



BOARD OF DIRECTORS REGULAR MEETING

Thursday, September 29, 2016 – 3:00 p.m.
Guam Visitors Bureau – Main Conference Room

BOARD OF DIRECTORS PRESENT:

Chairman Mark Baldyga	Director Bruce Kloppenburg
Director Norio Nakajima	Director Milton Morinaga
Director Hong Soon Im	Director Robert Hofmann
Director Clifford Guzman	Director Theresa Arriola
Director Bart Jackson	

BOARD OF DIRECTORS TELEPHONICALLY:

BOARD OF DIRECTORS ABSENT:

Director Sam Shinohara	Director Eduardo “Champ” Calvo
Director Katarina Sgro	

GVB MANAGEMENT & STAFF PRESENT:

Jon Nathan Denight	Telo Taitaigue	Nicolas Yasuhiro
Nico Fujikawa	Laurette Perez	Ana Cid
Josh Tyqueingco	Karida Brennan	Antonio Muna
Doris Ada	Brian Borja	Regina Nedlic
Dee Hernandez	Mark Manglona	Colleen Cabedo
Meriza Peredo	Haven Torres	Russell Ocampo
Gina Kono	Kraig Camacho	

GVB MANAGEMENT & STAFF TELEPHONICALLY:

GUESTS:

I. CALL TO ORDER

Chairman Baldyga called the meeting of Board to order at 4:10 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 August 25, 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 September 8, 2016.

(Motion unanimously approved (Subject to minor revisions))

III. CHAIRMAN'S REPORT


- o Chairman Baldyga thanked the Board Directors, the GM, and management and staff for their efforts at JATA.
- o He reported that the meetings with the airlines in Seoul that he attended with Governor Calvo, the GM, and the DGM went very well.
- o He stated that there is a new bond we are looking to issue and it will be discussed in more detail in a working session.



- o He mentioned that there will be a working session to discuss the Korean Concierge. During this working session, concerns raised by JGTA need to be addressed.

IV. GENERAL MANAGER'S REPORT

Guam Visitors Bureau
President's Report
September 29, 2016



PRELIMINARY MTD Visitor Arrivals
September 1 - 28, 2016
Total: 116,662 (4.1%)

% Market Mix	Origin	Pax	% to LY
52.1%	Japan	60,821	-6.7%
34.8%	Korea	40,619	20.7%
4.5%	US/Hawaii	5,283	34.4%
2.9%	Taiwan	3,415	20.1%
1.3%	China	1,474	-32.5%
1.3%	Philippines	1,510	74.4%

Japan Marketing News

JATA Tourism Expo Japan 2016



- Over 170,000 people attended world's leading global tourism event
- Guam among 150 countries and regions represented through 1,600 exhibition booths
- Guam booth hosted Hafa Adal Chamorro Dance Show with Jesse and Ruby, Chamorro Craft School, Sports Paradise Island experience, Guam Quiz Show, Mr. & Ms. Guam greetings and other presentations
- Special concert held by half Chamorro, half Japanese pop star Alica
- Guam Chamorro Dance Academy featured youngest performers for the first time, ranging from 5-10 years old
- Strong social media presence through FB live, Instagram, Twitter and Snapchat

JATA Tourism Expo Japan 2016



RESEARCH

MARKETING

Japan Marketing News

Japan Marketing News

Japan Manager Yuji Mitsumori to retire



- Mitsumori to retire from GVB after nearly 24 years of service
- Retirement reception held to honor Yuji's time at GVB on Sept. 26, 2016
- Over 150 guests in attendance
- Special performance by Jesse and Ruby and their team of cultural dancers
- GVB Board resolution given to Mitsumori
- Honorary citizen's award given from Mayors Council of Guam
- Governor's Award presented by Lt. Governor to Mitsumori
- Staff presented special video presentation



China Marketing News



Brand USA Banner Roadshow | August 2-4th



China S&P Road International Tourism Expo August 29th - 30th



Joint Promotion with LY.com | 9/1 - 10/1



Brand USA Shanghai Road Show September 30th

China Marketing News

Sales Incentive Cooperation with Ctrip

Sales incentive payment will be paid quarterly based on sales target achievement. If Ctrip fails to achieve any quarter's sales target, then the sales incentive for the quarter will not be paid.

Description	2Q	3Q	2Q	3Q
	Target	Actual	Target	Actual
2016 Historical Averages	708	892	925	2125
2016 goal of 100% growth of previous year	1416	1784	1850	4250
Actual Performance	1788			

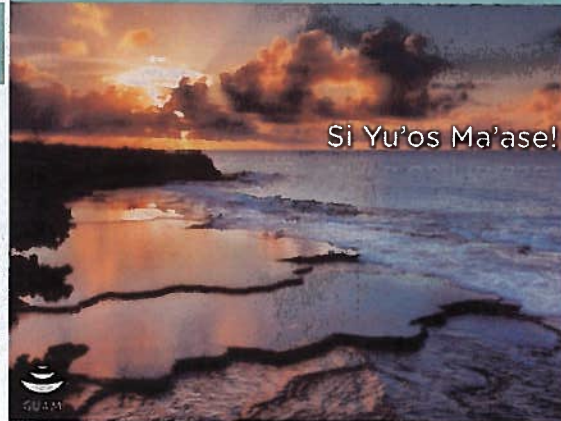
DESTINATION

Sports & Events



Guam Ko'ko' Road Races Press Conference

- Thursday, October 6, 2016
- Doors open at 5 p.m.
- Program starts at 6 p.m.
- Kitchens at the Hyatt Regency
- RSVP by Tuesday, October 4th to Karida Brennan





V. TREASURER'S REPORT

Exhibit B

FY 2016					
	Appropriation	Received to Date		Balance	
Operations	\$ 21,044,191.00	\$ 17,503,941.00	83%	\$ 3,540,250.00	17%
Destination Development	\$ 1,235,000.00	\$ 1,015,000.00	82%	\$ 220,000.00	18%
Rainy Day Fund	\$ 200,000.00	\$ 200,000.00	100%	\$ -	0%
Cultural & Sports Ambassador Fund	\$ 200,000.00	\$ 160,000.00	80%	\$ 40,000.00	20%
Pass-Thru	\$ 750,000.00	\$ 683,750.00	91%	\$ 66,250.00	9%
Guam Football Association	\$ 400,000.00	\$ 400,000.00	100%	\$ -	0%
Pilot Program Korean Visitor Market	\$ 250,000.00	\$ 250,000.00	100%	\$ -	0%
FESTPAC	\$ 1,300,000.00	\$ 1,300,000.00	100%	\$ -	0%
Capital Improvement Projects	\$ 1,000,000.00	\$ 1,000,000.00	100%	\$ -	0%
TOTAL	\$ 26,379,191.00	\$ 22,512,691.00		\$ 3,866,500.00	

Total Receivables FY 2016 \$ 3,866,500.00

Accounts

RESTRICTED

Bank of Guam - Rainy Day Fund	\$ 2,083,414.89
Bank of Guam - FESTPAC Trust Account ¹	\$ 654,837.71
Cultural & Sports Ambassador Fund	\$ 339,250.00
TOTAL	\$ 3,077,502.60

UNRESTRICTED

Bank of Guam - Operations	\$ 7,143,258.84
First Hawaiian Bank - Membership	\$ 73,642.41
Resona	\$ 173,875.20
Bank of Guam - TAF	\$ 2,540,490.91
Raymond James - CD value as of 08/31/2016 ²	\$ 2,524,491.82
TOTAL	\$ 12,455,759.18

TOTAL as of 09/26/2016 \$ 15,533,261.78

Current Payables

Asatsu Invoices JUN - AUG	\$ 778,966.09
Japan Invoices	\$ 30,442.95
Guam Invoices	\$ 884,196.40
FY 2016 Pass-thru appropriations	\$ 18,750.00
Encumbered Contracts	\$ 3,656,296.90
Encumbered Purchase Orders	\$ 206,781.97
FESTPAC Trust Account	\$ 654,837.71
TOTAL as of 09/26/2016	\$ 6,230,272.02

NOTES

NOTE 1

\$654,837.71 FESTPAC
 (\$283,442.79) FESTPAC expenditures - reimburse Operations
 \$371,394.92

NOTE 2

\$1,407,282.57 Morgan Stanley/Raymond James CD
 (\$86,542.00) Board approved \$86,542 on 07/23/15 for Department Revenue & Tax Auditors
 (\$700,000.00) Board approved \$700,000 on 02/25/16 for Pale San Vitores Road Bus Shelter Project
 (\$150,000.00) Board approved \$150,000 on 07/14/16 for Pale San Vitores Road Bus Shelter Project
 \$470,740.57





VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

MODE TOUR TRAVEL MART 2016

Director Kloppenburg made a motion, seconded by Director Guzman, to ratify Executive Committee's travel approval for KMC Chairman or designee, GVB President & CEO or designee, one GVB Marketing Staff, GVB Culture & Heritage Officer, one Miss Guam, two musicians, and four dancers to attend the Mode Tour Travel Mart in October 12 - 17, 2016 in Seoul, Korea. Cost is approximately \$35,130.00 from FY2017 Budget Accts# KO-SMD023 (\$9,770.00) and CPO-002 (\$25,360.00).

Motion Approved

Marketing

Airfare (\$900 x 3 pax)	\$ 2,700.00
BOD/MGMT Per Diem - Lodging (\$230/night x 5 nights + 25% x 2 pax)	\$ 2,875.00
BOD/MGMT Diem - M&IE (\$145/day x 6 days + 25% x 2 pax)	\$ 2,175.00
Staff Per Diem - Lodging (\$230/night x 5 nights x 1 pax)	\$1,150.00
Staff Diem - M&IE (\$145/day x 6 days x 1 pax)	<u>\$870.00</u>
Total	\$9,770.00

Culture & Heritage

Airfare (\$900 x 8 pax)	\$ 7,200.00
Per Diem - Lodging (\$230/night x 5 nights x 8 pax)	\$ 9,200.00
Per Diem - M&IE (\$145/day x 6 days x 8 pax)	\$ 6,960.00
Professional Fees: Musicians (\$100.00 x 4 days x 2 pax)	\$ 800.00
Dancers (\$50.00 x 4 days x 4 pax)	\$ 800.00
Miss Guam (\$100.00 x 4 days x 1 pax)	<u>\$ 400.00</u>
Total	\$25,360.00

Background: The Guam Visitors Bureau (GVB) plans to attend the 3rd Annual MODE TOUR Travel Mart that will be held at the SETEC Gangnam Exhibition Hall in Seoul, Korea from October 13 - October 16, 2016. 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 conduct interviews while in Seoul to promote next year's theme "Visit Guam 2017 - Year of Love". GVB is scheduling appointments with MODE TOUR leaders to discuss continued support, as well as meet with key travel agents.

Issue: Board approval for travel required.





B. GREATER CHINA

CHINA INTERNATIONAL TRAVEL MART 2016

Director Kloppenburg made a motion, seconded by Director Jackson, to approve travel for the Lieutenant Governor or his designee and (1) GVB Marketing Staff to participate in the China International Travel Mart (CITM) 2016 in Shanghai, China from November 11-13, 2016. Cost is approximately \$6,198.40 to be taken from the China Sales & Market Development Account No. CI-SMD023, subject to final FY2017 budget approval.

Motion Approved

Airfare:	\$1,000 x 2 pax					\$2,000.00
Per Diem:	Shanghai	Lodging	Nights	M&IE	Days	
	GVB Marketing Staff	\$259.00	4	\$143.00	4	\$1,608.00
	Lieutenant Governor or his designee	\$336.70	4	\$185.90	4	\$2,090.40
Misc. Expenses:	Business communication costs & excess baggage fees					\$500.00
Total						\$6,198.40

**Note: Only Lieutenant Governor entitled to 30%*

Background: China International Travel Mart (CITM) is universally acknowledged as the largest professional travel mart in Asia, which has drawn worldwide attention from the tourism industry professionals. The China National Tourism Administration, Civil Aviation Administration of China and Shanghai Municipal People's Government jointly organize CITM 2016.

CITM is held on a rotational basis in the cities of Kunming and Shanghai and this year the event will be held in Shanghai. As Shanghai is the only city with direct flights to Guam it is important for GVB to have a strong presence at CITM to increase visibility and awareness of Guam in Shanghai. To supplement and maximize on our presence in Shanghai, GVB will organize a strategic trade event to provide the latest Guam product updates to the travel trade in Shanghai. GVB will invite Guam tourism partners to participate in these events to establish extensive business and professional contacts while strengthening existing relationships with the travel trade. Furthermore, this is one of the final U.S. tourism promotional opportunities within 2016, China-U.S. Year of Tourism as declared by the U.S. and Chinese government.

TAIPEI INTERNATIONAL TRAVEL FAIR (ITF), DESTINATION GUAM TRAVEL TRADE WORKSHOP, AND GUAM CHAMORRO DANCE ACADEMY (GCDA)

Director Kloppenburg made a motion, seconded by Director Jackson, to approve travel for the Governor or Lieutenant Governor, (1) Governor Staff or Lieutenant Governor Staff, GVB President & CEO or his designee, GVB Director of Global Marketing, (2) Marketing Staff, Destination Specialist - Chamorro Culture, (1) Miss & (1) Mister Guam, (1) Master of Chamorro Dance, (1) Musician, and (4) Cultural Entertainers to attend the Taipei International Travel Fair and GCDA from November 2-6, 2016 in Taipei, Taiwan. Cost is approximately \$46,277.90, with \$18,071.90 to come from Acct. No. TA-TTC-031 and \$28,206.00 to come from Acct. No. DM-CPO-003 subject to final FY2017 budget approval.

Motion Approved





Marketing

Airfare:	\$1,200 x 6 pax					\$7,200.00
Per Diem:	Taipei	Lodging	Nights	M&IE	Days	
	Governor or Lieutenant Governor	\$221.00	4	\$132.60	4	\$1,414.40
	Governor's Staff or Lieutenant Governor's Staff	\$170.00	4	\$102.00	4	\$1,088.00
	GVB President & CEO	\$212.50	6	\$127.50	7	\$2,167.50
	GVB Director of Global Marketing (1 pax) & GVB Marketing Staff (2 pax)	\$170.00	6	\$102.00	7	\$5,202.00
Misc. Expenses:	Business communication costs & excess baggage fees					\$1,000.00
					Total:	\$18,071.90

Cultural Heritage

Airfare:	\$1,200 x 9 pax					\$10,800.00
Per Diem:	Taipei	Lodging	Nights	M&IE	Days	
	Destination Specialist-Chamorro Culture (1 pax), Miss & Mister Guam (2 pax), Master of Chamorro Dance (1 pax), Musicians (2 pax), Cultural Entertainers (3 pax)	\$170.00	6	\$102.00	7	\$15,606.00
Professional Fees:				Honorarium	Days	
	Miss & Mister Guam (2 pax)			\$100.00	3	\$600.00
	Master of Chamorro Dance (1 pax) & Musician (1 pax)			\$100.00	3	\$600.00
Cultural Entertainers (4 pax)			\$50.00	3	\$600.00	
					Total:	\$28,206.00

Grand Total: \$46,277.90

Background: Taipei's International Travel Fair (ITF) is one of the most popular travel fairs in the Asia Pacific Region and the biggest combined exhibition and sales event in Taiwan. In 2015, ITF hosted 950 exhibitors, 1,450 booths, and groups from more than 60 countries and regions. The four-day event attracted over 348,270 visitors and had exposure to more than 4,200 domestic and international media reporters.

Participation at ITF offers an invaluable investment due to its large trade and consumer reach and resources. GVB will exhibit the Guam product with key visuals combined with live display of Chamorro entertainment and other eccentric artistry that best showcases Guam's traditions and culture. This will include the Guam Chamorro Dance Academy (GCDA) workshop and performances at ITF.

In August 2016, the GCDA was initiated through the 777 Club of Taipei, a leading retirement organization. GCDA is a proven cross-cultural tourism promotion as displayed through the pilot

program in Tokyo, Japan. To continue the program, GVB's GCDA will also conduct a Chamorro culture workshop in Taipei where students will have the opportunity to showcase their knowledge





of Guam's at ITF. This will be a very exciting time for the GCDA and GVB to see the fruits of their learning and to see the immersion of Guam's culture integrated in Taiwan to a very large audience.

In addition, GVB will host its annual travel trade workshop to further market the Guam destination product and services and to promote year end signature events like SGF2016 and Koko Road Race as well as to announce Visit Guam 2017 "Year of Love". ITF is extended to the membership and those who participate will benefit at this workshop.

It is also vital that Guam leaders and GVB meet with key industry leaders in Taiwan to reinforce relationships, demonstrate Guam's presence and further network to maintain strong partners and develop new alliance in the industry. Timing and frequency in directly air service to Guam from Taiwan has changed during the last year, allowing more convenience for Taiwanese travelers to get to Guam. It is crucial that GVB and officials also meet with the airlines during ITF to reinforce Guam's commitment to their continued faith and promotion of Guam and to address reduced charter services that has in FY2016.

Issue: Board approval needed for all travel.

C. JAPAN

Director Morinaga made a motion, seconded by Director Jackson, to approve travel for the new Japan Manager, Satomi Yamamoto, to attend the JMC meeting on a quarterly basis. (Estimated cost of travel \$3,950.00 per trip, Account #JA-SMD003).
Motion Approved

Travel Expenses:

Airfare: \$700.00 x 4 meetings x 1 pax	\$2,800.00
JP Transportation to/from airport: \$100 x 4 meetings x 1 pax	\$400.00
Guam Per Diem: \$62.50 x 3 nights x 4 meetings x 1 pax	\$750.00
Total:	\$3,950.00

Background: The newly hired Japan Manager will attend her first JMC meeting in October to meet with our members, meetings with head office and meet stakeholders in our tourism industry. Familiarization tours and additional meetings on Guam are currently being planned for the near future.

- o The GM reported that the Japan Manager will be on island for the JMC meeting on October 11 and will meet GVB staff and the Board of Directors then.

D. KOREA

- o Director Jackson reported that we attended BITF in early September and GVB won the awards for best folklore performance and best booth design.
- o He reported that we attended a series of roadshows in Busan and Daegu and that Korea continues to do extremely well.
- o He mentioned that we will be hosting a Shop Guam Media Fam Tour with 8 pax beginning October 9.



MODE TOUR TRAVEL MART 2016

Director Jackson made a motion, seconded by Director Kloppenburg, to approve travel for KMC Vice-Chairman to attend the Mode Tour Travel Mart from October 12 - 17, 2016 in Seoul, Korea. Cost is approximately \$3,425.00 from FY2017 Budget Acct# KO-SMD023.

Motion Approved

Marketing

Airfare (\$900 x 1 pax)	\$ 900.00
BOD Per Diem - Lodging (\$230/night x 5 nights + 25%)	\$ 1,437.50
BOD Per Diem - M&IE (\$145/day x 6 days + 25%)	\$ 1,087.50
Total	\$3,425.00

Background: GVB plans to have KMC Vice Chairman, Mr. Hong Soon Im join the Guam Delegation that will participate in the 3rd Annual MODE TOUR Travel Mart, held at the SETEC Gangnam Exhibition Hall in Seoul, Korea from October 13 - October 16, 2016. Mode Tour Vice Chairman Hong personally reached out to Mr. Im to extend his invitation to this year's show. Mr. Im will join KMC Chairman, GVB President & CEO, GVB Marketing Staff, GVB Culture & Heritage Officer, Miss Guam, and a Chamorro cultural performance group in promoting Guam during this year's Mode Tour Travel Mart.

Issue: Board approval for travel required.

E. MEMBERSHIP & COMMUNITY OUTREACH

F. NORTH AMERICA & PACIFIC MARKETS

ITB ASIA 2016

Director Arriola made a motion, seconded by Director Kloppenburg, to approve travel for two GVB Marketing Staff to attend the ITB Asia 2016 in Singapore from October 19-21, 2016. Cost is approximately \$10,000.00 and will come from FY2017 Pacific Budget; Acct. No. PA-TTC077 and PA-SMD023.

Motion Approved

Travel Expenses:

Airfare:
\$2,000.00 x 2 pax \$4,000.00

Per Diem:
\$422 x 6 days x 2 pax \$5,064.00

Miscellaneous:
Excess baggage, communications,
Meetings expenses, etc. \$936.00

TOTAL EXPENSE: \$10,000.00

Background: The Guam Visitors Bureau (GVB) is planning to attend the ITB Asia 2016. 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 2015 received over 10,000 attendees from 100 countries. Approximately 760 exhibitors from 76 and 880 buyers accounted for more than 16,000 matched appointments. ITB Asia 2016 is set to be bigger and GVB looks forward to a successful participation.

While at ITB Asia, GVB plans to meet with United Airlines in Singapore and Cebu Pacific and their key agents to continue to promote travel to Guam. With key events like the Guam Ko'ko Road Race and the Shop Guam Festival scheduled for the later part of the year, this would be a good opportunity to try and generate interest from Singapore. In addition, GVB plans to attend the International Media Marketplace Asia as a networking opportunity to meet face to face over 80+ top-tier international media flown in by Scoot Airlines.

Issue: Board approval needed for all travel.

IMEX AMERICA 2016

Director Arriola made a motion, seconded by Director Kloppenburg, to approve travel for GVB Director of Global Marketing, GVB Marketing Manager - North America, and GVB Business Development Manager to attend the IMEX America at the Sands Expo in Las Vegas, Nevada from October 18-20, 2016 and conduct roadshows in San Diego, California and Washington D.C. from October 21-25, 2016. Cost is approximately \$14,784.00 from FY2017 budget accounts US-SMD023 (\$11,252.00) and BUS001 (\$3,532.00).

Motion Approved

IMEX America

Airfare: \$2,500 x 3 pax	\$7,500.00
Per Diem Lodging + M&IE: \$172.00 x 6 days x 3 pax	\$3,096.00
Misc. Expenses	<u>\$1,800.00</u>
	\$12,396.00
San Diego Guam Seminar	
Per Diem Lodging + M&IE: \$204.00 x 3 days x 2 pax	<u>\$1,224.00</u>
\$1,224.00	
Washington D.C. Guam Seminar	
Per Diem Lodging + M&IE: \$291.00 x 2 days x 2 pax	<u>\$1,164.00</u>
	\$1,164.00

TOTAL: \$14,784.00

Background: The Guam Visitors Bureau plans to attend the IMEX America, held at the Sands Expo in Las Vegas, Nevada from October 18-20, 2016. This will be the second time GVB will be attending IMEX America as an exhibitor. Since Guam now has the facilities to hold MICE groups with Dusit Thani's Convention Center that holds up to 1,000 pax, Dusit Thani Guam's General Manager and Director of Sales will be joining GVB in an effort to promote MICE business to the island. This is an opportune time to attract more MICE participants from the U.S. and source markets.

IMEX is the largest meetings industry trade show in the U.S. bringing together suppliers and buyers from around the U.S. and 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.



While in the U.S. Mainland, GVB plans to conduct a roadshows in both the West Coast (San Diego) and the East Coast (Washington, D.C.). GVB has contracted the Adventure Travel Trade Association to assist in the coordination of the roadshows by reaching their regional databases and provide publicity coverage in major US MICE trade publications and social media.

Issue: Board approval needed for travel.

- o The GM stated that this is the world's largest MICE show and we are continuing to learn and improve in this area. He mentioned that Dusit Thani will also be attending as we are trying to get the industry more involved.

PHILIPPINE MARKET MOTION

Director Arriola made a motion, seconded by Director Jackson, to approve authorization of the President and Chief Executive Officer as Chief Procurement Officer of GVB to enter into a contract with the highest-ranking qualified Offeror in response to GVB RFP 2016-012, TOURISM DESTINATION MARKETING REPRESENTATION SERVICES IN THE REPUBLIC OF THE PHILIPPINES.

Motion Approved

G. RESEARCH

Director Kloppenburg made a motion, seconded by Director Hofmann, to authorize the President and CEO as Chief Procurement Officer of GVB to negotiate with the highest-ranking qualified Offeror in response to GVB RFP 2016-016 Survey of Tourism Attitudes of Residents (STAR), and if successful, enter into contract.

Motion Approved

Summary: One of the priorities of the Guam Visitors Bureau (GVB) is to conduct research measuring resident attitudes towards tourism in Guam. Related to this research is the Survey of Tourism Attitudes of Residents (STAR) conducted every five years since 1993 that provides valuable insight into resident attitudes, both positive and negative, relating to Guam's visitor industry, including products and programs that are supported by the GVB with tourism revenues.

The STAR analyzes resident attitudes towards tourism and the tourism industry including various actions or activities that are supported by the industry through the Tourist Attraction Fund collections. The objectives of the study will include tracking key resident attitudes toward tourism, Chamorro culture, promoting Guam's visitor industry, identifying perceived positive and negative impacts of the visitor industry on the local community, and to identify issues or concerns regarding tourism expressed by local residents.

Beginning FY2016, the Guam Visitors Bureau will conduct the next STAR using methods or processes that will enhance the relevancy of the information, while maintaining the validity, reliability, and comparability of other surveys. The STAR surveys will be conducted on a biennial basis beginning 2016, 2018, and 2020.

- o The GM reported that this is the fourth year GVB has done this survey. The Administrator of Research & Evaluation reported that approximately \$35k was spent the last time this survey was conducted. The GM confirmed that this survey has been budgeted for.



H. RUSSIA & NEW MARKETS

RUSSIA MARKET MOTION

Director Jackson made a motion, seconded by Director Guzman, to approve authorization of the President and Chief Executive Officer as Chief Procurement Officer of GVB to enter into a contract with the highest-ranking qualified Offeror in response to GVB RFP 2016-013, TOURISM DESTINATION MARKETING REPRESENTATION SERVICES IN RUSSIA.

Motion Approved

GUAM PRODUCT UPDATE FAR EAST ROADSHOW

Director Kloppenburg made a motion, seconded by Director Guzman, to approve travel for GVB Board of Director Mr. Bart Jackson and two (2) GVB Marketing Staff to attend a Guam Product Update Far East Road Show in Russia from October 17-21, 2016. Cost is approximately \$12,000.00 and will come from FY 2017 budget acct. no. RU-TTC089.

Motion Approved

Marketing Budget Breakdown:

Airfare:	\$2,000.00 x 3 pax	\$ 6,000.00
BOD Per Diem:	(Vladivostok: \$335 x 2 days + Khabarovsk: \$296 x 1 day + Sakhalinsk: \$370 x 2 days) + 25%	\$ 2,132.50
Marketing Staff Per Diem:	(Vladivostok: \$335 x 2 days + Khabarovsk: \$296 x 1 day + Sakhalinsk: \$370 x 2 day) x 2 pax	\$ 3,412.00
Unanticipated Expenses:	Communications, excess baggage, meetings, etc.	\$ 455.50
Estimated Total:		\$12,000.00

Background: The Guam Visitors Bureau (GVB) is preparing to conduct a Guam Product Update in three (3) different cities in the Russia Far East. GVB plans to invite the top travel agents from Vladivostok, Khabarovsk, and Yuzhno-Sakhalinsk to promote Guam's 2017 Calendar of Events, with emphasis on the Shop Guam Festival 2016, Guam Ko'ko Road Race, and the Year of Love campaign.

GVB will be inviting its member hotels and tour operators to participate and join GVB by promoting their products and services. Together, we plan to introduce new products and focus on selling travel during slow peak periods when airfare and hotels are cheaper.

Issue: Board approval needed for all travel.

- o Director Jackson stated that we usually travel to Russia twice a year but because of FestPac and the PATA Annual Summit, we didn't attend the first event.
- o Director Arriola stated that we need to continue to have presence in Russia. She noted that we have scaled down recently but we can't be completely out of the market.
- o Director Jackson stated that two members of the GVB team are needed to staff this event because he is only able to attend one city.

I. VISITOR SAFETY & SATISFACTION

KOREAN CONCIERGE SERVICE PILOT PROGRAM

Director Im made a motion, seconded by Director Jackson, to authorize the President and CEO as Chief Procurement Officer of GVB to negotiate with the highest ranking





qualified Offeror for GVB RFP 2016-014: Korean Concierge Service Pilot Program, and if successful, enter into contract.

Motion Approved

Background: The Korean visitor market is proving to be an important market due to an increase in arrivals. Efforts are needed to sustain the growing number of first-time Korean visitors to the island and maintain growth in visitor arrivals through the creation of a pilot program for support services. On February 03, 2016, Public Law 33-112 was signed to appropriate \$250,000 from the fiscal year 2014 HOT surplus fund to the GVB for this pilot program.

There are currently four (4) airlines bringing in Korean tourists to Guam on an average of 6-10 flights per day approximately 58 inbound flights per week from Korea (source: Diio Mi - Market Intelligence for the Aviation Industry). The increase of Korea arrivals to Guam between 2014 and 2015 swelled from 301,923 to 427,818 and is expected to increase for 2016 / 2017 as well.

It is GVB's intent to establish a pilot program to provide concierge, emergency hotline, translation, language friendly hospital/clinic referral, transportation assistance, and any other support services that can enhance the visitor experience for our growing Korean visitor market.

- o Chairman Baldyga reported that JGTA is questioning why we can't have the same program for Japanese visitors. He also mentioned that there are some questions about the rules for this program. Both will be addressed in a working session.
- o Director Im reported that the airport live entertainment will end on September 30 and that he would like to continue this program. He spoke with GIAA Executive Manager about having a discussion with the GIAA Board regarding the live entertainment.
- o Director Im raised concerns about people distributing flyers along the road near and across Sand Castle. He thinks this should be brought to G4S's attention, as it doesn't create a nice image for families/tourists.
- o He reported that GPD informed him that three security cameras are broken. Docomo will be replacing them.
- o He reported that GPD is requesting for GVB to procure more tourist-friendly uniforms for officers assigned to Tumon Precinct.

J. CULTURE & HERITAGE

K. SPORTS & EVENTS

L. ADMINISTRATION & GOV'T RELATIONS

M. DESTINATION MANAGEMENT

ISLAND ROAD MAINTENANCE

Director Guzman made a motion, seconded by Director Jackson, to approve authorization of the President and CEO as Chief Procurement Officer of the Bureau to enter into a contract with the lowest responsible bidder for the Island Road Maintenance project.

Motion Approved

Background: The Bureau continues its efforts to maintain island medians and shoulders, at Rts 1, 14, 14B, 30, 30A, 34, 27, 16, 8 (Total 25.4 mi.) & So. Rts. 1, 2, 2A, 4 (Total: 29.9 mi.).

Issue: Board approval required.



BEACH CLEANING MAINTENANCE

Director Guzman made a motion, seconded by Director Jackson, to approve authorization of the President and CEO as Chief Procurement Officer of the Bureau to enter into a contract with the lowest responsible bidder for the Beach Cleaning Maintenance project.

Motion Approved

Background: Beach cleaning maintenance of Tumon and Hagatna Bay includes mechanical & manual raking; tree trimming, trash collection along sandy and non-sandy areas; trash removal from trash receptacles, trash receptacle maintenance and resetting trash receptacles.

Issue: Board approval required.

Chairman Baldyga made a motion to authorize the President & CEO as GVB Procurement Officer to procure Architect-Engineer services to assist with the Tumon District Improvement Plan Pursuant to Title 2 Guam Administrative Rules and Regulations Division 4 Section 5108.

Director Guzman made a motion, seconded by Director Kloppenburg, to amend the aforementioned motion as follows:

Motion to authorize the President & CEO as GVB Chief Procurement Officer to procure **Planner and/or** Architect-Engineer Services to assist with the Tumon District Improvement Plan Pursuant to Title 2 Guam Administrative Rules and Regulations Division 4 Section 5108.

Motion passed as stated and amended.

- o The GM stated that we need paid expertise to assist during the developmental stage so that when we present the bond, we have a solid plan with cost estimates and photos.
- o Director Kloppenburg stressed the importance of submitting a thorough plan with the bond.

VII. **OLD BUSINESS**

VIII. **NEW BUSINESS**

IX. **EXECUTIVE SESSION**

X. **ANNOUNCEMENTS**

Upcoming Board Meetings:

- o Thursday, October 13, 2016 at 3:00 p.m., GVB Main Conference Room
- o Thursday, October 27, 2016 at 3:00 p.m., GVB Main Conference Room
- o

Announcements:



XI. ADJOURNMENT

Chairman Baldyga made a motion to adjourn the meeting. Meeting adjourned at 4:44 p.m.
Motion Unanimously Approved

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

Board Minutes respectively submitted by Karida Brennan, Executive Secretary



Action Item:

- Management to set up workshop regarding GuestHouse issue – open to public → Management will schedule a meeting with DRT and 2 new hires in the next few months
- GM to follow up with DOA about payment for DRT auditors
- Update Tourism 2020 Plan → Working session prior to Board meeting on 9/29/16
- Management to follow up on Board vacancy
- Management to craft a letter opposing Bill 338
- Management to provide the Board with FestPac close out report

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
- 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