Calvo to meet with bond rating companies in San Francisco from October 23 - 28, 2015 to conduct a Guam Tourism presentation for S&P. Cost is approximately \$5,776.25 from FY2016 North America Budget, Account US-SMD023.

Motion Approved.

Budget breakdown:

| | | |
|-----------|--|-------------------|
| Airfare: | One Roundtrip GUM-SF-GUM | \$1,800.00 |
| Per Diem: | Lodging – \$684.50 x 5 days | \$3,421.25 |
| | M&IE – \$74/day x 25% = \$92.50/day x 6 days | <u>\$555.00</u> |
| | TOTAL | \$5,776.25 |

Background: GEDA and the Governor's Office are coordinating travel to San Francisco, CA to meet with bond rating company S&P, Bond Underwriters and Guam Bond Counsel Orrick to discuss the current Government of Guam Bonds. This would include the GovGuam General Obligation Bond, HOT Bond and the Section 30 credit. Tourism is Guam's largest economic contributor and the principal subject of discussion when the Governor's Fiscal Team makes a presentation to S&P. Governor Calvo requests the GVB GM to present the tourism section and answer questions about the industry.

Issue: Board approval for travel required.

Discussion/Comments:

- o GM Denight was invited to accompany GEDA and Governor Calvo to attend the Bond Rating Meetings with S&P, the Bond Underwriters, and the Guam Bond Council to discuss the 3 Guam Bonds including Hot Bonds, Section 30, and the General Obligation Bonds. Many of the questions are directly related to tourism.

C. VISITOR SAFETY & SATISFACTION

D. CULTURE & HERITAGE

MODE TOUR MINI EXHIBITION

Director Arriola made a motion, seconded by Director Jackson to approve travel for one CHC staff and one Miss Guam to attend the Mode Tour Mini Exhibition for the promotion of the MODE TOUR Travel Mart in Seoul, Korea from October 23 – October 25, 2015. (Cost is approximately \$4,090.00 from FY2016 Budget Acct# DM-CPO002).

Motion Approved.

| | | |
|---------------|-----------------------------|-------------------|
| Airfare: | \$800 x 2 pax | \$1,600.00 |
| Lodging: | \$230.00 x 2 pax x 3 nights | \$1,380.00 |
| M&IE: | \$135.00 x 2 pax x 3 days | \$810.00 |
| Prof Fees: | | |
| Miss Guam | \$100 x 1 pax x 3 days | \$300.00 |
| Total: | | \$4,090.00 |

Background: The Guam Visitors Bureau (GVB) plans to participate in the pre-promotion for MODE TOUR Travel Mart. MODE TOUR extended a complimentary booth space for GVB and in return GVB Korea inquired with GVB Head Office to see if a Miss Guam would be able to join the booth for photo-ops during the 3-day promotion. The promotion will be held at the Pangyo Hyundai Mall in Seoul from October 23-25, 2015 and is estimated to expect over 7,500 visitors

E. DESTINATION MANAGEMENT

F. GREATER CHINA

Exhibit C

Committee minutes dated October 2, 2015.

Beijing Business Development Meetings and Guam Sales Training Seminar in Henan Province, China

Director Kloppenburg made a motion, seconded by Director Arriola to approve travel for GVB Marketing Manager and one (1) GVB Marketing Officer to conduct business development meetings with travel trade partners in Beijing and a Guam Sales Training Seminar in Zhengzhou City, Henan Province, China from October 23-27, 2015. Cost is approximately \$5,936.00, to be taken from China Sales Market Development Account No. CI-SMD023.

Motion Approved.

| | | |
|-----------------|--|------------|
| Airfare: | Round-trip Airfare: \$1,200 x 2 pax | \$2,400.00 |
| Per Diem: | Beijing Lodging: \$258 x 1 night x 2 pax | \$516.00 |
| | Beijing M&IE: \$119 x 1 day x 2 pax | \$238.00 |
| | Zhengzhou Lodging: \$145 x 3 Nights x 2 pax | \$870.00 |
| | Zhengzhou M&IE: \$114 x 4 Days x 2 pax | \$912.00 |
| Misc. Expenses: | Business communication costs & excess baggage fees | \$1,000.00 |
| Total | | \$5,936.00 |

Background: In FY2015, Guam experienced tremendous positive growth in China visitor arrivals. Marketing and sales remains focused in the first tier cities of Beijing, Shanghai, and Guangzhou. Therefore, it is crucial to develop and strengthen relationships with our partners from these cities. GVB will meet with potential partners to develop more sales and marketing programs in support of direct service to Guam in the coming year, maximizing sales during the peak China outbound travel periods such as Chinese New Year and Summer period, as well as attracting visitors during historically low arrival periods for Guam.

Henan Dahe International Travel Services Co., Ltd has committed to CNY 2016 Charter Flights with Dynamic Airways from Zhengzhou City in the Henan, China province. In an effort to support these incoming charters the Bureau will be conducting a Guam Sales Training Seminar for the travel trade as well as a consumer event in Henan, China. The sales seminar is designed to: (1) strengthen Guam's visibility and awareness among travel trade partners, (2) educate the travel trade on Guam products and upcoming campaigns such as Shop Guam Festival and Visit Guam 2016, and (3) enhance the networking and business ties between Guam and the travel trade in Henan, China.

The seminar will take place in the capital of Henan Province, Zhengzhou City, which is located in east-central China and serves as the major transportation hub for central China and the political, economic, technological, and educational center of the Henan province. Zhengzhou city has a population of 3,677,000 with a gross national income per capita of 6,560 USD.

Issue: Board approval needed for all travel

G. JAPAN

Exhibit D

JGTC Meeting

Director Nakajima made a motion, seconded by Director Arriola to approve travel for the General Manager or his representative, JMC Chairman and one Marketing staff to attend the Japan Guam Tourism Council Kanto meeting and attend ceremony between Toi Two Lovers Point and Kashiwazaki Two Lovers Point to commemorate their sister city program. Travelling date from October 28-29, 2015. (Estimated cost of travel: \$4,449.00; account JA-SMD008

Motion Approved.

Cost Breakdown:

| | | |
|--------------------------|---|-------------------|
| Airfare | \$1,000.00 x 3 pax | \$3,000.00 |
| JMC Chairman | | |
| | Tokyo Per Diem - Meals & Incidentals \$216.25 x 1 day | \$216.25 |
| | Niigata Per Diem - Lodging \$93.75 x 2 nights | \$187.50 |
| | Niigata Per Diem - Meals & Incidentals \$113.75 x 1 day | \$113.75 |
| General Manager | | |
| | Tokyo Per Diem - Meals & Incidentals \$216.25 x 1 day | \$216.25 |
| | Niigata Per Diem - Lodging \$93.75 x 2 nights | \$187.50 |
| | Niigata Per Diem - Meals & Incidentals \$113.75 x 1 day | \$113.75 |
| Marketing Officer | | |
| | Tokyo Per Diem - Meals & Incidentals \$173.00 x 1 day | \$173.00 |
| | Niigata Per Diem - Lodging \$75.00 x 2 nights | \$150.00 |
| | Niigata Per Diem - Meals & Incidentals \$91.00 x 1 day | \$91.00 |
| | | \$4,449.00 |

Background: JGTC Kanto meeting will be held on October 28, 2015. The JGTC meeting are an important component of GVB's trade outreach across Japan and the Kanto meetings being the key outbound region for Guam.

Kashiwazaki Tourism Office has invited GVB to participate in the sister city program ceremony between Toi Two Lovers Point and Kashiwazaki Two Lovers point on October 29, 2015. Kashiwazaki and Toi City appreciates GVB's presence to continue strengthening our ties. Earlier this year, GVB participated at "Two Lovers Point 25th Anniversary" in Izu City, Japan.

Issue: Board approval required for all travel.

Marketing Blitz #1

Director Nakajima made a motion, seconded by Director Guzman to approve travel for 11 pax to attend the Marketing Blitz #1 in Nagoya, Sendai and Sapporo from November 10-13, 2015. (Estimated cost of travel \$27,235.00 from Account# JA-GAMAL001 \$7,265.00 and Account# DM-CPO001 \$19,970.00)

Motion Approved.

| Marketing | Per Diem Rate | No. of Days | Total | Date of travel |
|------------------------------------|---------------|-------------|----------|----------------|
| JMC Chair Milton Morinaga (Nagoya) | \$361.25 | 1 | \$361.25 | 11.10-13 |
| Sendai | \$317.50 | 1 | \$317.50 | |
| Sapporo | \$308.75 | 1 | \$308.75 | |
| GM Nathan Denight (Nagoya) | \$361.25 | 1 | \$361.25 | 11.10-13 |
| Sendai | \$317.50 | 1 | \$317.50 | |
| Sapporo | \$308.75 | 1 | \$308.75 | |
| Nadine Leon Guerrero (Nagoya) | \$289.00 | 1 | \$289.00 | 11.10-13 |
| Sendai | \$254.00 | 1 | \$254.00 | |

| | | | | |
|---|----------|---|------------|--|
| Sapporo | \$247.00 | 1 | \$247.00 | |
| Airfare (3 pax x \$1,500.00 est. including domestic transportation) | | | \$4,500.00 | |
| MARKETING BUDGET: \$7,265.00 | | | | |
| regular per diem rate (Nagoya) | \$289.00 | | | |
| regular per diem rate (Sendai) | \$254.00 | | | |
| regular per diem rate (Sapporo) | \$247.00 | | | |

| CHaCO | Per Diem Rate | No. of Days | | |
|---|---------------|-------------|-------------|----------|
| Dee Hernandez (Nagoya) | \$289.00 | 1 | \$289.00 | 11.10-13 |
| Sendai | \$254.00 | 1 | \$254.00 | |
| Sapporo | \$247.00 | 1 | \$247.00 | |
| 2 Miss Guam (Nagoya) | \$578.00 | 1 | \$578.00 | |
| Sendai | \$508.00 | 1 | \$508.00 | |
| Sapporo | \$494.00 | 1 | \$494.00 | |
| 2 Musician (Nagoya) | \$578.00 | 1 | \$578.00 | |
| Sendai | \$508.00 | 1 | \$508.00 | |
| Sapporo | \$494.00 | 1 | \$494.00 | |
| 3 Cultural Entertainers (Nagoya) | \$867.00 | 1 | \$867.00 | |
| Sendai | \$762.00 | 1 | \$762.00 | |
| Sapporo | \$741.00 | 1 | \$741.00 | |
| Airfare (8 pax x \$1,500.00 est. including domestic transportation) | | | \$12,000.00 | |
| | | | \$18,320.00 | |
| regular per diem rate (Nagoya) | \$289.00 | | | |
| regular per diem rate (Sendai) | \$254.00 | | | |
| regular per diem rate (Sapporo) | \$247.00 | | | |

| | | | |
|----------------------------------|----------|---|------------|
| Professional Fees: | | | |
| 2 Miss Guam (3 days) | \$100.00 | 3 | \$600.00 |
| 2 Musician (3 days) | \$100.00 | 3 | \$600.00 |
| 3 Cultural Entertainers (3 days) | \$50.00 | 3 | \$450.00 |
| | | | \$1,650.00 |

CHACO BUDGET: \$19,970.00

CHACO + MARKETING
TOTAL: \$27,235.00

Background: Part of FY2016 Japan Marketing Action Plan to aggressively approach to major wholesalers in Tokyo, Osaka, Nagoya and Fukuoka. The Marketing Blitz will comprise of Guam Seminar and Guam Night Reception and will be inviting about 100-250 travel agent sales person. During the Blitz, GVB will reinforce the "OOG" messaging with Toshi-chan Campaign, Visit Guam 2016, FESTPAC and Shop Guam Festival. GVB will also invite the membership and industry partners (airlines, hotels, optional tour companies, wedding companies, etc.) for their participation in the seminar and networking directly with the travel agents. The Blitz will support the much needed support in these regional cities with direct flights to Guam. Media will also be invited to gain PR exposure for Guam

Issue: Board approval required for all travel

Marketing Blitz #2

Director Nakajima made a motion, seconded by Director Arriola to approve travel for 11 pax to attend the Marketing Blitz #2 in Fukuoka and Osaka from November 18-20, 2015.
(Estimated cost of travel \$19,824.00 from Account# JA-GAMAL001 \$5,316.00 and Account# DM-CPO001 \$14,508.00)

Motion Approved.

Background: Part of FY2016 Japan Marketing Action Plan to aggressively approach to major wholesalers in Tokyo, Osaka, Nagoya and Fukuoka. The Marketing Blitz will comprise of Guam Seminar and Guam Night Reception and will be inviting about 100 -250 travel agent sales person. During the Blitz, GVB will reinforce the "OOG" messaging with Toshi-chan Campaign, Visit Guam 2016, FESTPAC and Shop Guam Festival. GVB will also invite the membership and industry partners (airlines, hotels, optional tour companies, wedding companies, etc.) for their participation in the seminar and networking directly with the travel agents. The Blitz will support the much needed support in these regional cities with direct flights to Guam. Media will also be invited to gain PR exposure for Guam.

Issue: Board approval required for all travel.

| Marketing | Per Diem Rate | No. of Days | Total | Date of travel |
|---|---------------|-------------|-------------------|----------------|
| JMC Chair Milton Morinaga (Fukuoka) | \$367.50 | 1 | \$367.50 | 11.18-20 |
| Osaka | \$352.50 | 1 | \$352.50 | |
| GM Nathan Denight (Fukuoka) | \$367.50 | 1 | \$367.50 | |
| Osaka | \$352.50 | 1 | \$352.50 | |
| Nadine Leon Guerrero (Fukuoka) | \$294.00 | 1 | \$294.00 | |
| Osaka | \$282.00 | 1 | \$282.00 | |
| Airfare (3 pax x \$1,100.00 est. including domestic transportation) | | | \$3,300.00 | |
| MARKETING BUDGET: | | | \$5,316.00 | |
| regular per diem rate (Fukuoka) | \$294.00 | | | |
| regular per diem rate (Osaka) | \$282.00 | | | |
| | | | | |

| CHaCO | Per Diem Rate | No. of Days | | |
|---|------------------|-------------|--------------------|----------|
| Dee Hernandez (Fukuoka) | \$294.00 | 1 | \$294.00 | 11.18-20 |
| Osaka | \$282.00 | 1 | \$282.00 | |
| 2 Miss Guam (Fukuoka) | \$588.00 | 1 | \$588.00 | |
| Osaka | \$564.00 | 1 | \$564.00 | |
| 2 Musician (Fukuoka) | \$588.00 | 1 | \$588.00 | |
| Osaka | \$564.00 | 1 | \$564.00 | |
| 3 Cultural Entertainers (Fukuoka) | \$882.00 | 1 | \$882.00 | |
| Osaka | \$846.00 | 1 | \$846.00 | |
| Airfare (8 pax x \$1,100.00 est. including domestic transportation) | | | \$8,800.00 | |
| | | | \$13,408.00 | |
| regular per diem rate (Fukuoka) | \$294.00 | | | |
| regular per diem rate (Osaka) | \$282.00 | | | |
| | | | | |

| | | | | |
|-------------------------------------|----------|---|-------------------|--|
| Professional Fees: | | | | |
| 2 Miss Guam (2 days) | \$100.00 | 2 | \$400.00 | |
| 2 Musician (2 days) | \$100.00 | 2 | \$400.00 | |
| 3 Cultural Entertainers (2 days) | \$50.00 | 2 | \$300.00 | |
| | | | \$1,100.00 | |

CHACO BUDGET: **\$14,508.00**

CHACO + MARKETING
TOTAL: **\$19,824.00**

H. KOREA

MODE TOUR TRAVEL MART 2015

Director Jackson made a motion, seconded by Director Arriola to approve travel for KMC Chairman or his designee, one marketing staff, one CHC staff, one Miss Guam, two musicians and four cultural dancers to attend the Mode Tour Travel Mart in Seoul, Korea from October 29 - November 1, 2015. (Cost is approximately \$6,527.50 from FY2016 Korea Budget Acct# KO-SMD023 and \$24,080 from Acct# DM-CPO002).

Motion Approved.

Background: The Guam Visitors Bureau (GVB) plans to attend the 2nd Annual MODE TOUR Travel Mart that will be held at the SETEC Gangnam Exhibition Hall in Seoul, Korea from October 29 – November 01, 2015. MODE TOUR is one of Korea's top travel agencies. Last year, the Travel Mart welcomed 292 institutes including overseas embassies, tourism boards, local governments, airlines, hotels and resorts, and insurance companies. A total of 65,000 visitors left their footprints and a total of 8 billion sales were generated as a result of the inaugural event.

This year's Travel Mart is expected to welcome 80,000 visitors consisting of travel trade and consumers during the 4-day event. The MODE TOUR Travel Mart provides an opportune time to promote Guam's offerings, upcoming events, and highlight our island as a unique destination.

GVB plans to have meetings while in Seoul for the Travel Mart. GVB is scheduling appointments with MODE TOUR leaders to discuss continued support, as well as meet with key travel agents. GVB will also conduct courtesy visits with Korean Air, Jeju Air, Jin Air, and T'way to discuss updates within the market.

| | | |
|-------------------------|---------------------------------|-------------------|
| Airfare: | \$800 x 2 pax | \$1,600.00 |
| BOD Lodging/MI&E: | \$365/day x 6 days x 1pax + 25% | \$2,737.50 |
| Staff Lodging/MI&E: | \$365/day x 6 days x 1pax | \$2,190.00 |
| Marketing Total: | | \$6,527.50 |

Culture:

| | | |
|-------------------|-----------------------------|--------------------|
| Airfare: | \$800 x 9 pax | \$6,400.00 |
| Lodging: | \$230.00 x 9 pax x 5 nights | \$9,200.00 |
| M&IE: | \$135.00 x 9 pax x 6 days | \$6,480.00 |
| Prof Fees: | | |
| Musicians | \$100 x 2 pax x 4 days | \$800.00 |
| Dancers | \$50 x 4 pax x 4 days | \$800.00 |
| Miss Guam | \$100 x 1 pax x 4 days | \$400.00 |
| CHC Total: | | \$24,080.00 |

Issue: Board approval needed for travel

I. MEMBERSHIP & COMMUNITY OUTREACH

J. NORTH AMERICA & PACIFIC MARKETS

ITB Asia 2015 Motion

Director Arriola made a motion, seconded by Director Hofmann to approve travel for two GVB Marketing Staff to attend the ITB Asia 2015 in Singapore from October 21-23, 2015. Cost is approximately \$6,576.00 and will come from FY 2016 Pacific Budget Acct. No. PA-TTC077.

Motion Approved.

Travel Expenses:

| | |
|---------------------------|-------------------|
| Airfare | |
| \$900.00 x 2 pax | \$1,800.00 |
| Per Diem Lodging | |
| \$272.00 x 6 days x 2 pax | \$3,264.00 |
| Per Diem M&IE | |
| \$126.00 x 6 days x 2 pax | \$1,512.00 |
| TOTAL EXPENSE: | \$6,576.00 |

Background: The Guam Visitors Bureau (GVB) is planning attend the ITB Asia 2015. ITB Asia is the premier meeting place for the travel trade industry and a forum for establishing high-quality customer contacts and conducting businesses. It is the event where international exhibitors of all sectors within the travel-value chain commerce and Asia Pacific's leading travel companies and emerging small and medium-sized enterprises meet with top international buyers from MICE, Leisure and Corporate Travel markets.

ITB Asia 2014 received close to 10,000 attendees from 108 countries. Approximately 750 exhibitors from 76 countries shared their products. ITB Asia is set to be bigger and GVB looks forward to a successful participation.

While at ITB Asia, GVB will be meeting with United Singapore and their key agents. With the recently launched 2016 Guam Events Calendar and Only On Guam campaign, GVB plans to make a hard push to promote Guam. GVB also will be meeting with the PATA Singapore Chapter to discuss Guam's hosting of the 2016 PATA Annual Summit.

Issue: Board approval needed for all travel.

DEMA 2015 Motion

Item 5

Director Arriola made a motion, seconded by Director Hofmann to approve travel of two (2) GVB marketing staff to attend the DEMA Show 2015 to be held November 4 - 7, 2015 in Orlando, Florida. Travel cost approximately \$8,104.00 from FY 2016 North America Budget Acct. #US-SMD023.

Motion Approved.

Travel Expenses:

| | |
|--------------------|------------|
| Airfare | |
| \$2,000.00 x 2 pax | \$4,000.00 |

| | |
|------------------------------|------------|
| Per Diem – Lodging + M&IE | \$2,604.00 |
| (\$186/day x 7 days x 2 pax) | |

| | |
|--|------------|
| Miscellaneous Expenses: (i.e. excess baggage, booth, freight cost) | \$1,500.00 |
|--|------------|

| | |
|------------------------|-------------------|
| TOTAL EXPENSES: | \$8,104.00 |
|------------------------|-------------------|

Background: Guam Visitors Bureau (GVB) is a member of Diving Equipment & Marketing Association (DEMA) and plans attend the DEMA Show is the world's only international trade-only event for the dive industry. GVB will have the opportunity to connect face-to-face and network with more than 9,300 credentialed experts from every aspect of the diving, action watersports and travel professions. This event is attended by travel sellers throughout the world and is the best event for showing the Guam destination to travel agents that organize dive group trips.

As the gateway to Micronesia and America in Asia, Guam is strategically positioned to accommodate the dive enthusiasts as a quick layover, looking for a safe US destination or as a destination with many adventures and shopping options. Scuba diving and diver travelers are known as affluent travelers contributing to the overall tourism industry on Guam. An average two-tank boat dive on Guam is around \$175 per person with the typical "diver" purchasing at least two dive tours during a visit. At least 67,000 divers frequented Guam in 2014 to equate to millions of dollars in gross revenue for the island. We are also pleased to announce that the Guam Tropical Dive Station (GTDS) was awarded the most dives PADI Award for certifying more than 35,000 divers over 12 months.

While participating at the DEMA Show 2015 we look forward to sharing the 2016 Events Calendar, and push FESTPAC 2016 to give the divers more time to plan out their next dive trip and choose destination Guam. The Guam Visitors Bureau will be joining the Micronesia Pavilion together with Palau Visitors Authority and other Micronesia partners to create a strong regional presence supported by United Airlines and to conduct a Micronesia Seminar to familiarize attendees on the region, diving and other optional activities.

Action: Board approval required for travel.

K. RESEARCH

L. RUSSIA & NEW MARKETS

M. SPORTS & EVENTS

96th Korea National Sports Festival

Director Sgro made a motion, seconded by Director Kloppenburg to approve travel for GVB Community Development Officer, (1) Miss Guam to travel to Kangwondo, South Korea to participate in the 96th Korea National Sports Festival from October 16-19, 2015. Account AS-ESP001 (Estimated cost of travel: \$4,350.00)

Motion Approved.

Background: The Korea Sports Council of Guam (KSCOG) will be sending a delegation of (80) Korean athletes from Guam to participate in the 96th Korean National Sports Festival in Kangwondo, South Korea from October 15-19, 2015. The festival features over 80,000 Korean National sports athletes from over 50 countries worldwide competing in a variety of sporting events. This year, the KSCOG has requested GVB's support in attending the opening ceremonies as represented last year to once again assist in promoting Guam as part of the activities scheduled for the festival. During the festival, the GVB delegation and KSCOG will once take advantage of the event media coverage during the opening ceremonies and will take part in charitable events/activities such as feeding the hungry and special appearances by Miss Guam for the elderly during the 4-day trip. Notably, during last years event, the Guam Delegation lead Guam's Korean Nationals during the opening ceremonies in which Guam cultural team performed a quick cultural performance in front of South Korea President Ms. Park Geun-Hye. The performance and cultural gesture was televised and viewed by an estimated 1.2 million viewers via KBS Sports Network. This year, GVB Korea would like to include Press releases in-country showcasing Guam's support and charitable efforts in Korea along side with the KSCOG. Opportunities to develop Sports exchange programs for Guam and Korean utilizing existing sporting events will be promoted to the traveling affluent Korean nationals at the 96th Festival.



| | | | |
|--|----------|---------|------------|
| Airfare: (1) Community Development Officer, (1) Miss Guam, | \$700.00 | x 2 pax | \$1,400.00 |
| Per Diem (Meals & Incidental Expenses only) | | | |
| GVB Staff: \$365 x 4= \$1460 | | | = \$1,020 |
| Miss Guam: \$365 x 4= \$1460 | | | = \$1,020 |
| | \$365.00 | x 4days | |

| | | | |
|--------------------------------|---------|---------|---------|
| Miscellaneous: | | | |
| Bus Fare / Transportation cost | \$30.00 | x 2 pax | \$60.00 |

| | | | |
|-------|--|--|------------|
| TOTAL | | | \$4,350.00 |
|-------|--|--|------------|

Issue: Board approval required for all travel.

VII. OLD BUSINESS

VIII. NEW BUSINESS

IX. EXECUTIVE SESSION

X. ANNOUNCEMENT

Upcoming Board Meetings:

- o Thursday, October 22, 2015 at 4:00pm, GVB Main Conference Room.
- o Thursday, November 12, 2015 at 4:00pm, GVB Main Conference Room.

Announcements:

XI. ADJOURNMENT

Chairman Baldyga made a motion, seconded by Director Arriola, to adjourn the meeting. Meeting adjourned at 6:03 p.m. **Motion Unanimously Approved.**



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



Board Minutes respectively submitted by Dara Roberto, Executive Secretary

Action Item:

1. Management to finalize signage/touting/abandoned building/hand-billing legislation and submit by August 1, 2015.
2. Tumon Masterplan Task Force
 - o Management to incorporate into a capital request for funding possibly via a bond.
 - o Submit a draft plan by August 1, 2015
3. Management to request PATA to schedule a task force in conjunction with the PATA Conference. Schedule by September 1, 2015.
4. Management to present to the Board at the next meeting:
 - o Total Festpac Budget
 - o Sources of funding already approved and still needed
 - o How the accounts will be handled and administrated
8. Management to look into how GVB can leverage and support the next GFA event from a promotional standpoint
9. Management to follow up with Lt. Carbullido (GPD) on incidence report.
10. "Think-tank" task force meeting to discuss CBP issue
11. Management to set up seminar with Korean Association of Guam regarding Guest House legalities
12. Management to provide Board with recommendation regarding testimony on Bill 127-33
13. Due at end of year - Management to provide an end of year Sports & Events recap:
 - o Money spent
 - o Arrivals
 - o Return on Investment