REGULAR BOARD OF DIRECTORS MEETING MINUTES
Thursday, May 14, 2020, at 1:30 pm.
TELECONFERENCE – GoToMeeting
(https://global.gotomeeting.com/join/635287029)

I. CALL TO ORDER

II. ROLL CALL

III. MINUTES OF THE PREVIOUS MEETING

EXHIBIT A

Director Arriola made a motion, seconded by Director Camacho, to approve the minutes of the previous Board of Directors meeting dated April 30, 2020. Motion approved.

IV. CHAIRMAN’S REPORT

Chairman Ada reported that there is mounting activity and cautious optimism for our tourism industry as the airport, hotels, restaurants, and retailers are establishing new operating procedures of safety to minimize the exposure of COVID-19. Should all go well, Guam could see PCOR 3, and be ready for the gradual start of welcoming visitors to the island, once again. The quarantine requirements for returning travelers to our source markets of Japan, Korea, and Taiwan, are also major deciding factors when tourism on Guam could open once again. Guam must continue to reduce the risk of the Coronavirus spread for the safety of our local community and visitors to the island.

He thanked the staff & management, country managers, and the Board of Directors for their ongoing work. He encouraged the continuance of adaptation and seeking opportunities. He asked the team to create a safe work environment and to support each other, as the Bureau does its part to support the island.

Chairman Ada took a brief moment to express a huge thank you, si yu’os ma’ åse’ to President & CEO, Pilar Laguana, for her 40 years of commitment and professional service to the Bureau and the people of Guam.

V. NEW BUSINESS


Chairman Ada assembled a presidential search committee. It comprised of himself, Director Shinohara, Director Arriola, Director Quinata, and Director Shimizu. With the committee looking to rebuild the industry during this COVID-19 season, it was decided they should not rush into making one of the most important.

The committee determined to address the Bureau’s needs with a temporary leader while giving the committee and the Board time in its presidential. After consultation with Governor Lou Leon Guerrero, the search committee agreed with her recommendation to have former Governor Carl Gutierrez as an interim president for up to 90 days, until a new and permanent president can be vetted, selected, and approved.

1. Director Shimizu made a motion, seconded by Director Gatewood, to accept the retirement of President and CEO Pilar Laguana as of May 30, 2020. Motion Approved.

2. Director Hoffman made a motion, seconded by Director Shimizu, to appoint Carl T.C. Gutierrez to serve as interim President in accordance with the Term Sheet presented for Board action. Motion Approved.

3. Director Camacho made a motion, seconded by Director Shimizu, to approve the job description for the position of President and CEO as it shall exist after the term of the interim President and CEO expires.
Chairman Ada sought the Board’s perspective on how wide they’d like to cast the search for a presidential replacement. He mentioned that they would not limit themselves to just selecting someone locally.

Director Arriola believes it is vital that every opportunity is given to eligible individuals. She proposed that the announcement be presented to the public by way of major trade publications, national newspapers, and related publications.

Vice-Chairman Morinaga proposed to hire an executive search company that will screen and narrow the search to the best-qualified applicants. He added that Guam would need someone who has experience in the Pacific region. Director Kloppenburg agreed with Vice Chairman Morinaga and added that a qualified individual with extensive experience, particularly in the Korea and Japan Markets, would be great.

VI. PRESIDENT & CEO'S REPORT

GUAM VISITORS BUREAU

PRESIDENT’S REPORT
05.14.2020

Research

Research Excellence Office Relocation

Current location: at the Guam International Airport, arrivals/baggage six floor near the Customs and Quarantine Office adjacent to the restroom.

Concerns: employees' safety and well-being, due to the office current location with direct contact with all incoming passengers to Guam.

Solution (potential): relocating employees and all equipment (including scanners) to the GVB Tennis office.

- Research staff will be moving the equipment and supplies needed to the tennis office in order to carry out their regular operations.
- The conference rooms will be retrofitted to accommodate scanners and the computer equipment.
- Research employees will alternate days being in the office to comply with social-distancing guidelines.
- Customs forms will be picked up and dropped off between GVB and Guam Customs on a daily routine schedule.

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Updated Flight Schedules Announcement:
Guam, Saipan, Pohnpei, and Micronesia
Period: May - July 3, 2020

Korea-Japan ties getting worse in pandemic

SNS Updates

April Social Media Statistics

#GiveUsAMoment Social Media Operation Strategy

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At the end of her report, President & CEO, Pilar Laguana, reported many businesses are excited as they begin to gradually reopen their businesses with social distancing and all of their guidelines and protocols in place.

She shared her thoughts on the announcement of Former Governor Carl Gutierrez assuming the GVB President & CEO role as she retires at the end of May and looked forward to working with him during the transition. She added that the Bureau would be in capable hands as he will be able to carry out the programs forward and introduce a lot of new ideas in re-establishing our visitor economy.

She thanked the Board for their support and her competent staff members while recognizing their exceptional expertise and contributions.

Laguana expressed her pride in the progress made by the Bureau over the years. She gave credit to the many dedicated Board of directors and staff members that have served the Bureau since its inception in the late 60s. The Bureau has a solid foundation, strengthened by its legacy and experience on which it will build its future.

She shared her passion and brought light to tourism history. The bureau started as a tourist commission in 1963 under Governor Manual F.L. Guerrero. At that time, the initial budget was $15,000.

The Commission was then converted to Guam Visitors Bureau in July of 1970. It was established as a non-profit corporation, and in 1983, the bureau was reorganized as a public, non-profit membership organization.

Over the years, in her research, she found some significant tourism history that she wanted to record. Tourism started on Guam on May 29, 1967, when Pan Americans World Airways made their first flight to Guam with a Boeing 707, which left Haneda, Japan, at 9:30 p.m.

That first flight arrived on Guam May 30th at 1:30 a.m., 1967. Keep in mind that this was before Narita was developed. Tourism started on Guam with this flight.
The passengers consisted mostly of travel agents, and travel media, including Pan Am's Japan advertising group, namely J.Walter Thomas. Also, the group was led by Mr. Malcom McDonald, Managing Director of Pan American World Airway of Japan. Also, the Marketing Director of Pan American for Asia/Pacific was abroad. His name was Mr. Davy Jones.

Mr. Paul Sauder, Director of the Department of Commerce, representing the Government of Guam, was also on board this historic flight.

At this point, it was necessary to mention that Mr. Rex Wills, who was a tourism consultant for the Government of Guam, played an important role in recommending that the Japan market be investigated as a source of tourism for Guam. Rex was from Hawaii and worked on Guam for several years.

In those days, there were very few hotels, and the guests who were on that flight were split up upon arrival. Some stayed at the Cliff Motel (later became the Cliff Hotel), others stayed at Tony's Lodge that was a Quonset hut in Hagatna, and some remained at Wally's Airtel that was located on the bay along Camp Watkins Road. Also, some stayed at the Guam America Motel.

She mentioned those facts because she believed it was essential to share the actual date when tourism began.

Lagunaña challenged each of the GVB directors and staff members to look beyond the norm and embrace today's changes with enthusiasm, optimism, and confidence. She has solid faith and belief that Guam will recover from this pandemic with great success because of the drive, skills, and capability that resides in each of the directors and staff members.

In closing, Lagunaña said, "It's been my great pleasure to serve in the bureau in the past many years, and I wish everyone good health, happiness, and great success with your future endeavors."
VII. TREASURER’S REPORT

- Director Shinozaka thanked Pilar for her many years of dedicated service to GVB and the island of Guam.
- Reported that DOA indicated they would release approximately 840K in April allotments to GVB.
- GVB will continue to work on aggregating the resources that are needed to rebuild and rebound the travel industry. Our current resources will not be enough to sustain and restore the market.
- Our auditors, Deloitte and Touche, have reported no significant findings during their audit. A final report will be issued in the next few weeks as the process nears its completion.

The Board approved a project that was funded by a QC grant from GEDA to remove the Dead and Dying Landscape on the Western Hill and is completed. Director Shinozaka presented an invoice from LMS for payment approval by the Board.

4. Director Shinozaka made a motion, seconded by Director Gatewood, to approve payment to LMS in the amount of 87,688 dollars and 88 cents. Motion Approved.

- The project was approved, but the invoice payment requires board approval for the actual facilitation of the check. Initial pay will come from GVB and then be 100% reimbursed by GEDA because it comes from a QC grant.
- This requires board approval because it is above the President’s authority spending of 24,999. The project is completed.
- Warranty of work: LMS will water the new installation and keep it viable for the next four months throughout the dry and rainy season. After four months, GVB will assume the role of maintaining the median. GVB does have a contractor who will be keeping it.
No. of Hours Required to be Rendered $1,000 received - 10 hours required

Terms and Conditions:
3. The organization must accept the terms and conditions of this letter and submit the following prior to the December 15th:
   a. Form 88-8 Request for Taxpayer Identification Number and Certification,
   b. Current Business License,
   c. Organization Contact Information Sheet, and
   d. Fiscal Audit Report.
2. Delinquency is subject to invalidity of funds for 11/2020 pursuant to P.I. 55-30.
3. Funds must be used in accordance with the approved budgetary breakdown.
4. The organization shall identify jointly with the non-profit organization the following:
   a. The Mississippi Non-Profit Organization Form (M-30) and the related documents.
   b. The Mississippi Non-Profit Organization Form (M-40) and the related documents.
   c. The Mississippi Non-Profit Organization Form (M-50) and the related documents.
   d. The Mississippi Non-Profit Organization Form (M-60) and the related documents.
   e. The Mississippi Non-Profit Organization Form (M-70) and the related documents.
   f. The Mississippi Non-Profit Organization Form (M-80) and the related documents.
   g. The Mississippi Non-Profit Organization Form (M-90) and the related documents.
   h. The Mississippi Non-Profit Organization Form (M-100) and the related documents.
5. The organization agrees to provide non-profit organization auditors the support they require.
6. The organization agrees to provide non-profit organization auditors the support they require.
7. The organization agrees to provide non-profit organization auditors the support they require.
8. The organization agrees to provide non-profit organization auditors the support they require.
9. The organization agrees to provide non-profit organization auditors the support they require.
10. The organization agrees to provide non-profit organization auditors the support they require.

Director Shinohara brought to the Board's attention a few issues with the requirements imposed on GVB's non-profit grant recipients.

As part of the grant funding requirements from GVB, for every thousand dollars, the non-profit is to contribute 10 hours of community service to GVB. Due to the current COVID-19 situation, it's unlikely that these non-profits will be able to fulfill this requirement. Rather than pushing this requirement for the current year, director Shinohara made a motion for board approval.

5. Director Shinohara made a motion, seconded by Director Arrolo, to defer this requirement until the next fiscal year should the non-profit be able to fulfill during the current year. Motion Approved.

VIII. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

6. Director Camacho made a motion, seconded by Director Gatewood, to ratify the approval to use the Rainy-Day Fund pursuant to 12 GCA § 9303 to increase marketing activities to combat the effects of COVID-19. Motion Approved.

Background: GVB maintains a “Rainy Day Fund” under 12 GCA § 9301 et seq., which may be used to support identified activities to meet unforeseen or unanticipated challenges resulting from either a natural or human-made disaster that has occurred on Guam, or from external economic conditions that have severely affected Guam’s ability to attract visitors because of the pandemic-related disruptions; in addition to that, pursuant to 12 GCA § 9304 GVB will immediately access up to 50% of the Rainy Day Fund to carry out GVB’s express statutory purposes and exercise its statutory powers to mitigate potential harm to, and help the visitor industry recover; furthermore, GVB will immediately seek approval from Liheslaturan Guåhan to expend up to the remaining fifty percent (50%) of the Rainy Day Fund to support pandemic recovery efforts, rebuild air seat capacity, support travel agents, and local tourism-related businesses.

Issue: Board approval required.

- Rainy-Day Fund, Resolution No. 2020-002
- Rainy Day Fund Bill for Introduction & Draft Testimony for Bill 353-35

EXHIBIT B
EXHIBIT C

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7. Director Arriola made a motion, seconded by Director Gatewood, to approve and accept the draft testimony for Bill 353-35, as presented in Exhibit C. Motion Approved.

- Pilar thanked Senator Therese Terlaje for moving swiftly to assist GVB with the Rainy-Day fund bill. Chairman Ada expressed his gratitude to the Senator for her support of the Bureau.

B. ADMINISTRATION & GOVERNMENT RELATIONS

- Nothing to report

C. DESTINATION MANAGEMENT

- Director Shinozaka expressed his appreciation to Vice President Bobby Alvarez and Destination Management Specialist, Ilene Quiltigia, and those that have been working on completing the culvert cleaning and, most notably, the ongoing work with the Fujita funding base. GVB must ensure that we have a maintenance plan to conduct cleaning often.

- Vice-Chairman Morinaga reported his concerns. 1. Storm drains are covered with green waste and sandbags from construction work. The sandbags are breaking and flowing into the storm drains. 2. Currently, public beaches are closed, yet people continue to frequent Ypao and park on both lanes at the Ypao gate overflowing into the Hilton Driveway.

ACTION: Management to contact Parks Manager regarding parking hazards and the monitoring of parking.

D. VISITOR & SAFETY SATISFACTION

- No updates

E. CULTURAL & HERITAGE

- No report.

- Director Arriola expressed her deepest appreciation to President & CEO, Pilar Laguña, for her many years of service to the Bureau and our island. She stated that Pilar is not just a President, but a wonderful Chamorita ambassador who will continue to promote our Chamorro culture as she did for the past 40 years.

- Pilar thanked Director Arriola for her kind words and mentioned that it was a real honor and privilege to represent the island.

- Chairman Ada questioned whether different dance groups continue to practice their craft. According to Director Arriola, modified efforts have been made as some groups have had lessons on Zoom or whatsapp with their saina.

F. RESEARCH / MEMBERSHIP & COMMUNITY OUTREACH

- Director Gatewood reported in addition to the satellite office relocation for the Research Department to GVB, the Research department is gathering information and working with the Bureau of Statistics and Planning for potential grant opportunities to fund in Country Research for our top source markets.

- Director Gatewood thanked the Research department and team for their work on the Membership Outreach Movement (MOM) project, a total of 610 combined members through GVB, GHRA, and Guam Chamber. Eighty businesses have been reached via phone and e-mail on the Guam Chamber’s latest report.
Director Gatewood thanked the GVB staff for coordinating the successful inter-agency webinar with the Department of Labor, Guam Chamber of Commerce. A recording of the webinar is posted on the Guam Visitors Bureau website and the YouTube channel.

G. SPORTS & EVENTS

- No report.
- Director Shimizu thanked Pilar and expressed his appreciation for everything that she has done for the Bureau.

H. AIR SERVICE DEVELOPMENT
• The Air Service Development is combined with the COVID-19 Task Force. Due to the COVID-19 season, there is not much to report with air service development. New flight schedules for all air services will be covered in the COVID-19 Task Force presentation.

I. JAPAN

• Director Murata had nothing to report from the Japan Marketing Committee.

• Video messages from Tourism Bureau Directors and ministers of tourism from various countries such as Hawaii, CNMI, Hong Kong, etc., and travel agency intending to resume tourism after COVID-19 have become popular with Japanese consumers. Director Murata reported that they are in the process of conducting the “Give Us A Moment” campaign on SNS. He believes the Governor or GVB Chairman should send a message to the Japanese market on behalf of Guam.

• The next JMC meeting was scheduled for May 19, 2020.

• Chairman Ada sent letters to various tourism partners by way of Hiroshi-san in Japan updating them of Guam’s status to PCOR 2. He reassured our partners that we are currently building toward making Guam safe for our gradual opening.

• Hiroshi-san sent an update noting that the Japanese government plans to end the State of Emergency in all 39 prefectures outside the 13 prefectures on special alert and will continue until the end of the month. They are ready to sell Guam products.

J. KOREA

• Director Kloppenburg did not have any new information to report except for the cluster outbreak cases in Korea, linked to an individual that had visited nightclubs in the Taiwan area. Korea was able to determine that there were roughly about 11K people in the area through cell phone signal records. Efforts have been made to test all 11K people to prevent any further outbreaks.

• Korea has no updates to retract the 14-day quarantine for returning travelers.

K. GREATER CHINA

• Director Camacho reported a 14-day quarantine protocol is still in effect for Taiwan. Networking with the industry is still ongoing. The Give Us A Moment campaign is very active, and we’re getting a very good response. The Taiwan Government did contribute 200,000 surgical masks to the Guam Government.

L. NORTH AMERICA & PACIFIC MARKETS

• Director Hoffman had nothing to report. North America & Pacific Markets are open to any suggestions and ideas.

• The Roosevelt is still on Guam and will ship out soon.

M. NEW MARKETS

• Director Shinohara had nothing to report.

• Director Arriola questioned how New Markets looks in the light of the Board truly defining GVB’s concentration in our core markets of Japan, Korea, and Taiwan. Will the board place New Markets on hold, or will New Markets be pursued? According to Chairman Ada, New Markets will be kept, and we’ll keep an eye out for any possibilities.
IX. CORONA VIRUS TASK FORCE
COVID-19 Task Force Meeting - March 10, 2020

INBOUND PROTOCOLS

JAPAN
• 14 day quarantine for all inbound (regardless of nationality) at government facility
• Japanese nationals subjected to PCR testing

SOUTH KOREA
• 14 day quarantine for all inbound from the U.S. and Europe
• Everyone entering South Korea must participate in the Special Entry Procedure
  • Fill out health declaration & travel record form during the flight
    • With Symptoms: Diagnostic test at the airport
    • Without Symptoms: From US/Europe:
      Self-quarantine for 14 days and diagnostic test within 3 days of entering

TAIWAN
• 14-day quarantine for level 3 areas for all arrivals (includes USA)

• Vice-Chairman Morinaga reported Japan, Korea, and Taiwan have a 14-day quarantine in place. Japan continues to quarantine all visitors for the 14 days.

• Japan implemented a new testing method for COVID-19 called antigen. The testing is done by sampling the saliva, and results appear in 10-15 minutes.

• Japan does not have an inbound or outbound protocol.

• Korea and Taiwan have inbound protocols. However, they have yet to implement outbound protocols.
### JAPAN

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### SOUTH KOREA

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### TAIWAN

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X. OLD BUSINESS

XI. EXECUTIVE SESSION

- No executive Session

XII. ANNOUNCEMENTS

Upcoming Board Meetings:

- May 28, 2020
- June 11, 2020

- There were comments or questions from attendees.

XIII. ADJOURNMENT - 3:03 pm

Director Hoffman made a motion, seconded by Director Camacho, to adjourn the Board of directors meeting at 3:03 pm Motion Approved.

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

Board Minutes respectively submitted by Valerie Sablan, Executive Secretary

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