



**BOARD OF DIRECTORS REGULAR MEETING**

Thursday, May 10, 2018 – 3:30pm

Guam Visitors Bureau – Main Conference Room

**BOARD OF DIRECTORS PRESENT:**

Director Milton Morinaga	Director Eduardo "Champ" Calvo
Director Brad Kloppenburg	Director Young Hong
Director Theresa Arriola	Director Katarina Sgro
Director William Nault	Director Bartley Jackson
Director Robert Hofmann	Director Tatsuo Takano

**BOARD OF DIRECTORS TELEPHONICALLY:**

**BOARD OF DIRECTORS ABSENT:**

Director Samuel Shinohara	Director Satoru Murata
Director Monte Mesa	

**GVB MANAGEMENT & STAFF PRESENT:**

Jon Nathan Denight	Maura Yi	Rose Q. Cunliffe
Brian Borja	June Sugawara	Karida Brennan
Nico Fujikawa	Colleen Cabedo	Josh Tyquiengco
Regina Nedlic	Elaine Pangelinan	Breeana Garrido
Mark Manglona	Maria San Nicolas	

**GVB MANAGEMENT & STAFF TELEPHONICALLY:**

**GUESTS:**

Joseph Mesngon - Office of Senator Dennis Rodriguez  
Tricee Limtiaco - Guam Power Authority

---

**I. CALL TO ORDER**

Chairman Morinaga called the meeting of the board to order at 3:53 pm.

**II. MINUTES OF THE PREVIOUS MEETING**

Exhibit A

Director Arriola made a motion, seconded by Director Jackson, to approve the minutes of the previous board of directors meeting dated April 26, 2018.  
Motion unanimously approved (Subject to minor revisions)

**III. CHAIRMAN'S REPORT**

- Chairman Morinaga reported having a good meeting with Korean Consul General Lim, Director Jackson, Director Hong, and President Denight in efforts to grow and support the Korean market.

**IV. PRESIDENT & CEO'S REPORT**

GUAM VISITORS BUREAU

**PRESIDENT'S REPORT**  
**05-10-2018**

**April 2018**

**April 1-30, 2018**

**Total: 117,689 (-4.0%)**

% Market Mix	Origin	2017	2018	% to LY
33.9%	Japan	49,834	39,934	-19.9%
51.2%	Korea	53,517	60,266	12.8%
1.9%	Taiwan	3,209	2,241	-30.1%
0.9%	China	1,720	1,050	-39.0%
5.9%	US/Hawaii	6,991	6,931	-13.8%
0.5%	Hong Kong	2,052	593	-71.1%
1.6%	Philippines	2,135	1,848	-13.5%
0.3%	Russia	232	315	35.8%

Source: Guam Customs Declaration Forms, Processed by the Guam Visitors Bureau

**RESEARCH**

**Calendar Year to Date 2018**

**January – April 30, 2018**

**Total: 514,168 (-3.5%)**

% Market Mix	Origin	2017	2018	% to LY
38.7%	Japan	232,611	188,925	-18.8%
47.1%	Korea	212,439	242,298	14.1%
1.9%	Taiwan	13,521	9,615	-28.9%
1.4%	China	9,486	7,313	-22.9%
5.7%	US/Hawaii	26,191	29,298	11.8%
0.4%	Hong Kong	7,711	1,969	-74.5%
1.1%	Philippines	5,972	5,674	-5.0%
0.3%	Russia	1,255	1,752	39.6%

Source: Guam Customs Declaration Forms, Processed by the Guam Visitors Bureau

**Fiscal Year to Date 2018**

**October 2017 – April 30, 2018**

**Total: 889,679 (-3.7%)**

% Market Mix	Origin	2017	2018	% to LY
35.8%	Japan	414,211	316,718	-23.5%
48.3%	Korea	364,435	429,315	17.8%
1.8%	Taiwan	23,242	15,571	-33.0%
1.3%	China	14,873	11,378	-23.5%
5.4%	US/Hawaii	44,092	47,966	8.8%
0.5%	Hong Kong	11,209	4,029	-64.1%
1.3%	Philippines	12,999	12,007	-7.6%
0.3%	Russia	2,202	2,900	31.7%

Source: Guam Customs Declaration Forms, Processed by the Guam Visitors Bureau

**May 2018**

**May 1-5, 2018**

**Total: 19,461 (-17.4%)**

% Market Mix	Origin	2017	2018	% to LY
41.1%	Japan	11,827	8,063	-31.8%
46.1%	Korea	9,421	8,976	-4.7%
1.2%	Taiwan	189	240	27.0%
0.9%	China	144	175	21.5%
4.5%	US/Hawaii	825	878	6.4%
0.3%	Hong Kong	304	49	-83.9%
1.8%	Philippines	218	349	61.6%
0.2%	Russia	10	47	370.0%

Source: Guam Customs Declaration Forms, Processed by the Guam Visitors Bureau

Note: May 2018 Daily Arrivals reflect Children Air arrivals only

## Calendar Year to Date 2018



January – May 5, 2018

Total: 533,629 (-4.1%)

% Market Mix	Origin	2017	2018	% to LY
36.8%	Japan	244,438	196,988	-19.4%
47.1%	Korea	221,860	251,274	13.3%
1.8%	Taiwan	13,710	9,856	-28.1%
1.4%	China	9,630	7,488	-22.2%
5.7%	US/Hawaii	27,818	30,176	11.7%
0.4%	Hong Kong	8,015	2,018	-74.8%
1.1%	Philippines	8,188	6,023	-27.7%
0.3%	Russia	1,285	1,799	42.2%

Source: Guam Customs Declaration Forms, Processed by the Guam Visitors Bureau.

Note: May 2018 Daily Arrivals reflect Chitose Air arrivals only.

## Fiscal Year to Date 2018



October 2017 – May 5, 2018

Total: 909,140 (-4.0%)

% Market Mix	Origin	2017	2018	% to LY
35.7%	Japan	426,838	324,781	-23.8%
48.2%	Korea	373,856	438,281	17.2%
1.7%	Taiwan	23,431	15,811	-32.5%
1.3%	China	15,017	11,553	-23.1%
5.4%	US/Hawaii	44,917	48,844	8.7%
0.4%	Hong Kong	11,513	4,078	-64.6%
1.4%	Philippines	13,215	12,356	-6.5%
0.3%	Russia	2,212	2,947	33.2%

Source: Guam Customs Declaration Forms, Processed by the Guam Visitors Bureau.

Note: May 2018 Daily Arrivals reflect Chitose Air arrivals only.

## MARKETING

## Japan Marketing News



### Air Service Development Meetings

- Japan Air Lines
  - April 27 in Tokyo, Japan
  - Agenda: Second daily flight operation, sales update, and opportunities for winter period
- HIS
  - April 27 in Tokyo, Japan
  - Agenda: Charter flights, sales plan, support from GVB, current market situation, and VIP Fam Tour



## Japan Marketing News



### Tokyo Rainbow Pride

- May 4-7, 2018 at Yoyogi Park
- 100,000+ attendees
- GVB operated a booth, met with consumers, and distributed promotional materials throughout the duration of the two-day event
- The Guam delegation participated in the Pride March alongside 7,000 other festival goers
- Guam collateral will be distributed in Tokyo, Osaka, Nagoya, and Fukuoka through a sponsorship opportunity



### Okayama Citizens Delegation

- 23 pax from Okayama, Japan visited Guam from May 6 – 9, 2018 as part of a friendship agreement signed in 2010 by Governor Felix Camacho and former Mayor of Okayama, Shigeo Takaya
- VIP guests
  - The Honorable Masao Omori, Mayor of Okayama
  - Mr. Hiroshi Miyatake, Chairperson of Okayama City Council
  - Mr. Takashi Wake, Chairperson of the Congressional Association for Friendship Between Okayama and Guam
- Itinerary
  - Dinner reception hosted by GVB
  - Guam Micronesia Island Fair
  - Courtesy calls to Consul-General of Japan and University of Guam
  - Various national parks, optional tours, and tourist attractions





## Korea Marketing News



Total Number of Korean Outbound Travelers



- Total number of Korean outbound travelers: 2.2 million (2018 MAR) -> 16.1% increased vs. 2017 MAR
- 2017 MAR YTD: 7.4million -> 14.1% increased vs. 2017 YTD
- \* Reference: Korea Tourism Organization (<http://kto.go.kr>)

## Korea Marketing News



### Airline Capacity to Guam MAY 2018

Incheon - Guam

Airline	Flight No.	DEP. Time	Days	2018 May	2017 May
Korean Air	KE113	09:45	Daily	8,021	8,021
	KE111	19:35	Daily	8,559	8,559
Jeju Air	7C3102	10:35	Daily	5,859	5,859
	7C3106	20:20	Daily	5,859	5,859
Jin Air	7C3108	21:50	2 times/week	4,158	NA
	LJ641	09:35	Daily	5,859	12,183
T'Way Air	TW201	18:00	Daily	5,859	5,859
Air Seoul	RS102	20:45	Daily	8,043	NA
TOTAL SEAT CAPACITY				51,216	47,337

- Jeju Air 7C3108 flight has been decreased the number of flight to 5 times per week
- Jin Air replaced LJ641 aircraft from 8772 (373 seats) to 8738 (189 seats) due to the aircraft maintenance.
- Outbound seat capacity from ICN to GUM = 51,216 seats (3,879 seats more than 2017 MAY)

## Korea Marketing News



### Airline Capacity to Guam

Busan - Guam

Airline	Flight No.	DEP. Time	Days	2018 May	2017 May
Korean Air	KE2115	22:05	4 times/week	2,484	2348
Jeju Air	7C3154	22:00	Daily	5,859	5,859
Jin Air	LJ647	08:00	Daily	5,859	3,607
Air Busan	BX612	22:05	2 times/week	4,485	3,215
TOTAL SEAT CAPACITY				18,887	14,922

- Jin Air (LJ647) & Air Busan (BX612) increased number of flight to daily basis and 5 times per week respectively.
- Outbound seat capacity from BUS to GUM = 18,887 seats (3,765 seats more than 2017 May)

Daegu - Osaka - Guam

Airline	Flight No.	DEP. Time	Days	2018 May	2017 May
T'Way Air	TW311	08:30	Daily	5,859	5,859
TOTAL SEAT CAPACITY				5,859	5,859

- Outbound seat capacity from DAE to GUM = 5,859 seats (same as 2017 May)
- It includes a certain portion of Japanese travelers

## Korea Marketing News



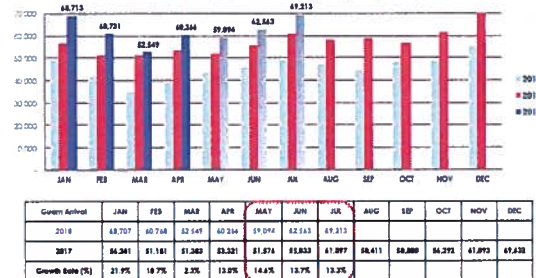
Total Outbound Seat Capacity (May)

2018 May	2017 May
51,216 seats	47,337 seats
18,887 seats	14,922 seats
5,859 seats	5,859 seats

## Korea Marketing News



Number of Korean Outbound Travelers - to Guam



Current Month	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2016	68,707	60,748	62,549	60,316	67,045	62,543	69,313					
2017	64,361	61,181	61,380	63,321	61,878	61,833	61,897	66,411	66,889	66,293	61,993	69,432
Growth Rate (%)	21.9%	19.7%	2.3%	13.0%	14.4%	13.7%	13.2%					

### 2018 GMIF Media Project with Olympus & AB Road

- Project Period: May 1 - 5, 2018
- No. of participants: 14px (7 Digital influencers / 1 Next Paper / 2 Olympus / 2 AB Road / 2 GVB Korea)
- The contents generated from the FAM tour will be included in AB Road's June 2018 Special Guam Edition, where Guam will receive 18 pages worth of exposure.



## Korea Marketing News



GMIF postings will have been uploaded on each digital influencers' blog and SNS channels until June 6, 2018



## Korea Marketing News



### New Balance Kids Photo Shooting

- ✓ Period: May 8 – 11, 2018
- ✓ Co-Partner: New Balance Kids
- ✓ Objective: To promote Guam as a family friendly destination through pictorial, offline & online exposure co-op with one of the biggest consumer / sport global brand, New Balance Kids targeting the 2018 season.
- ✓ Promotion: the photos will be exposed in time for 2018 summer season from May to July through New Balance offline stores (120ea in Korea) and online (website, blog, SNS etc.)



## Korea Marketing News



### 2018 Hana Tour International Travel Show

- ✓ Period: June 7 – 10, 2018
- ✓ Concept: Guam Pavilion
- ✓ Process:
  - Confirm the participating Guam local partners
  - Develop & finalize the Guam pavilion design
  - Operational logistics



- ✓ Co-exhibition
  1. Phil (Hanon / Sheraton / Nikko)
  2. Phil (Hanon / Sheraton / Nikko)
  3. Durr Thom Guam Resort
  4. Hanoi Agency Guam
  5. Lotte Hotel Guam
  6. Guam Reef & Olive Spa Resort
  7. Onward Beach Resort Guam
  8. Guam Plaza Resort & Spa
  9. Pacific Star Resort & Spa
  10. Fiesta Resort Guam
  11. Durrigger Guam Beach Resort
  12. Western Resort Guam
  13. Bayview & Oceanview Hotel Guam
  14. Royal Orchid Hotel Guam
  15. Pressure Island
  16. Nason Rent a Car
  17. Sky Dive

## Korea Marketing News



### 2018 Guam Food Festival in Seoul

- ✓ Date: June 12, 2018
- ✓ Target Audience: approximately 130pas (Trade partners, Media, Guam partners, Digital influencers)
- ✓ To introduce Guam local restaurants and to promote Guam food & culture by presenting Guam major restaurants' food and cultural performances during the festival
- ✓ To provide an opportunity to network with Guam local partners and major travel trade partners & media in Seoul and to extend an opportunity to Guam local restaurants (GV's members)



### 2018 KOTFA – the 33<sup>rd</sup> Korea World Travel Fair Seoul

- ✓ Period: June 14 – 17, 2018
- ✓ Concept: GVB Independent Booth
- ✓ Process:
  - Develop & finalize the Guam pavilion design
  - Operational logistics
  - Confirm the participating Guam local partners

## China Marketing News



### 3 Month Airlift Forecast

Month	Forecast Pax	Last Year	%Change	Seat Forecast '18	Seat Data '17	% Change Seats
May	1129	1614	-30%	3164	3728	-28%
June	1184	1491	-20%	3164	3726	-28%
Jul	1590	1985	-20%	3164	3726	-28%

May	June	July
<b>Nationwide</b> KE, estimated 2000 seats per month for China market (A330-300)  PR, estimated 500 seats per month for East-China market (A320-100)  Hong Kong UA4 flights per week, estimated 684 seats per month for China market (A737-88)	<b>Nationwide</b> KE, estimated 2000 seats per month for China market (A330-300)  PR, estimated 500 seats per month for East-China market (A320-100)  Hong Kong UA4 flights per week, estimated 684 seats per month for China market (A737-88)	<b>Nationwide</b> KE, estimated 2000 seats per month for China market (A330-300)  PR, estimated 500 seats per month for East-China market (A320-100)  Hong Kong UA4 flights per week, estimated 684 seats per month for China market (A737-88)

## China Marketing News



### Shanghai Radio 101 Media Fam

May 25- May 30, 2018

- Cooperated media fam trip with Korean Air (KE)
- Target: Young generation
- Through the cooperation with one of the top radio programs in Shanghai, we are aiming to increase destination awareness in Shanghai and Eastern China markets and highlight the light outdoor offerings in Guam and the GIM event
- KE Shanghai General Manager Hong will accompany the group along with top KE Trade partners





## China Marketing News

### New Products Launch after United Pulling Out

April-May, 2018

- in cooperation with Korean Air and Philippine Airlines, key TOs in Eastern Market (Shanghai and Nanjing) launched new products targeting low seasons and early summer.

Early Summer Holiday Series group by Spring Tour



## China Marketing News

### Aviation Development Updates

- In discussion with Golv.com to increase air capacity from China to Guam
- Option A: Golv is currently operating charters from HK to Saipan, making stop over on Guam and reallocate seats for Guam
- Option B: Launch scheduled charters from National Day Holiday (Oct.1) to Chinese New Year (Feb.)
- Dalian agent - Shenyang Overseas International Travel
- Inquired with UA for charters for summer and October
- UA unable to provide service
- GVB China office will draft incentive program to attract Chinese carriers to fly to Guam
- Reach out to Chinese airports which provide monetary support for new international flights

## Taiwan Marketing News

### 3 Month Airlift Forecast

Month	Forecast Pax	Last Year	%Change	Seat Forecast '18	Seat Data '17	% Change Seats
May	2,387	3,682	-35.2%	3,410	5,845	-41.7%
June	2,455	2,058	16.5%	3,410	2,395 (As of Jun. 29 '17)	42.4%
July	2,441	1,976	70.9%	3,255	2,443	33.2%

#### Flights

May Taipei

- China Airlines : 5 per week  
= 3,410 (8737 800 738)  
- 22 flights \* 155 seats = 3,410

June Taipei

- China Airlines : 5 per week  
= 3,410 (8737 800 738)  
- 22 flights \* 155 seats = 3,410

July Taipei

- China Airlines : 5 per week  
= 3,255 (8737 800 738)  
- 21 flights \* 155 seats = 3,255

Total 3,410

Total 3,410

Total 3,255

Note: EVA Air suspended its flight in June 3, 2017 resulting in the least in drop in seat capacity & arrival number

## Taiwan Marketing News

### MICE Group

Group	Date	Number of People
Biomedical Company	Jan. 5	36
Construction Company	Jan. 20	40
ShengYang Internet	Jan. 31	114
AIA	Feb. 10-15	110
Biomedical Company	Feb. 20	40
News Image Asia	Mar. 9 & 10	220
Luck Cat Micro-enterprise System Co. Ltd.	Mar. 27	110
(TBC) Michelin Tires	Sept. 11 or 18	104
Total PAX		670 (Does not include TBC)

## Taiwan Marketing News

### Golf Promotion

- Targeting high-yield niche market
- A fam tour was held on 3/24-28 to meet with Guam's golf courses and hotels for site-inspection
- Pacific Links International (PLI) Taiwan plans to have a 5D4N golf tour in Guam of around 80PAX & media in August as first promotional group (after the promotional group, PLI will have more material to promote Guam golf courses)
- A fam tour for PLI Taiwan will be held in May for more detailed planning



## Taiwan Marketing News

### New Taipei City Government Joint Wedding

- Will provide two 6D5N hotel+flight packages as the grand prize of the event
- Obtained sponsorship of 6-days car rental in Guam from Avis Taiwan on the grand prize and several discounts for all participated couples, and 5-days hotel sponsorship from Nikko Hotel Guam, Lotte Hotel Guam, Pacific Star Resort & Spa, The Westin Resort Guam, and Dusit Thani Guam Resort
- Attended the press conference on 4/2 and issued NR, receiving 19 coverages and attracted more couples to inquire about the grand prize
- On the event rehearsal on 5/6, will introduce Guam and strongly promote CI's Sunday Flight and sponsors to the 120 chosen couples

April 2 April 14 May 6 May 20



## Hong Kong Marketing News



### 3 Month Visitor Forecast

Month	Forecast Pax	Last Year	%Change	Seat Forecast '17	Seat Data '16	%Change Seats
Apr	718	1924	-65%	2822	4442	-36.5%
May	640	2052	-62%	2822	4442	-36.5%
May	447	1241	-64%	2822	4442	-36.5%

### Air Capacity HKG - GUM

Feb	Mar	Apr
Airline: United Aircraft: Boeing 737-800 Seats: 2822 (4 flights per week)	Airline: United Aircraft: Boeing 737-800 Seats: 2822 (4 flights per week)	Airline: United Aircraft: Boeing 737-800 Seats: 2822 (4 flights per week)

## Hong Kong Marketing News



### TV Program "Fun Abroad"

Promo Period: May - July 2018

Format:

1. United Airlines will work together with OTA to promote Guam route with special fare.
2. TV Program "Fun Abroad" will send the crew for TV production from 30 April to 7 May.

Viewers per Airing: 975,000 pax

Cost: US\$20,000



## Taiwan Marketing News



### 2018 Taipei Tourism Expo

- Cooperated with MVA and PVA to form the Micronesia Pavilion and launched the Ultimate Grand Prize - free vacation to Guam, Mariana and Palau
- Ms. Joann G. Camacho was invited to participate in the TTE ribbon cutting ceremony during the Opening
- GVB Taiwan distributed press releases on both the TTE pre-event press conference and TTE opening ceremony days
- Held in-depth meeting with travel agencies to understand the frontline needs and situation



## Taiwan Marketing News



### 2018 Taipei Tourism Expo

- Maintained relationship with China Airlines and EVA Air by visiting their booth and office during TTE
- A total of 43 Guam tour packages were sold by onsite travel agencies at the Micronesia Pavilion during TTE
- Chamorro musical duo Jesse & Ruby performed at the TTE and Micronesia Pavilion Opening Ceremony and on the Micronesia Pavilion stage, even collaborated with Mariana & Palau performers
- People were dancing with along during Jesse & Ruby's performances



## Russia Marketing News



### GMIF Media Fam Tour

May 2-6, 2018

GVB hosted two social media bloggers/influencers from the European part of Russia.

Objective was to increase awareness of Guam as a visa free tourism destination, display Guam's culture and uniqueness, and experience GMIF.

Polina Brzheznayskaya (@polinabr) is one of the most influential Instagram blogger and YouTube vlogger. Her audience is 35% followers in Instagram and 26% followers in YouTube.

Emma Baranova (@muglebas) is a very influential travel blogger in Russia with more than 10% subscribers in Instagram. In addition she acts as an exclusive TA and organizes tours to different countries.



Special thanks to all GVB members who provided complimentary accommodations: Fish Eye Marine Park, SeaWalker Tours, Valley of the Lullies, Sandcastle, Two Lovers Point, Three Squares, Pacific Islands Club, and Pacific Star Resort & Spa.

## Pacific Marketing News



### PATA MICRONESIA CHAPTER 1<sup>ST</sup> TRI-ANNUAL MEETING SAIPAN | APRIL 4-5, 2018





## Pacific Marketing News



### MICRONESIAN ISLAND FORUM SAIPAN | APRIL 5-8, 2018



## Pacific Marketing News



### ASIA DIVE EXPO - SINGAPORE APRIL 3-8, 2018



## Philippines Marketing News



### GVB & PAL- SINGAPORE APRIL 4, 2018



FAM Trip tentatively being planned for 1<sup>st</sup> week of June 2018.

## Philippines Marketing News



### 2<sup>nd</sup> Quarter Summary

#### PTAA Travel and Tour Expo February 9-11, 2018

- 7 members participated in B2B from Guam: Sheraton / Hilton, Pacific Star, PIH, DFS, Guam Reef, PacTours, Tumon Sands
- Guam won Best Performance Award

#### Closure of Boracay Island March to April 2018

- News about Boracay's closure started mid-March
- PH Government made a decision to close Boracay starting April 26 for 6 months
- Travel Agents now looking at Guam to offer as an alternative destination

## Philippines Marketing News



### InstaGuam Fair | June 1 to 3, 2018 | Bonifacio Highstreet



- GVB is preparing for its upcoming #InstaGuam Fair on June 1-3, 2018 at Bonifacio Global City.
- The #InstaGuam Fair will be the first of its kind in the Philippines. Organized GVB in partnership with the Guam Economic Development Authority, this three day consumer targeting event will enhance and strengthen the presence and branding of Guam in the Philippines as a top class tourist and investment destination.

#### Confirmed Guam Partners:

- Guam Economic Development Association (GEDA)
- Bank of Guam
- Discover Guam
- Two Lovers Point
- Haploha
- Capitoli Kitchen

#### Confirmed PH Media Partners:

- ABS-CBN / ABS CBN Lifestyle
- Travelife
- DiscoverMNL
- Magic 89.9
- Business Mirror
- When In Manila

## SPORTS & EVENTS



## Toyohiragawa Marathon 2018



- Guam delegation represented the island and ran the Toyohiragawa Half Marathon in Sapporo, Japan on May 5, 2018
- Event is the sister race to the Ko'ko' Half Marathon with winners being sent to Guam to run the Ko'ko' Run in December 2018
- Over 5,000 runners participated
- Weather conditions ranged between 48-56°F
- Miss Universe Guam 2017 Myana Welch gave a welcome speech in Japanese and invited runners to Guam, also running the 10K race
- Guam friend and veteran top

## Guam Micronesia Island Fair



- GVB celebrated 30th Guam Micronesia Island Fair from May 2-6 at Paseo de Susana in Hagåtña
- Delegations from CNMI, Chuuk, Kosrae, Marshall Islands, Palau, Pohnpei and Yap returned
- Theme "We are Micronesia"
- Estimated 50K people attended five day event
- Okayama City delegation visited
- Featured attractions included:
  - Food & Beverages/ Food trucks
  - Arts & crafts
  - Storytelling & Live Art
  - CAHA Masters
  - Sakman Chamorro w/ Mario Borja
  - Free wi-fi courtesy of GTA
  - Heineken Beer Garden
  - Wall Garden
  - Games & rides
  - Live cultural performances and local entertainment from our region



## Beautiful Destinations Launch



Social Media Stats:  
Instagram: 10.8M  
Facebook: 1.2M  
YouTube: 140K  
Weibo: 2M

2,019 likes in 2 minutes

- GVB and Beautiful Destinations launched global campaign on Guam at 3 p.m. May 10, 2018
- Beautiful Destinations is the award winning creative agency behind one of the world's largest travel communities on social media, spanning 20 million people across 180 countries. They create and distribute "social first" content for a mobile audience and were voted by FAST COMPANY as one of the world's most innovative companies in 2017.
- GVB will be re-posting directly from the BD channels, taking the "GLOBAL" mindset approach to share and strengthen the authenticity of GVB's digital presence. BD greatly influences people's travel decision-making process.

## Beautiful Destinations Launch



### CALENDAR

DATE	Channel	Asset	Note
May 10 3pm GUAM TIME	Instagram	1 Photo Instagram Story	*Re-post directly from BD
May 10 3pm GUAM TIME	Weibo	1 Photo Weibo Story	*Re-post directly from BD
May 10 3PM GUAM TIME	Facebook	1 Photo	*Share directly from BD
May 11 3PM GUAM TIME	Instagram	1min HERO VIDEO	*Re-post directly from BD
May 11 3PM GUAM TIME	Weibo	1min HERO VIDEO	*Re-post directly from BD
May 11 3PM GUAM TIME	Facebook	1min HERO VIDEO	*Share directly from BD
May 17	Instagram/FB	1 Photo	*Share directly from GVB
May 24	Instagram/FB	1 Photo	*Share directly from GVB
May 31	Instagram/FB	1 Photo	*Share directly from GVB
June 7	Instagram/FB	1 Photo	*Share directly from GVB
June 14	FB	1 Min VIDEO #2	*Share directly from BD
June 21	Instagram/FB	1 Photo	*Share directly from GVB
June 28	Instagram/FB	1 Photo	*Share directly from GVB
July 5	FB	30 CULTURE VIDEO	*Share directly from BD

## Beautiful Destinations Launch



### LOCAL LAUNCH:

Along with the release of the assets on MAY 10, Guam will release the following:

- Press Release via GVB, Joshua Tyquienco
- InstaGuam E-newsletter: Share videos, photos and editorial version of press release
- UNO Digital (KUAM) to share 1 min video under our InstaGuam Campaign
- Guam Weekly to re-post
- Connect with other Guam Influencers such as Juan Aguon to re-post
- Media Tour to hype Tourism Month and Global Collaboration

### NEXT STEPS:

Brand team to provide full 30 week content calendar to include release date, asset and caption.





V. TREASURER'S REPORT

Exhibit B

EXHIBIT B

FY 2018

	Appropriation	Received to Date		Balance	
Operations	\$ 18,750,216.00	\$ 9,606,926.14	51%	\$ 9,143,289.86	49%
Sustained Marketing - Korea	\$ 4,000,000.00	\$ 1,818,181.80	45%	\$ 2,181,818.20	55%
Destination Development	\$ 1,085,000.00	\$ 542,499.98	50%	\$ 542,500.02	50%
GVB Cruise Ship Industry Development Program	\$ 50,000.00	\$ 24,999.98	50%	\$ 25,000.02	50%
Rainy Day Fund	\$ 200,000.00	\$ 99,999.98	50%	\$ 100,000.02	50%
Cultural & Sports Ambassador Fund	\$ 200,000.00	\$ 99,999.98	50%	\$ 100,000.02	50%
Pass-Thru	\$ 790,000.00	\$ 394,999.68	50%	\$ 395,000.32	50%
<b>TOTAL RECEIVABLES FY 2018</b>	<b>\$ 25,075,216.00</b>	<b>\$ 12,587,607.54</b>		<b>\$ 12,487,608.46</b>	
<b>Accounts</b>					
<b>RESTRICTED</b>					
Bank of Guam - Rainy Day Fund <sup>1</sup>		\$ 1,657,435.74			
Cultural & Sports Ambassador Fund <sup>2</sup>		\$ 275,403.56			
GVB Cruise Ship Industry Development Program		\$ 12,633.90			
<b>TOTAL RESTRICTED</b>		<b>\$ 1,945,473.20</b>			
<b>UNRESTRICTED</b>					
Bank of Guam - Operations		\$ 12,135,253.42			
First Hawaiian Bank - Membership		\$ 65,071.34			
Resona		\$ 349,680.26			
Bank of Guam - TAF		\$ 520,692.49			
Raymond James - CD value as of 3/31/2018 <sup>3</sup>		\$ 2,548,374.94			
<b>TOTAL UNRESTRICTED</b>		<b>\$ 15,619,072.45</b>			
<b>TOTAL CASH as of 5/8/2018</b>		<b>\$ 17,564,545.65</b>			
<b>Current Payables</b>					
Asatsu Invoices (JAN - MAR)		\$ 3,140,290.73			
Japan Invoices		\$ 150,750.88			
Guam Invoices		\$ 406,230.64			
Pass-Thru		\$ 20,833.32			
Encumbered Contracts		\$ 2,977,501.70			
Encumbered Purchase Orders		\$ 153,352.81			
<b>TOTAL PAYABLES as of 5/8/2018</b>		<b>\$ 6,848,960.08</b>			
<b>NOTES</b>					
<b>NOTE 1</b>					
	\$1,657,435.74	Rainy Day Fund			
	(\$184,234.64)	Rainy Day expenses Japan - reimburse Operations			
	<b>\$1,473,201.10</b>				
<b>NOTE 2</b>					
	\$275,403.56	Cultural and Sports Ambassador Fund			
	(\$26,100.00)	Cultural and Sports Ambassador expenses - reimburse Operations			
	<b>\$249,303.56</b>				
<b>NOTE 3</b>					
	\$2,548,374.94	Raymond James - CD			
	(\$1,169,250.98)	PAID - China airline incentive program and market advertising			
	(\$300,000.00)	PAID - Sponsorship Guam Football Association			
	(\$20,000.00)	PAID - GEDA Imagine Guam Masterplan Overlay			
	(\$842,642.84)	PAID - Pale San Vitoros Road Bus Shelter Project			
	(\$28,783.52)	PAID - Planning, Architectural and Engineering Services for Tumon Bay Improvement			
	(\$75,000.00)	PAID - Sponsorship Guam Basketball Federation FIBA U17 Championship			
	(\$10,000.00)	PAID - Hagatna maintenance and streetscape project for GMIF			
	(\$57,357.16)	BALANCE - Pale San Vitoros Road Bus Shelter Project			
	(\$45,340.44)	BALANCE - Planning, Architectural and Engineering Services for Tumon Bay Improvement			
	<b>0.00</b>				

May 8, 2018

- o President Denight reported March allotments have been received and the FY2019 Budget Request has been submitted to the Legislature.

**VI. REPORT OF THE BOARD COMMITTEES**

**A. EXECUTIVE COMMITTEE**

**B. ADMINISTRATION & GOV'T RELATIONS**

o GPA Presentation

**New 180 Megawatt Power Plant**

*Updated Informational Briefing to  
Guam Visitors Bureau  
Board of Directors  
May 10, 2018*

John Benavente, PE  
General Manager

Tricée P. Limlaco  
Asst. General Manager,  
Administration

**WHY WE NEED A NEW POWER PLANT**

OLD BASELOAD		NEW BASELOAD
Degraded Due to Age	RELIABILITY & EFFICIENCY	Substantially Increased
Expensive	COST (O&M)	Low
Inadequate Capacity for Future Growth	PRODUCTION	Allows for 15 year Growth
Not Compatible with Solar PV Systems	RENEWABLE ENERGY	Compatible and Allows for more Solar PV
One Fuel Burning Capability	FUEL	Diversified with ULSD and Natural Gas Burning
Hazy & Non-Compliant	EMISSIONS	Clear, Clean & Compliant
Tsunamis, Storm Surge	VULNERABILITY	No Risk



UPDATED

**GPA Will Not Be Able To Meet Demand Without New Power Plant By 2021**

Summary of System Generating Capacity With No New BaseLoad					With New 180MW
Description (MW)	FY 2015	FY2017	FY2018	FY2021	FY2022
BaseLoad Capacity	299	208	208	208	268
Emergency/Standby Capacity	120	200	200	200	200
Total Capacity	419	408	408	408	468
Peak Demand (Customer Requirement)	249	261	266	283	283
Reserve Margin (Balance between Capacity and Requirement)	170	147	142	125	185
Cost of Two Largest Units (Overhaul + Forced Outage)	113.1	112.0	112.0	112.0	112.0
Reserve After Loss of Two Largest Units	36	35	30	13	73
Utility Scale Renewables Capacity (MW)	0	25	25	185	185
% Energy from BaseLoad	98.0%	80.0%	82.2%	82.2%	72.6%
% Energy from Renewables	0.0%	3.5%	3.5%	28.4%	28.4%
% Energy from Emergency/Peaker	2.0%	16.5%	16.5%	11.4%	1.0%

\*97MW - adequate reserve for 15 yr forecast

**Cost and Savings Per Scenario**

FY 2018 Fuel Oil Prices:  
\$65/Barrel - Residual Fuel Oil (RFO)  
\$45/Barrel - Ultra Low Sulfur Diesel (ULSD)  
\$58/Barrel - Natural Gas Price Equivalent

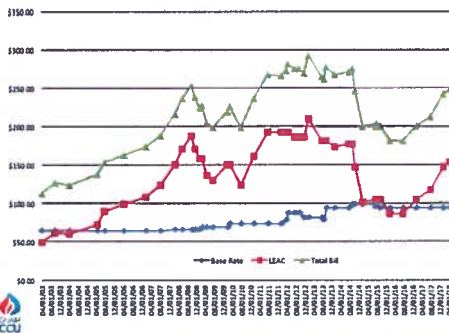
SCENARIO	ANNUAL FUEL COST	COST/SAVINGS (\$)	AVG \$/KWH	OIL BARRELS CHANGE
Existing Generation Mix	\$195,108,397		\$0.121	
USEPA Forced Compliance Excluding Penalties	\$246,351,059	\$51,242,662	\$0.153	127,917
New Power Plant (ULSD + 180 MW Renewables)	\$185,399,918	\$9,708,478	\$0.115	98,633
New Power Plant (Natural Gas + 180 MW Renewables)	\$140,881,640	\$54,226,756	\$0.088	2,551,538





UPDATED: Preferred Site Identified

### Historical Residential Bill



### Why Build A New Power Plant in Ukudu?

#### Increased Reliability

- Near existing GPA substation with many underground transmission lines
- Close to villages with largest population
- Not subject to tsunamis, storm surges, sea level rise, and other climate change impacts
- Potential continuous plant operations through typhoons
- Quicker recovery for all customers after typhoons

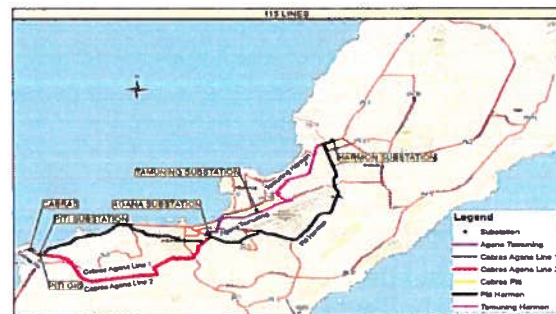
#### Environmental Benefits

- Divert up to 3 million gallons daily of treated sewer water for plant cooling
- Does not impact the aquifer

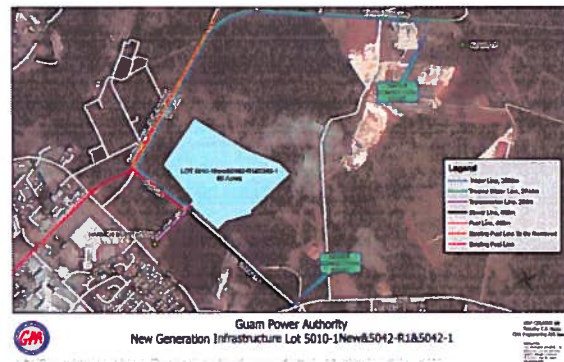
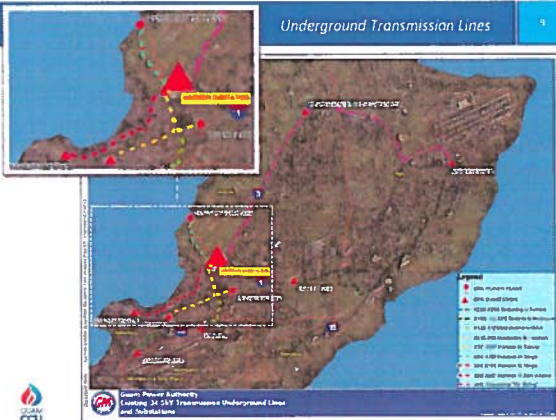
#### Compatible With Surrounding Land Uses

- Industrial, commercial, residential and public uses already exist in the area
- The new plant's technology located throughout the US in many mixed-use developments without adverse community impacts

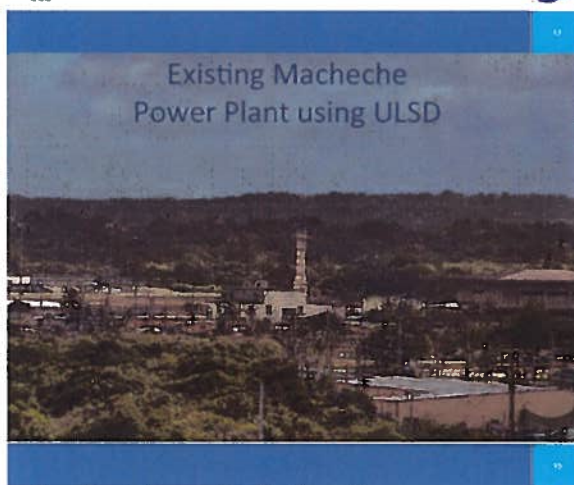
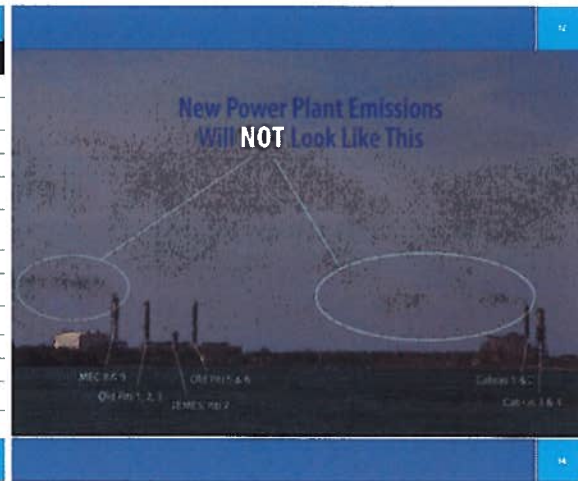
### Overhead Transmission Lines



### Underground Transmission Lines



UKUDU IS THE BEST LOCATION				
PROPOSED POWER PLANT LOCATION PRE-SCREENING CRITERIA	UKUDU PROPOSED LOCATION	Northern WWTP	Tanqueguas	CORAL FID
Access to 115 KV System (within 3.5 mi.)	EXCELLENT	GOOD	GOOD	EXCELLENT
115 KV Interconnection Cost (Uluda - SSOM < Northern WWTP)	LOW	HIGH	HIGH	LOW
Tsunami and Storm Surge Risk	NONE	NONE	HIGH	HIGH
Environmental Permitting	VERY GOOD	VERY GOOD	MODERATE	DIFFICULT
Ability to Serve Central & North Area Through/Immediately After Typhoons	EXCELLENT	HIGH	Moderate	LOW
Access to Non-Seawater Cooling for Primary Cooling and Make-up Water	Grey Water Access, Aquifer Backup	Grey Water Access, Aquifer Backup	Aquifer	Aquifer
Space to Build Power Plant	ADEQUATE	ADEQUATE	INADEQUATE	INADEQUATE
Location Development Costs (Interconnection)	LOW	HIGH	HIGH	HIGH
Flat Terrain & Soil Conditions	YES - Limestone	YES - Limestone	YES - Limestone	YES
System Technical Losses	REDUCES	REDUCES	REDUCES	INCREASES
Physical Security Risk	LOW	LOW	MODERATE	MODERATE
Refueling Northern CT Generation	EXCELLENT	GOOD	No Room, Poor Access	Long Round Trip



## Being a Good Neighbor

### Noise & Vibration

- Plant enclosed within building with noise reduction measures
- Plant will include a vibration monitoring system with central computer oversight
- Systems automatically and safely shuts down equipment

### Odor Emissions

- ULSD emissions virtually non-odorous
- Stack height dilutes odors
- Lower with natural gas

### Fuel Fire & Spill Prevention & Control

- Sophisticated leak detection, spill containment, fire detection and protection and monitoring systems installed and operated

## Is the Plant Safe for the Community?

### DEFINITELY YES!

- Efficient units burning much cleaner fuel
- 30 acres of buffer around the 30-acre plant
- Aesthetically built with maximum safety in mind for the community, environment and personnel
- The new plant can co-exist with GRMC hospital as it does in many other communities in the nation, especially since the power reliability needs of a hospital is critical to patient care

## Medical Area Total Energy Plant (MATEP), Boston, MA



- 112 MW natural gas power plant, within 20' from Brigham and Women's Hospital
- A total energy facility and micro-grid. Serves the Longwood Medical and Academic Area (LMA) with steam, chilled water and electricity for approx. 30 yrs.
- Integral to the city's energy infrastructure, providing efficient, sustainable, reliable and resilient energy to a select group of preeminent clinical, research and teaching institutions. These institutions, which include five hospitals provide care to more than 100,000 inpatients and 2.4 million outpatients each year.



UPDATED



No visible emissions plume from power plant stack.



UPDATED

## New Power Plant Contracting Model

Model: Award an Independent Power Producer (IPP) a Contract under a Build-Operate-Transfer (BOT) Model where the IPP:

- Finances and Builds/Constructs the Whole Project Including:
  - Power Plant
  - Fuel Storage Tanks
  - Natural Gas & ULSD Fuel Pipelines
  - Fuel Tanker Truck Gantries
  - Fiber Optic Communications
  - New 115 KV Substation & Transmission Lines
  - Harmon Substation Upgrades
  - Plant/System Protection Systems Upgrades
- Turns Over to GPA All Completed Systems and Infrastructure Except the Actual Power Plant
- Operates the Power Plant for a 25-Year Term with a Mutual 5-Year Negotiated Extension
- Transfers Ownership of the Power Plant in Excellent Condition to GPA After the Contract Terminates



UPDATED

## The New Plant Will Exceed All Clean Air Standards

Pollutants	Cabras 1&2	Proposed Power Plant National Emissions	NAAQ Standards (1-Hour)	Emissions Improvement over NAAQS	Emissions Improvement over Cabras 1&2
	RFO $\mu\text{g}/\text{m}^3$	ULSD $\mu\text{g}/\text{m}^3$	$\mu\text{g}/\text{m}^3$	(%)	(%)
Nitrogen Oxides (NOx)	80.8	6.51	188	2,888%	1241%
Sulfur Dioxide (SO2)	443	0.78	196	25,128%	56795%
Carbon Monoxide (CO)	8.6	9.42	40,000	424,628%	
Particulate Matter (PM)	28.9	3.54	35	989%	780%

New Power Plant will not have issues with smog or odor as experienced from existing base load plants Emissions at 100 feet stack height

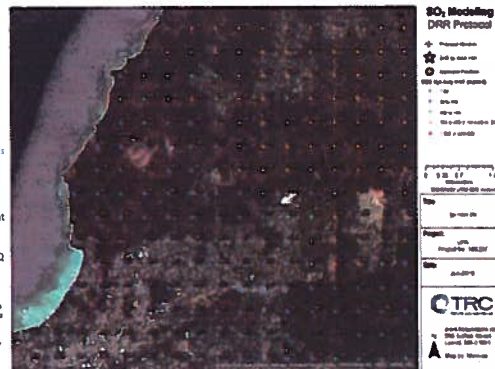
Source: Roger Fabrosan (GPA) & Gale Hoffhaug (TRC)

**FINDINGS:**  
Current Cabras & Piti emissions negatively affect the SO2 and particulate matter (PM) concentrations in Maricao & Tumon.

In most cases, current emissions meet or exceed NAAQ standards.

Note: For these sources the ratio of PM to SO2 is 10%.

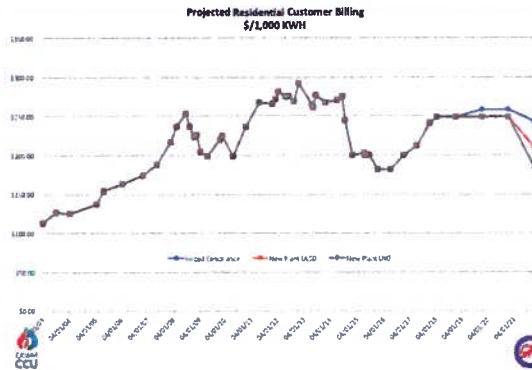
E.g. SO2 320  $\mu\text{g}/\text{m}^3$  results in PM 32  $\mu\text{g}/\text{m}^3$







UPDATED



## Summary

### GUAM'S NEW BASELOAD POWER PLANT WILL

- ✓ Be Safe
- ✓ Be Clean
- ✓ Be Reliable
- ✓ Be Efficient
- ✓ Be Quick in Post-Typhoon Recovery
- ✓ Be Compatible with Renewable Energy
- ✓ Lead to Lower and Stable Fuel Costs
- ✓ Eliminates Tsunami and Storm Surge Risks
- ✓ Substantially Improve the Island's Air Quality
- ✓ Save Ratepayers
- ✓ Meet Future Energy Demands

- o Vacation rental and B&B fact sheet
  - o President Denight shared the draft for establishing a vacation rental and B&B fact sheet, which is being finalized with DRT for the community outreach program.

## C. RESEARCH

## D. DESTINATION MANAGEMENT

- o Bus shelter presentation

## GVB Bus Shelter Maintenance Program Proposal

## Breakdown of Maintenance Costs

MAINTENANCE COST	\$65,239.00	Cleaning, Collection & Disposal of Trash
INSURANCE ESTIMATE	\$19,519.39	Coverage: All Risk Including Typhoon, Earthquake, Flood Deductible: Typhoon - 2% of Total Sum Insured per situation; Earthquake - 2% of Total Sum Insured per situation; All Others - \$1,000.00 per peril / per situation. Co-Insurance: 100%
COST FOR DEVELOPMENT, PRINTING & INSTALLATION	\$6,500.00	
TOTAL ANNUAL MAINTENANCE COST	\$91,258.39	



## Maintenance Proposal #1

- Bus Companies utilizing the shelters will be assessed a \$100 fee per shelter per month. Totaling: \$1200/month or \$14,400/year.
- GVB would issue a license agreement to the companies which would outline GVB's responsibilities:
  - Insurance
  - Cleaning and Trash Collection
  - Production and Installation of Maps containing bus routes, logos and schedules.

## Maintenance Proposal #2

- Contract through an RFP process a master concession for the managing and selling of advertising with an annual license fee payable to GVB
- The successful offeror will be allowed to sell advertising at all shelters, but shall not add additional advertising areas other than the single 4' X 4' light box in each shelter.
- Advertisements will prohibit displaying Alcoholic, Political and Adult Entertainment
- Successful offeror will be responsible for maintenance and trash collection and must provide insurance for the replacement of amenities in case of damage or graffiti

- President Denight shared two maintenance proposals and the consensus was towards proposal #1 with the possibilities of hotels adopting a bus shelter to maintain and insure.

### E. MEMBERSHIP & COMMUNITY OUTREACH

- Director Kloppenburg reported the next quarterly membership meeting tentatively scheduled for mid June, details are forthcoming.

### F. VISITOR SAFETY & SATISFACTION

- Chairman Morinaga warned the board of individuals still stealing cars following the incident at Hilton.

### G. CULTURAL & HERITAGE

- Director Arriola gave a special thanks to President Denight, Destination Specialist Hernandez, Tropical Productions Inc., and GVB team for their hard work at the Guam Micronesia Island Fair.

### H. SPORTS & EVENTS

Committee minutes dated April 11, 2018

Exhibit C

### I. NORTH AMERICA & PACIFIC MARKETS

Committee minutes dated May 2, 2018

Exhibit D

### GUAM FAIR 2018

Director Arriola made a motion on the floor, seconded by Director Jackson, to amend approved travel to replace NAP Committee Chairman with GVB Marketing Staff to attend the 1<sup>st</sup> Annual Guam Fair on May 2018 in Manila, Philippines.

Motion passed as stated and amended

### J. GREATER CHINA

Committee minutes dated April 24, 2018

Exhibit E





**K. RUSSIA & NEW MARKETS**

Committee minutes dated May 1, 2018

Exhibit F

- o Director Jackson reminded the board of the PITE 2018 trade show in Vladivostok, Russia.

**L. KOREA**

- o Director Jackson reminded the board of the two big trade shows and food festival in Seoul, Korea next month.

**M. JAPAN**

- o Director Nault announced United Airlines will be celebrating their 50<sup>th</sup> Anniversary with Guam and GVB will co-host a dinner reception for VIP Japanese travel agents next week.
- o The team is finalizing the Treasure Hunt Campaign with industry supporters.

**VII. OLD BUSINESS**

**VIII. NEW BUSINESS**

**IX. EXECUTIVE SESSION**

**X. ANNOUNCEMENTS**

**Upcoming Board Meetings:**

- o Thursday, May 24, 2018 at 3:30pm, GVB Main Conference Room
- o Thursday, June 14, 2018 at 3:30pm, GVB Main Conference Room

**XI. ADJOURNMENT**

Director Arriola made a motion, seconded by Director Kloppenburg, to adjourn the meeting. Meeting adjourned at 5:09pm.

Motion unanimously approved

A handwritten signature in black ink, appearing to read "Theresa", written over a horizontal line.

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

A large, stylized handwritten signature in black ink, appearing to read "Maura", written over a horizontal line.

Board Minutes respectively submitted by Maura Yi, Executive Secretary