



## REGULAR BOARD OF DIRECTORS MEETING MINUTES

Thursday, August 27, 2020, at 1:30 p.m.

TELECONFERENCE - GoToMeeting

(<https://global.gotomeeting.com/join/928698845>)

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### I. CALL TO ORDER

- A quorum being present, the meeting was called to order at 1:30 p.m. by Chairman Ada.

### II. ROLL CALL

### III. MINUTES OF THE PREVIOUS MEETING

EXHIBIT A

Director Shimizu made a motion, seconded by Director Kloppenburg, to approve the minutes of the previous Board of Directors meeting August 13, 2020, subject to minor corrections. **Motion Approved.**

### IV. CHAIRMAN'S REPORT

- Thanked all those who attended, and those who arranged and prepared for the online meeting.
- Main concern is the current situation of PCORI. Unfortunately, work that was done to welcome tourists and revive our industry took a drastic turn due to COVID spikes in case numbers.
- Mandatory quarantine measures are set in place for inbound travelers. Reservations have turned into cancelations.
- Urged management to address and execute messaging to educate the public on the importance of adhering to the protocols set forth by the Governor.

### V. PRESIDENT & CEO'S REPORT

- Mr. Mark Baldyga alerted GVB about a major flooding incident that occurred around the Hyatt Hotel entrance on August 24<sup>th</sup>, causing a traffic and pedestrian hazard.
- Thanked Ilene Quitigua and Nadine Leon Guerrero for contacting LMS to mitigate the issue.
- Travel Talks Webinar Series, "Making Health & Safety Protocols a New Norm," scheduled for September 2, 2020, at 3:00 p.m. with Governor Leon Guerrero as a guest speaker.
- GVB is currently closed due to the executive order. Vice President Perez is spearheading daily operations, and the staff is working remotely.

### VI. VICE PRESIDENT'S REPORT

#### Tumon flooding

- Original stormwater system designed for a fifty-year flood. The ponding basin and three culverts required regular maintenance for proper function.
- The system withstood two typhoons, Chataan and Pongsona; both occurred in 2002.
- Stormwater system neglected for more than twenty years. Flooding is due to the clog up in the stormwater discharge from mud buildup, calcification, and debris.
- Partial cleanup conducted a few years ago; came to a halt. Currently, work was completed in the ponding basin.
- Mid progress, the culvert cleaning stopped due to the exhaustion of funds budgeted at \$260K. DPW asked to assist in funding their responsibility. DPW's Director, Vince Arriola, supports GVB's request for a \$50K contribution and also volunteered to contact GEPA for funding support.
- Flooding due to contractor negligence. More than four water bladders were found in the culverts that restricted discharge and held capacities of stormwater disposal systems.

### Japan Update

- Reconnected with JGTC, Chairman Okada of JTB, uncertain of return date due to COVID spikes in Japan.
- Mentioned packages for travel to Guam have been prepared for July. Unable to sell these packages until travel clearances are issued by the Japanese government.

### South Korea issues

- Back to level 2 – social distancing nationwide, which previously only applied to Greater Seoul.

## VII. TREASURER'S REPORT

### EXHIBIT B

- Received \$838K in allotment, equivalent to fifty percent of GVB's budget. Adding that to July's free cash balance gives GVB some available resources to aide in next year's budget shortfall.
- Submitted a request to the legislature to have GVB Manage all carryforwards for FY 2020, with hopes to use any unspent funds as a supplement for FY 2021 budget needs.
- According to Vice President Perez, President & CEO, Gutierrez received assurance from the Finance Committee. Management sent in the suggested language to ensure that it is included in the carryforwards.

## VIII. REPORT OF THE BOARD COMMITTEES

### A. EXECUTIVE COMMITTEE

- Nothing to Report

### B. ADMINISTRATION & GOVERNMENT RELATIONS

- Nothing to report

### C. DESTINATION MANAGEMENT

- Vice President covered the flooding issue and its course.
- Much work has gone into cleaning up the culverts allowing significant capacity to hold about 600K gallons of water.

1. **Motion made by Director Shinohara, seconded by Director Kloppenburg, to approve the authorization of the President and CEO as Chief Procurement Officer of GVB to negotiate with the highest-ranking qualified offeror in response to GVB RFP 2020-007 Planning, Architectural, and Engineering Consultant, and if successful, to enter into a contract. Motion Approved.**

**Background:** Through COVID season, delays and emergency extensions were made with the current service provider. These are services that are currently under contract but under an expired contract at this moment. It will assist in furthering the destination work and push the grant writing process work.

### D. VISITOR & SAFETY SATISFACTION

- Nothing to report.
- VSOs are in full force assisting to enforce executive order in Tumon.

### E. CULTURAL & HERITAGE

- Nothing to report.

### F. RESEARCH / MEMBERSHIP & COMMUNITY OUTREACH

- Nothing new to report
- Upcoming webinar scheduled for September 2, 2020, at 3:00 p.m.
- A date has yet to be set regarding the upcoming membership but will send out rolling reminders.

### G. SPORTS & EVENTS

- Nothing to report

## H. AIR SERVICE DEVELOPMENT

### Japan

- **United: Narita**  
UA 828/827 both canceled for August & September
- **T'way: Kansai**  
TW311/312 suspended until September 28.
- **Jeju Air: Kansai**  
suspended until September 30

### South Korea

- Total outbound air seat capacity remains at 567 seats in August (Jin Air) and 945 seats in September (Jin Air).
- Jin Air will operate charter flights to Guam every Wednesday during September.
- According to the Ministry of Land, Infrastructure and Transport report on August 19, Korean airlines transported 23,580,000 passengers in the 1st half of 2020, which is 61.7% decreased number compared to the same period of last year. (Per destination, Japan: -81%, China: -77%, Asia: -68%, Europe -68%, America & Pacific: -50%).
- According to Korea Airports Corporation, the number of passengers in Incheon Airport recorded 473,961 in CY2020 Q2, which is -97.3%.
- Korean Air requested the Ministry of Land, Infrastructure, and Transport to remove seats on B777-300ER passenger jets to change to cargo on July 20, and its plan will be approved within this month, August.
- Korean Air and Asiana Airlines have 23 and 12 cargo flights, respectively, and both airlines are planning to remodel passenger jets to cargo flight to focus on cargo sales for more years because belly cargo itself has limitations.
- Jin Air's load factor cancelations due to PCORI's two-week quarantine for all arriving flights.

### Taiwan

- China Airlines canceled all CIO25 and CIO26 flights from March 24 through September.
- Forecast:
  - October: 18 flights\* 155 seats = 2,790 seats//60%Load factor
  - November: 16 flights \* 155 seats = 2,480 seats//60%L/F
  - December: 18 flights\* 155 seats = 2,790 seats//60%L/F

## I. JAPAN

Committee minutes dated August 18, 2020

**EXHIBIT C**

- JATA online Travel Mart B2B meetings: Aug 13-Sept 2
- 38 GVB Members registered
- 285 meeting appointment request as of August 23.
- Next, JMC meeting, September 15, at 1:30 p.m.
- United canceled morning departure for Sept.

**ACTION:** Director Murata to follow up with GVB Japan on the status of Skymark Airlines flight delay into Saipan.

- United canceled morning departures to Japan; however, their mid-day daily departures for September remains.

## J. KOREA

Committee minutes dated August 18, 2020

EXHIBIT D

- Daily COVID cases in the triple digits.
  - About 320 cases as of August 26.
  - Further social distancing measures have been implemented.
  - Currently at level 2 with the potential to go into level 3 (total lockdown)
  - Officials were monitoring the remainder of the week before implementing further restrictions.
  - Seoul was monitoring the movement of individuals based on mobile phone data; 20% less activity over the weekend.
- GVB Korea continues to update social media platforms with the latest information.
- Jin Air originally had ninety-five pax booked for the August 26 flight. 50% canceled when quarantine restrictions went into effect.
- GVB Korea sends notifications whenever there is a change in status or latest updates.

## K. GREATER CHINA

- GVB Taiwan met with Taichung City Government to introduce Mr. Paul Chen, who will be Guam's TECO representative, arriving in September.

## L. NORTH AMERICA & PACIFIC MARKETS

- Upcoming webinar, September 2, 2020, at 3:00 p.m. will focus on making health and safety protocols our new normal.
- Free registration on [www.guamvisitorsbureau.com/webinars](http://www.guamvisitorsbureau.com/webinars)

## M. NEW MARKETS

- Nothing to report.

## IX. CORONA VIRUS TASK FORCE

EXHIBIT E

- Executive Order No. 2020-27 and 2020-28 affected the markets tremendously. Travelers do not desire to quarantine for two weeks upon arriving Guam.
- The government is working to consolidate the three designated quarantine facilities (Wyndham Garden, Oceanview Garden Court, and Bayview Hotel) to the Dusit Beach Resort. The new facility will provide the minimum 300 room capacity needed to sustain quarantine operations.
- Administration communicating with FEMA to declare Guam an "economic disaster."
- GVB reaching out to join the tourism as Guam's economic driver
- GIAA is working to obtain a new entheogen PCR test kit to facilitate PCR results within 15-20 minutes.
  - DPHSS to review and see if it is a viable solution for Guam
  - Quicker results, testing less invasive
- Chairman Ada thanked Vice-Chairman Morinaga and all involved with the COVID-19 Task Force.
- Vice-Chairman advises to be cautious about the unreliable antibody swab test that is around.

## X. OLD BUSINESS

## XI. NEW BUSINESS

- GVB relieved RIMS contract service.

## XII. EXECUTIVE SESSION

## XIII. PUBLIC COMMENTS

## XIV. ANNOUNCEMENTS

### Upcoming Board Meetings:

- September 10, 2020
- September 24, 2020

**XV. ADJOURNMENT**

Director Shimizu made a motion, seconded by Director Camacho, to adjourn the Board of Directors regular board meeting at 2:16 p.m. **Motion Approved.**



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



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**Board Minutes respectively submitted by Valerie Sablan, Executive Secretary**