



BOARD OF DIRECTORS REGULAR MEETING

Thursday, April 28, 2016 – 3:00 p.m.
Guam Visitors Bureau- Main Conference Room

BOARD of DIRECTORS PRESENT:

Chairman Mark Baldyga	Director Eduardo "Champ" Calvo
Director Bruce Kloppenburg	Director Samuel Shinohara
Director Theresa Arriola	Director Clifford Guzman
Director Katarin Sgro	Director Norio Nakakima
Director Milton Morinaga	Director Bart Jackson
Director Hong Soon Im	

BOARD of DIRECTORS ABSENT:

Director Robert Hofmann - Work Obligation

GVB MANAGEMENT & STAFF PRESENT:

Telo Taitague	Dara Roberto	Ana Cid
Nicolas Yasuhiro	Brian Borja	Joshua Tyquiengco
Elain Pangelinan	Lisa Linek	Kraig Camacho
Laurette Perez	Gina Kono	Dee Hernandez
Meriza Peredo	June Sugawara	Russell Ocampo
Pilar Laguana	Nadine Leon Guerrero	Jon Nathan Denight
Regina Nedlic	Doris Ada	

GUESTS:

Minakshi Hemlani - Attorney Fisher & Associates

I. CALL TO ORDER

Chairman Baldyga called the meeting of the board to order at 4:10pm.

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 March 10, 2016.

Motion Unanimously Approved. (Subject to minor revisions)

Chairman Baldyga made a motion to approve the minutes of the previous Board of Directors meeting dated March 24, 2016

Motion Unanimously Approved. (Subject to minor revisions)





III. CHAIRMAN'S REPORT

Chairman Baldyga said they had a couple of matters for Executive Session. He called for a motion to go into Executive Session.

IV. GENERAL MANAGER'S REPORT

- GM Denight reported he was pleased to report the CIP Bill was passed at \$910,000. Speaker Won Pat increased the amount to 1 million – which should also pass.

V. TREASURER'S REPORT

Exhibit B

FY 2016					
	Appropriation	Received to Date		Balance	
Operations	\$ 21,044,191.00	\$ 9,254,441.00	44%	\$ 11,789,750.00	56%
Destination Development	\$ 1,235,000.00	\$ 643,750.00	52%	\$ 591,250.00	48%
Rainy Day Fund	\$ 200,000.00	\$ 150,000.00	75%	\$ 50,000.00	25%
Cultural & Sports Ambassador Fund	\$ 200,000.00	\$ 110,000.00	55%	\$ 90,000.00	45%
Pass-Thru	\$ 750,000.00	\$ 546,250.00	73%	\$ 203,750.00	27%
Guam Football Association	\$ 400,000.00	\$ 400,000.00	100%	\$ -	0%
Pilot Program Korean Visitor Market	\$ 250,000.00	\$ 250,000.00	100%	\$ -	0%
TOTAL	\$ 24,079,191.00	\$ 10,704,441.00		\$ 12,724,750.00	
Total Receivables FY 2016				\$	12,724,750.00

Accounts

RESTRICTED

Bank of Guam - Rainy Day Fund ¹	\$ 2,246,765.61
Bank of Guam - FESTPAC Trust Account ²	\$ 2,282,015.58
Cultural & Sports Ambassador Fund	\$ 310,000.00
TOTAL	\$ 4,838,781.19

UNRESTRICTED

Bank of Guam - Operations	\$ 5,140,287.16
First Hawaiian Bank - Membership	\$ 69,264.45
Resona	\$ 394,261.75
Bank of Guam - TAF	\$ 1,589,122.36
Morgan Stanley - CD value as of 03/31/2016 ²	\$ -
Raymond James - CD value as of 03/31/2016 ²	\$ 2,516,962.69
TOTAL	\$ 9,709,898.41

TOTAL as of 4/26/2016 \$ 14,548,679.60

Current Payables

Asatsu Invoices NOV - MAR	\$ 2,610,140.67
Japan Invoices	\$ 22,475.01
Guam Invoices	\$ 228,528.55
FY 2015/FY 2016 Pass-thru appropriations	\$ 12,500.00
Encumbered Contracts	\$ 4,165,548.89
Encumbered Purchase Orders	\$ 163,280.20
FESTPAC Trust Account	\$ 2,282,015.58
TOTAL as of 4/26/2016	\$ 9,484,488.90

NOTES

NOTE 1

\$2,037,508.03 Rainy Day Fund
 (\$790,742.42) Board approved funding for Japan Incentive
 \$1,246,765.61

NOTE 2

\$1,400,675.37 Morgan Stanley/Raymond James CD
 (\$86,542.00) Board approved \$86,542 on 7/23/15 for Department Revenue & Tax Auditors
 \$1,314,133.37

NOTE 3

\$2,282,015.58 FESTPAC Trust Account
 (\$317,374.94) TPI Invoices
 \$1,964,640.64



VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

Director Kloppenburg made a motion, seconded by Director Jackson to ratify Executive Committee’s travel approval for the General Manager, JMC Chairman, and Japan Marketing Officer to attend meetings in Japan for the Guam Ko’ko’ Run Half Marathon and 10K, the Guam Summer Beach Fest and the Japan Guam Tourism Council Chubu meeting from April 25-27, 2016. (Account JA-SMD045. Estimated cost of travel \$5,142.00)

Motion Approved

Airfare:	\$1,000 x 3 pax	\$3,000.00
Per diem		
JMC Chairman:	\$382.50 x 2 days =	\$765.00
General Manager:	\$382.50 x 2 days =	\$765.00
Marketing Officer II:	\$306 x 2 days =	\$612.00
TOTAL:		\$5,142.00

Background: The Board approved travel for the JGTC meetings on January 28, 2016. Due to schedule conflicts the JGTC Chubu meeting was scheduled to take place 2 weeks after the JGTC Kansai and JGTC Kanto meetings, therefore necessitating additional approval for travel. In addition to the JGTC meeting, planning meetings will take place for the Guam Ko’ko’ Run Half Marathon and 10K, the Guam Summer Beach Fest.

B. RUSSIA & NEW MARKETS

- Director Jackson reported they would be attending a trade show at the end of May. He noted because of FestPac, a smaller contingent would be going.
- He added the ruble continues to strengthen – moving in the right direction.

C. VISITOR SAFETY & SATISFACTION

- Director Im asked Management to follow up on the traffic safety request for the Westin and Archbishop Flores intersections. He noted both areas are very dangerous and encouraged GVB to work with DPW on this matter.
- Director Im reported that he spoke with Airport management regarding the West arrivals area of the airport. He proposed adding a ramp to make the area more easily accessible.

VSS Live Entertainment Transfer

Director Im made a motion, seconded by Director Jackson, to approve the transfer of \$100,000 from Visitor Safety & Satisfaction to the FestPac Trust Account.

Background: The AB Won Pat Guam International Airport Authority has agreed to be a Latte Level sponsor for the 12th Festival of Pacific Arts held on Guam from May 22 through June 2, 2016. GIAA cannot transfer funds to GVB, however they have agreed to sign an MOA taking over GVB's live entertainment project at the airport. In exchange, GVB will transfer the \$100,000 budgeted for the live entertainment to the FestPac trust account to support the execution and logistics of the event.

Issue: Board Approval Required

Discussion/ Comments:

- The Board had some concerns over the language of the background.
- Course of action:
 - Consult with GVB legal counsel.
 - Management to work on an MOU with GIA.
 - Change the language of the background.

Chairman Baldyga made a motion approving the motion as stated with a different background.

Motion Approved.

D. CULTURE & HERITAGE

- Director Arriola reminded the Board about the arrival of FestPac. She encouraged everyone to attend and requested that the Board Secretary distribute the schedule to all Board members.

E. SPORTS & EVENTS

Exhibit C

Committee minutes dated April 26, 2016

Director Sgro made a motion, seconded by Director Jackson, to approve travel for the GVB Community Development Officer and (3) Cultural dance performers to participate in The Great Guam Run in Beijing, China from June 10-13, 2016. Cost is approximately \$10,032.00 to be taken from Sport & Events Budget Account No. AS-ESP001.

Motion Approved.

Airfare:	Round-trip Airfare: \$1,000 x 4 pax	\$4,000.00
Per Diem:	GVB Community Development Officer	
	Beijing Lodging: \$258 x 4 nights	\$1,032.00
	Beijing M&IE \$119 x 4 days	\$476.00
	(3) Cultural Dancers	
	Beijing Lodging: \$258 x 4 nights x (3) dancers	\$3,096.00
	Beijing M&IE \$119 x 4 days x (3) dancers	\$1,428.00
	Total:	\$10,032.00

Background: GVB will coordinate "The Great Guam Run" in Gubel water town Northeast of Beijing. Runners will have the unique experience of racing in the hilly terrain to the one of our world wonders – The Great Wall of China. The event will attract a growing outbound travel market segment in China – adventure & sports. The Great Guam Run will use marketing messages to promote Guam's unique sports events such as the Guam International Marathon and Ko'ko' Half Marathon & Ekiden Relay. In addition to marketing promotion, GVB will invite trade partners as well as running clubs to promote the race and develop Guam sports packages for the previously mentioned events. Guam's unique events, culture, and distinctive marketing message in the China market will be utilized cross-promotionally in order to consistently capture our target audience's attention and close with sales and increased visitor arrivals.

This event marketing strategy has been proven in the market of Hong Kong. GVB hosted a Guam run in HK in December 2015 to promote GIM 2016. As a result, GIM's 2016 HK participation experienced a year-over-year growth of over 118% from, with a total of 127 runners participating in this year's races. Furthermore, three (3) HK runners placed as top finishers in their respective race and division. Both sales and Guam brand awareness were lifted as a result of the run hosted in Hong Kong.

Issue: Board approval for travel required.

F. ADMINISTRATION & GOV'T RELATIONS

- Budget working session scheduled for Thursday, May 5th @ 3pm, GVB main conference room.

G. DESTINATION MANAGEMENT

- Director Guzman reported they are finished with their listing and would be presenting it to the Committee at the next meeting.

H. GREATER CHINA

- Director Kloppenburg announced Taiwan added frequency to 5 flights per week - Saturday flight and daytime flight (China Airlines).

The Great Guam Run

Director Kloppenburg made a motion, seconded by Director Arriola, to approve travel for the GVB General Manager or GVB Greater China Marketing Committee Chair/Co-chair, GVB Marketing Manager, (1) GVB Marketing Staff and (1) Miss Guam to participate in The Great Guam Run in Beijing, China from June 10-13, 2016. Cost is approximately \$13,709.00 to be taken from China Sales Market Development Account No. CI-SMD023.

Motion Approved.

Airfare:	Round-trip Airfare: \$1,500 x 4 pax	\$6,000.00
Per Diem:	GVB General Manager or GCMC Chair/Co-chair	
	Beijing Lodging: \$322.50 x 4 nights	\$1,290.00
	Beijing M&IE \$148.75 x 4 days	\$595.00
	GVB Marketing	
	Beijing Lodging: \$258 x 4 nights x 2 Pax	\$2,064.00
	Beijing M&IE \$119 x 4 days x 2 Pax	\$952.00
	Miss Guam	
	Beijing Lodging: \$258 x 4 nights	\$1,032.00
	Beijing M&IE: \$119 x 4 days	\$476.00
	Professional Fee: \$100.00 x 3 days	\$300.00

Miscellaneous:	Business communication & excess baggage fees	\$1,000.00
	Total:	\$13,709.00

Background: GVB will coordinate “The Great Guam Run” in Gubei water town Northeast of Beijing. Runners will have the unique experience of racing in the hilly terrain to the one of our world wonders – The Great Wall of China. The event will attract a growing outbound travel market segment in China – adventure & sports. The Great Guam Run will use marketing messages to promote Guam’s unique sports events such as the Guam International Marathon and Ko’ko’ Half Marathon & Ekiden Relay. In addition to marketing promotion, GVB will invite trade partners as well as running clubs to promote the race and develop Guam sports packages for the previously mentioned events. Guam’s unique events, culture, and distinctive marketing message in the China market will be utilized cross-promotionally in order to consistently capture our target audience’s attention and close with sales and increased visitor arrivals.

This event marketing strategy has been proven in the market of Hong Kong. GVB hosted a Guam run in HK in December 2015 to promote GIM 2016. As a result, GIM’s 2016 HK participation experienced a year-over-year growth of over 118% from, with a total of 127 runners participating in this year’s races. Furthermore, three (3) HK runners placed as top finishers in their respective race and division. Both sales and Guam brand awareness were lifted as a result of the run hosted in Hong Kong.

Discussion/Comments:

Director Kloppenburg noted the importance of maintaining presence in all areas of China to develop our name and our brand. He stressed the need to continually develop awareness for Guam.

I. JAPAN

Exhibit D

Committee minutes dated April 12, 2016

- Director Morinaga reported he just returned from a meeting in Nagoya. They (agents) requested more flights – day and night time.
- Director Morinaga asked the Board if they would be doing any relief efforts for the Kamamoto earthquake victims. GM Denight reported an idea to donate some of the proceeds from the upcoming Ko’ko race to the earthquake victims.
- Chairman Baldyga reported he and GM Denight met with the new Consul General and update him on the market as well as immigration issues.

J. KOREA

KOTFA 2016

Director Jackson made a motion, seconded by Director Guzman, to approve travel for three (3) Guam legislative senators and KMC Co-Chairman to attend the 2016 KOTFA from June 8-13, 2016 in Seoul, Korea. Cost is approximately \$13,694.00 from FY2016 Korea Budget, Acct# KO-SMD023.

Motion Approved.

Marketing

Airfare (\$900 x 4 pax)	\$ 3,600.00
Senator Per Diem – Lodging (\$230/night x 5nights + 30% x 3 pax)	\$ 4,485.00
Senator Per Diem – M&IE (\$135/day x 6days + 30% x 3 pax)	\$ 3,159.00
KMC Co-Chair Per Diem – Lodging (\$230/night x 5nights + 25%)	\$ 1,437.50



KMC Co-Chair Per Diem – M&E (\$135/night x 6nights + 25%)	\$ 1,012.50
Total	\$13,694.00

Background: KOTFA is Korea's oldest and largest general consumer travel event with more than 120,000 visitors over the four-day event. During the 2014 event, 491 overseas organizations, 494 booths, and 4,826 exhibitors. KOTFA is a very important component to GVB's overall Korea marketing and PR strategy with key GVB and Guam representatives coming to express face-time appreciation to the Korean travel trade and consumers for continued Guam support. GVB's presence will also convey support to its members who will be attending.

GVB plans to have a strong presence at the KOTFA Show to show Guam's support in the Korean travel industry and to freshen relationships with high-level executives, travel agents, and trade media. Senators and KMC Co-Chairman will join the rest of the delegation attending the KOTFA and the Hana Tour Show so demonstrate their support, as well as attend the Guam Seminar with travel agents that will be hosted by GVB.

Issue: Board approval for travel required.

K. MEMBERSHIP & COMMUNITY OUTREACH

L. NORTH AMERICA & PACIFIC MARKETS

- Director Arriola said Pilar and team would be passing out the PATA schedule. They identified the key recommended events. She urged the Board to attend. Director Arriola thanked the team for all of their hard work and effort and congratulated them in advance.

M. RESEARCH

Director Shinohara made a motion, seconded by Director Arriola, to approve travel for the General Manager to attend the Travel & Tourism Research Association (ttra) Annual Conference in Vail, Colorado from June 13 - 17, 2016. Travel cost is approximately \$2,290 which will be charged against FY2016 Research budget acct# RE-RES104.

Motion Approved.

Per Diem Lodging: \$180.00 x 4 days = \$720.00
Per Diem M&E: \$92.50 x 4 days = \$370.00
Registration: \$1,200
TOTAL: \$2,290

Background: Founded in 1970, the Travel and Tourism Research Association (ttra) is a non-profit association whose purpose is to enhance the quality, value, effectiveness and use of research in travel marketing, planning and development. TTRA strives to be a leader for the global community of practitioners and educators engaged in research, information management and marketing in the travel, tourism and hospitality industries and creates business opportunities for its members and provides a unique multi-sector industry network. Members in ttra represent a variety of segments from the greater international travel and tourism community, including educators, practitioners, research providers/consultants and users of research.

Issue: Board approval needed for all travel.

Discussion/Comments:

GM Denight noted this is the premiere showcase of travel research. It's a good opportunity to see what's available as we are preparing to update our research tools.

VII. OLD BUSINESS

- Civil Service

VIII. NEW BUSINESS

- Director Im said he would like to recommend changing the order of cities (Korea) on the revised customs form. He suggested to place in order of population. GM Denight noted his request and said he would send the info to Ana.

IX. EXECUTIVE SESSION

The Board agreed to go into Executive Session. Executive Session started at 4:15pm to discuss legal matters.

Pursuant to 5GCA Ch.8 Open Government Law §8111. *Executive Sessions* minutes of the Executive Session shall be made available 6 months from the date of the meeting.

X. ANNOUNCEMENT

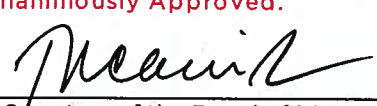
Upcoming Board Meetings:

- Thursday, May 12, 2016 at 3:00pm, GVB Main Conference Room.
- Thursday, May 26, 2016 at 3:00pm, GVB Main Conference Room.

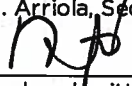
Announcements:

XI. ADJOURNMENT

Chairman Baldyga made a motion, seconded by Director Guzman to adjourn the meeting. Meeting adjourned at 4:52p.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:

- Management to set up meeting with DPW regarding Westin and Archbishop Flores intersections

Tumon Masterplan Task Force

- o Finalize signage / touting / abandoned-building / hand-billing legislation No internal experience to draft this → need to outsource
- o Incorporate into a capital request for funding via a bond
- o Submit draft plan → Director Guzman / Doris Ada
- o Adjust the bill we are putting forward to include a budget for MasterPlan

Sports & Events Recap → next BOD meeting

- o Money spent
- o Arrivals
- o Return on Investment

Immigration wait time / CBP → Lt. Gov. Task Force

- o Report from Lt. Governor's Office

- Management to set up workshop regarding GuestHouse issue - open to public

- Director Shinohara to present Board policies and procedures

- Staff to provide a short recap of 2016 Smart Goals: Where we are at and where we are going
→ next BOD meeting

- Management to craft Resolution congratulating Takagi-san on his award from the Emperor of Japan → PIO working with Japan Consulate

- Special meeting to discuss ideas for 2016 → GVB plans by Fiscal Year - Plan FY17 now

- Identify funds for Professional Consultant for Tumon Improvement Plan

- Update Tourism 2020