BOARD OF DIRECTORS REGULAR MEETING
Thursday, June 22, 2017 – 3:30pm
Guam Visitors Bureau - Main Conference Room
RECESS

BOARD OF DIRECTORS PRESENT:
Director Milton Morinaga                        Director Monte Mesa
Director Brad Kloppenburg                      Director Satoru Murata
Director William Nault                         Director Katarina Sgro
Director Bart Jackson                          Director Tak Takano
Director Young Hong

BOARD OF DIRECTORS TELEPHONICALLY:

BOARD OF DIRECTORS ABSENT:
Director Robert Hofmann                        Director Eduardo “Champ” Calvo
Director Theresa Arriola                       Director Sam Shinohara

GVB MANAGEMENT & STAFF PRESENT:
Jon Nathan Denight                            Antonio Muna                          Karida Brennan
Brian Borja                                    Kraig Camacho                         Josh Tyquingco
Regina Nedlic                                  Lisa Linek                            Nico Fujikawa
June Sugawara                                  Russell Ocampo                        Mark Manglona
Meriza Peredo                                  Colleen Cabedo                        Nadine Leon Guerrero
Rose Cunliffe                                  Pilar Laguana                         Sydney Leon Guerrero

GVB MANAGEMENT & STAFF TELEPHONICALLY:

GUESTS:

I. CALL TO ORDER

Chairman Morinaga called the meeting of the board to order at 3:33pm.

II. MINUTES OF THE PREVIOUS MEETING

Vice Chairman Mesa made a motion, seconded by Director Kloppenburg, to approve the minutes of the previous board of directors meeting dated June 8, 2017.
Motion unanimously approved (Subject to minor revisions)

III. CHAIRMAN’S REPORT

- Chairman Morinaga reported on the recent missions he attended (KOTFA, Hana Tour). Moving forward, he would like to make Guam booths more destination oriented.
- He also attended the LCC Conference in Japan and learned that China is experiencing problems trying to get their LCCs off the ground as their airports are crowded. Korea and Japan are having the same problem but a more pressing issue in Japan is that all LCCs are owned by ANA or Japan Airlines. LCCs from Korea and Hong Kong are helping, but they do not completely make up for the loss of flights from Delta. He also reported that the Chinese government is working to improve their railroad system.

IV. PRESIDENT & CEO’S REPORT
President Denight thanked the board, management and staff, and membership for their support at the FY2018 budget hearing.

### Guam Visitors Bureau
**President's Report**
**June 22, 2017**

### Research

<table>
<thead>
<tr>
<th>Month</th>
<th>% of Market</th>
<th>Origin</th>
<th>2016</th>
<th>2017</th>
<th>% to LV</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 2017</td>
<td>40.3%</td>
<td>Japan</td>
<td>36,212</td>
<td>34,011</td>
<td>-6.1%</td>
</tr>
<tr>
<td></td>
<td>44.8%</td>
<td>Korea</td>
<td>31,930</td>
<td>37,609</td>
<td>18.4%</td>
</tr>
<tr>
<td></td>
<td>1.1%</td>
<td>China</td>
<td>1,351</td>
<td>970</td>
<td>-28.2%</td>
</tr>
<tr>
<td></td>
<td>1.2%</td>
<td>Hong Kong</td>
<td>375</td>
<td>1,044</td>
<td>178.4%</td>
</tr>
<tr>
<td></td>
<td>2.1%</td>
<td>Taiwan</td>
<td>2,890</td>
<td>1,813</td>
<td>-32.6%</td>
</tr>
<tr>
<td></td>
<td>5.3%</td>
<td>US/Hawaii</td>
<td>4,253</td>
<td>4,475</td>
<td>5.9%</td>
</tr>
<tr>
<td></td>
<td>1.2%</td>
<td>Philippines</td>
<td>1,459</td>
<td>1,018</td>
<td>-29.2%</td>
</tr>
</tbody>
</table>

- Total: 84,391 (+4.0%)

### Calendar Year to Date 2017

<table>
<thead>
<tr>
<th>Month</th>
<th>% of Market</th>
<th>Origin</th>
<th>2016</th>
<th>2017</th>
<th>% to LV</th>
</tr>
</thead>
<tbody>
<tr>
<td>January-June 21</td>
<td>42.7%</td>
<td>Japan</td>
<td>348,166</td>
<td>313,413</td>
<td>-10.0%</td>
</tr>
<tr>
<td></td>
<td>41.1%</td>
<td>Korea</td>
<td>238,830</td>
<td>301,619</td>
<td>26.3%</td>
</tr>
<tr>
<td></td>
<td>16.0%</td>
<td>China</td>
<td>15,002</td>
<td>12,063</td>
<td>-20.1%</td>
</tr>
<tr>
<td></td>
<td>1.4%</td>
<td>Hong Kong</td>
<td>3,344</td>
<td>10,434</td>
<td>179.7%</td>
</tr>
<tr>
<td></td>
<td>2.6%</td>
<td>Taiwan</td>
<td>20,513</td>
<td>18,729</td>
<td>-8.7%</td>
</tr>
<tr>
<td></td>
<td>4.9%</td>
<td>US/Hawaii</td>
<td>36,963</td>
<td>35,854</td>
<td>-3.1%</td>
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<tr>
<td></td>
<td>1.2%</td>
<td>Philippines</td>
<td>9,431</td>
<td>8,492</td>
<td>-10.0%</td>
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</table>

- Total: 733,849 (+4.0%)

### Fiscal Year to Date 2017

<table>
<thead>
<tr>
<th>Month</th>
<th>% of Market</th>
<th>Origin</th>
<th>2016</th>
<th>2017</th>
<th>% to LV</th>
</tr>
</thead>
<tbody>
<tr>
<td>October - June 21</td>
<td>44.0%</td>
<td>Japan</td>
<td>536,832</td>
<td>495,013</td>
<td>-7.6%</td>
</tr>
<tr>
<td></td>
<td>40.3%</td>
<td>Korea</td>
<td>369,305</td>
<td>463,824</td>
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<tr>
<td></td>
<td>1.6%</td>
<td>China</td>
<td>19,747</td>
<td>17,450</td>
<td>-11.6%</td>
</tr>
<tr>
<td></td>
<td>1.2%</td>
<td>Hong Kong</td>
<td>6,263</td>
<td>13,932</td>
<td>122.4%</td>
</tr>
<tr>
<td></td>
<td>2.5%</td>
<td>Taiwan</td>
<td>29,539</td>
<td>28,450</td>
<td>-3.7%</td>
</tr>
<tr>
<td></td>
<td>4.8%</td>
<td>US/Hawaii</td>
<td>53,890</td>
<td>53,735</td>
<td>-0.3%</td>
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<tr>
<td></td>
<td>1.4%</td>
<td>Philippines</td>
<td>13,505</td>
<td>13,819</td>
<td>2.3%</td>
</tr>
</tbody>
</table>

- Total: 1,124,770 (+4.4%)
Japan Marketing News

1 Month Forecast

<table>
<thead>
<tr>
<th>Month</th>
<th>Forecast</th>
<th>Jul Arrival</th>
<th>Jul Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>March</td>
<td>12,000</td>
<td>13,000</td>
<td>8.3%</td>
</tr>
<tr>
<td>July</td>
<td>12,000</td>
<td>13,000</td>
<td>8.3%</td>
</tr>
<tr>
<td>August</td>
<td>12,000</td>
<td>13,000</td>
<td>8.3%</td>
</tr>
</tbody>
</table>

(Data Source: DQML, ASTA and skift MS)

Guam Summer Holiday Charter Flight Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Destination</th>
<th>Arrival</th>
<th>Departure</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 Jul 2017</td>
<td>USA</td>
<td>11:35</td>
<td>14:10</td>
</tr>
<tr>
<td>15 Jul 2017</td>
<td>UK</td>
<td>11:35</td>
<td>14:10</td>
</tr>
<tr>
<td>16 Jul 2017</td>
<td>Japan</td>
<td>11:35</td>
<td>14:10</td>
</tr>
<tr>
<td>17 Jul 2017</td>
<td>Australia</td>
<td>11:35</td>
<td>14:10</td>
</tr>
<tr>
<td>18 Jul 2017</td>
<td>New Zealand</td>
<td>11:35</td>
<td>14:10</td>
</tr>
</tbody>
</table>

Summary:
- July: Total 4,519 seats (14,519 total)
- August: Total 11,526 seats (14,198 seats)
- Total Civil & Aug: 16,045 (19,718 seats)

Co-operative Advertising
- DoNa Travel banner ads editorial page and coupon in DQMS until July 2017
- Ken Premier Hotel Management Ltd Globe Trotter Magazine: July 2017
- 145 Tokyo TV CM in Kanto: May - July 2017
- 145 Chubu Chunichi newspaper ads, banner ads on 145 website: May 20, 2017

Group Sales

<table>
<thead>
<tr>
<th>No.</th>
<th>August 1</th>
<th>August 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>12,137</td>
<td>11,875</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>11,613</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>11,462</td>
</tr>
<tr>
<td>4</td>
<td>11,311</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>11,250</td>
<td>11,250</td>
</tr>
</tbody>
</table>

(July & Aug)

Korea Marketing News

Visit USA Committee Korea Market Update

Regular Board Meeting - June 22, 2017 (3/22)
Regular Board Meeting - June 22, 2017 (4/22)

Korea Marketing News

KOTFA (The 32nd Korea World Travel Fair)
June 1-4 at COEX
97,735 pax attended

Korea Marketing News

Air Seoul Courtesy Visit
June 7, 2017
Air Seoul HQ office

Air Seoul Meeting with principals
CEO Mr. Ry. Poonung Seo,
Managing Director Mr. Cho,
Jummin General Manager,
Mr. Kang, Park Yu

Discussed:
- Air Seoul ICU - Guam launching
in September and GIA
- Air Seoul management pre-visit
for Guam before launch (7/18)
- Future re-inn opportunity
- Overall Korean LTC market status

Korea Marketing News

2017 Guam Food Festival Media Day
June 7, 2017
Grand Hyatt Seoul Poolside

118 pax (31 media / 15 Guam delegations / 18 celebrities)

Korea Marketing News

Hana Tour International Travel Show
June 8-11, 2017
KINTEX

Appet Number of Visitors 15,000 pax
On spot Guam Tour Product Selling, 2M+ for display, 16% increased vs. 2016Q1

Marketing News

IPW 2017
Washington, DC | June 3-7, 2017

- GVB Delegation attended IPW 2017, the largest travel trade show in the U.S.
- GVB secured over 80 pre-scheduled one-on-one appointments
- GVB hosted a "KiteFest" event with members of the Chamorro Organization from the Washington, DC, Maryland and Virginia area on June 5
Marketing News

PATA MICRONESIA CHAPTER
2ND TRI-ANNUAL MEETING | YAP, FSM
JUNE 14-17, 2017

- Yap Homecoming Event on
  June 17-18, 2017
- PATA Micronesia Chapter
  Vice Chairman, Bernance
  Ada, gave his brief remarks
  to the attendees of the Yap
  Homecoming Festival
- PATA Outgoing Chairman,
  Andrew Jones, was the
  keynote speaker and gave his
  remarks on global
  sustainability

Sports & Events

Guam BBQ Block Party
- Press conference to be held at 10
  a.m. on June 27 in the Outrigger
  Lobby
- Hot Dogger Dog hot dog eating
  contest to return
- Micronesian Chefs Association
  and GVB partnering for popular
  BBQ grilling competition w/ 8 confirmed
  competitors
- $46k in prize money
- Live entertainment by Guam
  Territorial Band and other artists
- T Gallela to host various activities
- Food and drink vendors
- Road closure Saturday, July 1 at 9
  a.m. to Sunday, July 2 at 3 a.m.
### V. TREASURER’S REPORT

#### Exhibit B

<table>
<thead>
<tr>
<th>FY 2016</th>
<th>Appropriation</th>
<th>Received To Date</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pass-Thru</td>
<td>$750,000.00</td>
<td>$712,500.00</td>
<td>$37,500.00</td>
</tr>
<tr>
<td><strong>TOTAL RECEIVABLES FY 2016</strong></td>
<td></td>
<td></td>
<td><strong>$37,500.00</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY 2017</th>
<th>Appropriation</th>
<th>Received To Date</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operations</td>
<td>$21,052,472.00</td>
<td>$15,962,050.50</td>
<td>$5,090,415.50</td>
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<tr>
<td>Destination Development</td>
<td>$1,085,000.00</td>
<td>$873,750.00</td>
<td>$211,250.00</td>
</tr>
<tr>
<td>Rainy Day Fund</td>
<td>$200,000.00</td>
<td>$150,000.00</td>
<td>$50,000.00</td>
</tr>
<tr>
<td>Cultural &amp; Sports Ambassador Fund</td>
<td>$200,000.00</td>
<td>$150,000.00</td>
<td>$50,000.00</td>
</tr>
<tr>
<td>Pass-Thru</td>
<td>$1,065,000.00</td>
<td>$887,500.00</td>
<td>$177,500.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$23,852,472.00</td>
<td>$17,863,306.50</td>
<td><strong>$5,889,165.50</strong></td>
</tr>
<tr>
<td><strong>TOTAL RECEIVABLES FY 2017</strong></td>
<td></td>
<td></td>
<td><strong>$5,889,165.50</strong></td>
</tr>
<tr>
<td><strong>TOTAL RECEIVABLES</strong></td>
<td></td>
<td></td>
<td><strong>$5,926,665.50</strong></td>
</tr>
</tbody>
</table>

**Accounts**

- **RESTRICTED**
  - Bank of Guam - Rainy Day Fund: $2,235,331.07
  - Cultural & Sports Ambassador Fund: $484,428.70
  - **TOTAL RESTRICTED**: $2,719,759.77

- **UNRESTRICTED**
  - Bank of Guam - Operations: $14,303,508.92
  - First Hawaiian Bank - Membership: $108,933.20
  - Raymond James - CD value as of 05/31/2017: $2,533,626.47
  - **TOTAL UNRESTRICTED**: $18,862,468.59

- **TOTAL CASH as of 06/19/2017**: $21,358,159.96

**Current Payables**

- Asatru invoices JAN - APR: $1,929,693.96
- Japan Invoices: $201,732.36
- Guam Invoices: $548,990.91
- Pass-Thru: $20,250.00
- Encumbered Contracts: $3,014,682.64
- Encumbered Purchase Orders: $139,001.33
- **TOTAL as of 06/19/2017**: $6,360,551.22

**NOTES**

**NOTE 1**

- $2,235,331.07 Rainy Day Fund
- $484,428.70 Rainy Day expenses - reimburse Operations
  - **$2,719,759.77**

**NOTE 2**

- $484,428.70 Cultural & Sports Ambassador Fund
- $2,533,626.47 Cultural & Sports Ambassador expenses - reimburse Operations
  - **$4,018,055.17**

**NOTE 3**

- $1,477,139.15 Morgan Stanley/Raymond James - CD
  - ($956,542.00) Board approved $86,542 on 07/23/15 for Department Revenue & Tax Auditors
  - ($700,000.00) Board approved $100,000 on 02/15/16 for Pale San Vitores Road Bus Shelter Project
  - ($50,000.00) Board approved $50,000 on 07/24/16 for Pale San Vitores Road Bus Shelter Project
  - ($50,000.00) Board approved $50,000 on 07/24/16 for Street light Project Management
  - ($42,525.00) Board approved $42,525 on 4/7/17 for USS Supplemental Budget Request
  - ($15,025.00) Board approved $75,000 on 4/8/17 for Guam Esports/FIABU/JIT Championship Hosting
  - **$2,189,269.15**

*June 19, 2017*
VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

B. DESTINATION MANAGEMENT

- Vice Chairman Mesa gave an update on the streetlights and bus shelters. All will be completed by September.
- We are currently on the second phase of the flooding mitigation project. Inlets are being installed along the roads, which will impact traffic in Tumon. Furthermore, we need to ensure property owners are retaining the water on their property.

C. GREATER CHINA

- Director of Global Marketing (DoGM) Laguana spoke briefly about the lawsuit between a Chinese airline and Saipan. The team will continue to monitor the situation.

D. JAPAN

Committee minutes dated June 13, 2017

- Director Nault reported that the team would like to improve on-island promotions. One such promotion could be treasure hunting. The team would work with membership and other markets to gain more support. President Denight agreed that this would be a great way to add value to our destination.
- Director Nault then touched on airlines. The committee feels we need to look into airlines in more detail. Each destination has its own weaknesses and obstacles and creating subcommittees for each destination to develop strategies to overcome those obstacles might be beneficial.
- Director Nault stated that we need to work more closely with GPD especially after the incident that occurred near the entrance of Two Lovers Point. Chairman Morinaga added that all directors should be on the Visitor Safety Officer chat. This will allow directors to make reports and share information more efficiently.
- Chairman Morinaga would like to start an island wide effort of speaking more English to visitors, especially children. This will help promote Guam as a family friendly US destination. Director Jackson reminded the team that while Guam is a family destination, we need to be careful not to position ourselves solely as a family destination, because that is not what all visitors look for.
- The committee would like for the Japan office to be more involved in committee meetings. Moreover, the committee is considering meeting twice a month instead of once. This would allow the team to be more progressive.

E. KOREA

- Director Jackson reported that the team attended two successful missions: KOTFA and Hana Tour.
- Air Seoul, a higher end LCC, will be coming to Guam in the second half of the year. One LCC may have to drop out as there are not enough rooms on island.
- Chairman Morinaga asked for the Korea office to monitor the development of the consumer protection law in Korea.
- Vice Chairman Mesa inquired up the auditors GVB hired through Rev and Tax. Director Jackson stated that they were hired three or four years ago to look into tour agent companies and optional tour companies that were not properly reporting income and...
paying taxes. They were not tasked to look into long term vacation rentals because at the
time, they were not an issue. Chairman Morinaga asked management to coordinate a
meeting with Rev and Tax to discuss how we should move forward with more current
issues.

F. MEMBERSHIP & COMMUNITY OUTREACH

o Director Kloppenburg thanked the team for their support at the recent membership
meeting. The next meeting is tentatively scheduled for August 15. The meeting after that is
tentatively scheduled for October 6. Both meetings will feature off island guest speakers.

G. NORTH AMERICA & PACIFIC MARKETS

H. RESEARCH

I. RUSSIA & NEW MARKETS

J. VISITOR SAFETY & SATISFACTION

o Director Hong reported that there are some issues with the showers at Ypao Beach. The
complaint has been forwarded to Department of Parks and Recreation.

o She then read a letter from the tourist involved in the incident near the Two Lovers Point
entrance. It detailed the incident and how they were assisted after. She thanked the
representative from Summer Dream for translating and the manager of Fishey e for dinner.
She would like to come to Guam again in the future. Chairman Morinaga said we should use
this as a learning experience.

K. CULTURAL & HERITAGE

Director Kloppenburg made a motion, seconded by Vice Chairman Mesa, to
approve travel for the Mr. and Miss Guam (Shop Guam Festival 2017 Promotion) to
attend the 6th Travel Madness Expo on July 7-9, 2017 at the SMX Convention
Center in Manila, Philippines. Total cost is approximately $5,910.00 from the
Cultural Heritage FY2017 Account.
Motion approved

Participation Budget Breakdown:

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Airfare:</td>
<td>$1,000.00 x 2 pax</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Mr/Miss GUAM Per Diem:</td>
<td>$291.00 x 5 days x 2 pax</td>
<td>$2,910.00</td>
</tr>
<tr>
<td>Prof. Fees:</td>
<td>$100 x 5 days x 2 pax</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>Estimated Total:</td>
<td></td>
<td>$5,910.00</td>
</tr>
</tbody>
</table>

Background: The travel industry is out to show its might at the 6th annual Travel Madness
Expo 2017, with most of its 5,000 players poised to show up at the event as exhibitors and in
other capacities to show their unity with all the allied sectors and the general public. The Travel
Madness Expo is the Philippines’ 2nd largest travel show with a main focus on outbound travel.

All of the four exhibit halls of the SMX Convention Center in the Mall of Asia have been booked
for the biggest ever-multispectral participation in the Travel Madness Expo, which has been
setting record highs since its debut in 2012. The Mr. and Miss Guam will highlight and kick-off
our SGF 2017 activities which PH Market will be the first to do.
The event is organized by executives of the top travel agencies in the Philippines and is considered to be the second largest travel expo in the Philippines.

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

- Chairman Morinaga asked if it is necessary for both to attend. DoGM Laguna stated that we will be promoting the Shop Guam Festival at this event and they are both Shop Guam Ambassadors.

**L. SPORTS & EVENTS**

Director Sgro made a motion, seconded by Vice Chairman Mesa, to approve travel for GVB Community Development Officer to participate in SPORTEC EXPO, the largest exhibition of Sports and Fitness in Japan from July 24-28, 2017. (Estimated cost $3,425.00 from Account # AS-ESP001).

**Motion approved**

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Round-trip Airfare: $1000 x 1 pax</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>Tokyo Full Per Diem: $485 x 5 nights x 1 pax</td>
<td>$2,425.00</td>
</tr>
<tr>
<td>Misc. Expenses</td>
<td>$0.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$3,425.00</strong></td>
</tr>
</tbody>
</table>

**Background:** SPORTEC is the largest and most comprehensive exhibition of the sports and fitness industry in Japan. Expectedly 800 exhibitors and 50,000 visitors will be gathered from the global sports and fitness industry displaying events, activities and products.

The Sports business in Japan has been one of the most worthy growth business investments. SPORTEC provides businesses the opportunity to share products, events and grow your network within the Sporting Fitness Industry in Japan. With that said, GVB Japan will be occupying a booth space at SPORTEC in order to promote Ko'ko' and all other Guam Sporting and signature events. At which time GVB will meet with and introduce its new Japan Ko'ko' secretariat with JTB Sports Desk.

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

- Because this is a Japan event, Chairman Morinaga asked that the committee communicate better with the Japan Marketing Committee (JMC) so that they can offer their support as well. He emphasized how important it is to communicate between committees and markets.

**M. ADMINISTRATION & GOVT RELATIONS**

- Resolution No: 2017-001 Relative to recognizing Emelia Sanchez Quinata for her twenty years of dedication and service to the GVB and the people of Guam, and honoring her on her retirement (Exhibit D).

**Chairman Morinaga made a motion, seconded by Vice Chairman Mesa, to approve Resolution No: 2017-001.**

**Motion approved**

**VII. OLD BUSINESS**

**VIII. NEW BUSINESS**
IX. EXECUTIVE SESSION

X. ANNOUNCEMENTS

Announcements:

- Resolution presentation for President’s “E” Award: June 23 at 2pm, Congress Building
- Guam BBQ Block Party press conference: June 27 at 10am, Outrigger lobby
- Håfa Adai Study Tour:
  - Thursday, June 29
    Welcome Reception (Korea, China and PI market)
    Venue: Guam Museum 6:30 pm to 8:30 pm
  - Friday, June 30
    Trade Show 9:30 am to 11:30 am (Japan market)
    Venue: Dusit Thani Grand Ballroom
    Trade Show 2:00 pm to 4:00 pm (Korea, China and PI market)
    Venue: Dusit Thani Grand Ballroom
  - Friday, June 30
    Welcome Reception (Japan market)
    Venue: The Beach 6:30 pm to 8:30 pm
- Guam BBQ Block Party: July 1

Upcoming Board Meetings:

- Thursday, July 13, 2017 at 3:30pm, GVB Main Conference Room
- Thursday, July 27, 2017 at 3:30pm, GVB Main Conference Room

XI. ADJOURNMENT

Chairman Morinaga made a motion, seconded by Vice Chairman Mesa, to enter into recess. Meeting to reconvene on Wednesday, June 28 at 3:30pm in GVB’s main conference room. Meeting recessed at 4:55pm.
Motion unanimously approved
Action Items:

1. VSS Committee to find solution for lighting issue along beaches
   - Lighted sidewalks
   - Lights provided by hotels, but not projected over water

2. Assignment of the Chairperson for the Administration and Government Relations Committee

3. Management to look into drafting rules and regulations for signage in bus shelters

4. Management to facilitate meeting with GVB, GIAA, and GEDA regarding the current situation in the Japan market

5. Management to schedule a board working session to discuss tourism capital improvements
I. CALL TO ORDER

Chairman Morinaga called the meeting of the board to order at 3:45pm.

II. REPORT OF THE BOARD COMMITTEES

A. DESTINATION MANAGEMENT

- Vice Chairman Mesa reported that the committee wanted to give a presentation to update the board on CIP projects for the new fiscal year. He introduced the Destination Management Subcommittee Chairman, Clifford Guzman, Willy Flores, the President of WB Flores & Associates, and Alan Fujimori from Pacific Alliance. Mr. Guzman stated that the presentation will go over what encompasses the $59 million proposed bond. He then gave the floor to Mr. Flores and Mr. Fujimori to give the presentation.
For the first HOT Bond, $11 million was set aside for flood mitigation. Approximately $8 million remains as $3 million was used for the study and first phase of the project. Proposed legislation will appropriate the remaining funds to the Palacio in Hagåtña.

Mr. Flores added that another effort we need to make to mitigate flooding is to ensure property owners are not discharging rainwater onto the roads.
$20 million includes one year of maintenance for hardscape.

Lighting and signage will supplement GVB’s current streetlights project.
Chairman Morinaga agrees with the public park improvements but he wants to ensure that safety is the top priority.
PUBLIC PARKS IMPROVEMENTS

1. PROBLEM
   - Current Parks need an upgrade to maintain a beach resort quality throughout to visitors and the local community.

2. SOLUTION
   - Designate specific areas with beach trails and facilities to enhance the park experience by adding pedestrian walkways.
   - Add pedestrian walkways for safety and security.
   - Improve beach maintenance.
   - Enhance storm water management solutions in the park
   - Develop public amenities for comfort and maintenance.

3. ORDER OF IMPACT/SURVEY PROBABLE COST: $15,000.00

   FIGURE 20: Study Shoreline with a beach walk
   FIGURE 21: Add decorative lighting for safety and aesthetics

   FIGURE 22: Enhance park experience with identified courses and pathways

   FIGURE 23: Ypao Beach Model
Maintenance for the Fisherman's Co-op will be funded by the Fisherman's Co-op; maintenance is not included in the $4 million.
- Director Arriola asked why the funding for Historic Inalahan and F.Q. Sanchez E.S. Revitalization is not coming from the Guam Preservation Trust (GPT). Vice Chairman Mesa stated GPT does not have enough so we are assisting them.
- Director Arriola shared her concerns about funding another museum when the Guam Museum in Agana is still trying to open.
- Director Hofmann feels that instead of funding the Humatak Museum, we should use those funds to improve other points of interest that are frequented by more visitors. The board agreed to amend the resolution with this change.
Resolution 2017-002 Relative to approving the Capital Improvement Projects plan as submitted by the Guam Visitors Bureau Destination Management Subcommittee and endorsing the proposed legislation authored by Senator Dennis Rodriguez entitled, “An act to add a new section 1515.1 to Article 5 Chapter 1 of Title 5, Guam Code Annotated” that provides funds for the implementation of this plan (Exhibit E).

Vice Chairman Mesa made a motion, seconded by Director Hofmann, to approve Resolution No: 2017-002 subject to amending the last item on page 2 to read “POINTS OF INTEREST & VILLAGE SCENIC SITES” instead of “HUMATAK MUSEUM.” Motion approved as stated and amended.

- Vice Chairman Mesa reported that DMC submitted proposed signage rules and regulations for the government to consider for the hotel zone only, not the whole island.
- Director Hong reported a damaged road area near DFS. Director Hofmann said that he would look into it.

B. ADMINISTRATION & GOV'T RELATIONS

- President Denight directed the board to Bill No. 90-34 An act to add a new § 849.13 to Article 1 of Chapter 8, Title 1, Guam Code Annotated, relative to dedicating and naming the Guam Visitors Building, as the Nobert “Bert” R. Unpingco Building (Exhibit F). The public hearing for this bill will be on Thursday, July 6. Once the draft testimony is completed, President Denight will share it with the board for review.
- Director Arriola suggested including “visitor’s center” in the new name so that tourists are still able to identify who we are as an agency.

C. JAPAN

Director Nault made a motion, seconded by Director Arriola, to approve travel for GVB President & CEO to participate in airline meetings in Tokyo, Japan with GIAA from July 5-8, 2017. Estimated cost of travel is $3,170.00 to be paid from JASMD008. Motion approved.

| Airfare:  | $1,000 x 1 pax | $1,000.00 |
Par Diem:

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Total: $3,170.0

Background: The A.B. Won Pat Guam International Airport Authority will be conducting an overseas mission for air route development to Guam with Executive Manager Charles Ada and air service route development consultant ASM. One leg includes a visit to Tokyo to meet with current and potential airline partners to, once again, discuss the Guam business opportunity for more direct service. GVB has been invited to participate and will present a follow-up to the initial presentation of the air service support plan in April. Scheduled meetings include Delta and Skymark.

Japan’s seat capacity and arrivals continue to decline. Stakeholders and business partners are critically reviewing the performance of Guam’s number one market and GVB stands ready to change factors in favor of Guam relative to the economics of supply and demand.

Issue: Board approval required for all travel.

D. NORTH AMERICA & PACIFIC MARKETS

- Director Hofmann reported that we will be hosting two liberators for Liberation Day. We will be asking members for in-kind contributions.

PATA EXECUTIVE BOARD MEETING IN JULY 2017

Director Hofmann made a motion, seconded by Director Arriola, to approve travel for President & CEO, Jon Nathan Denight to attend the PATA Executive Board meeting on July 2017 in Bangkok, Thailand. (Cost approximately $3,500.00 Acct. No. PA-SMDO25)

Motion approved

Travel Expenses:

- Airfare: $1,500 x 1 pax $1,500.00
- Per Diem: $246 x 5 days + 25% $1,537.50
- Unanticipated Expenses (Communications, excess baggage, etc) $462.50
- TOTAL ESTIMATED EXPENSES $3,500.00

Background: GVB President & CEO, Mr. Jon Nathan Denight, was elected as the Chairman for the PATA Government & Destinations Committee during the PATA Annual Summit 2017 in Sri Lanka, which also affords him a position on the PATA Executive Board. Mr. Denight joins Director of Global Marketing, Ms. Pilar Laguña on the Executive Board of PATA, which presents Guam and the region of Micronesia a unique opportunity and strong presence in PATA. This will be Mr. Denight’s first PATA Executive Board Meeting.

III. OLD BUSINESS

- Vice Chairman Mesa spoke briefly about a letter from Sam Shinohara with United Airlines. He asked President Denight to forward the letter to the rest of the board. President Denight stated that the letter was sent after United held a meeting with their industry partners. He added that he will be joining a conference call with the air route planner tomorrow morning.
- Chairman Morinaga asked President Denight to follow up on the bus shelter maintenance issue with bus companies. President Denight elaborated on the issue stating that the team
proposed a usage fee for the bus shelters. Bus companies felt the usage fee was too high so we are working with them to find ways to reduce the cost.

Chairman Morinaga announced that the Christmas village that is usually located in the open lot across Proa will be moved to the lot adjacent to Royal Orchid this year.

IV. ADJOURNMENT

Vice Chairman Mesa made a motion, seconded by Director Jackson, to adjourn the meeting. Meeting adjourned at 5:17pm. Motion unanimously approved

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

Board Minutes respectively submitted by Karida Brennan, Executive Secretary
Action Items:

1. VSS Committee to find solution for lighting issue along beaches
   - Lighted sidewalks
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2. Assignment of the Chairperson for the Administration and Government Relations Committee

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