



REGULAR BOARD OF DIRECTORS MEETING MINUTES

Thursday, April 08, 2021, at 1:30 p.m.

GVB Conference Room and Teleconference – GoToMeeting

<https://www.gotomeet.me/GUAMVISITORSBUREAU/gvb-board-meeting4082021>

I. CALL TO ORDER

- A quorum being present, Chairman Morinaga called the Board's regular meeting to order at 1:32 p.m.

II. ROLL CALL

Online: Sonny Ada, Steve Gatewood, Laura Cepeda, Charles Bell, Flori-Anne Dela Cruz

In-Person: Milton Morinaga, Paul Shimizu, Derrick Quinata, Ho Eun, Rudy Paco, Ben Ferguson, Jeff Jones, Sam Shinohara

III. MINUTES OF THE PREVIOUS MEETING

EXHIBIT A

Director Ada made a motion, seconded by Vice-Chairman Shimizu, to approve the minutes of the previous Board of Directors meeting dated March 25, 2021, subject to minor corrections. Motion Approved.

IV. CHAIRMAN'S REPORT

- Financial Disclosures to be submitted by Governor and Legislative Appointees; deadline - April 22
- Ethics Training rescheduled to April 15, 2021

V. MANAGEMENT'S REPORT

- President & CEO Gutierrez changed Section 5 title to "Management's Report." Staff members will be asked to make a report from time to time
- Dee Hernandez reported the assessment of streetlights in Tumon
 - The streetlights from the Hilton intersection to the rotunda were burnt out for two weeks
 - Streetlights had to be manually turned on in the evening and off in the morning by Nakisha Garrido
 - Observed that streetlight photocell had been tampered with
 - DPW was called to assist with lighting up the rotunda
- Vice President Perez reported the following:

HOT BOND

Refinancing of Series 2011 HOT Bonds

- Closed March 31, 2021
- Verified savings \$21.83 million 99% realized in first eight years
- First 8 years, we would receive \$3M-\$4M per year until the maturation of bonds
- Dedicated to tourism recovery

DIGITIZATION INITIATIVES

Electronic Declaration Form

- It went live on March 25, 2021
- Governor Lou LG was the first user at the soft launch
- Started Electronic Declaration Form (EDF) kiosks with UA 197

- Still working out minor bugs arising from soft launch; very light traffic
- GVB hand-holding until user confidence and routines established
- Anticipate "official" launch before May 1st reopening date, more traffic expected in the 4th quarter

Digitized Arrival Platform

- DPH&SS working with ESRI to develop a similar tracking system as Hawaii
- Tentative expectation; April 25 completion date
- GVB is part of the working committee providing input as needed; meets once a week on Wednesdays

TAIWAN NEWS

- **Train Accident April 2**
 - Train derailment in Hualien more than 200 injured and 50 fatalities to date
 - Guam TECO Director-General Chen posted GVB Chairman Milton's letter of condolence on TECO Facebook, picked up by Taiwan news outlets Liberty Times Net and Central News Agency
- **Ministry of Transportation and Communications**
 - April 15 meeting scheduled with Tourism Bureau Deputy Director Lin
 - Gather information on border control contacts and requirements for outbound and inbound travel, including travel "bubble" opportunity
- **Intel on Taiwan and Palau Travel Bubble**
 - First flight fully booked, 110 pax, primarily medical personnel, media, and travel trade, few seats for "tourists."
 - Many seats still available for the other three flights, but travel packages already drastically reduced to attract consumers, from \$2,600 to \$1,137
 - Concerns: the 5 hours pre-boarding time for testing and five days self-quarantine on return (employers may not allow); higher ground and boat handling costs due to space distancing requirements; and cost of operating hotel facilities below breakeven thresholds

DIGITAL TRAINING ACADEMY

- **Third in GVB Webinar Series April 7 – Specifically relates to Korean Market**
 - Klook GM South Korean go-to-app for booking travel and leisure experiences, path to tourism opening, outbound traveler perspectives
 - Response gravitating to youth; the in-country survey is of the older customers

GUAM NATIONAL TENNIS ASSOCIATION

- proposal brought to the board
- World Tennis Tour Pro Circuit has been GVB signature event since 2010
- International Tennis Federation and Japan Tennis Association confirmed Japan is not hosting any tournament before the Olympics
- ITF sanctioned Guam tournament, upgraded junior event to generate more interest in earning higher world ranking points (Grade 5 to 4)
- Players desperate for tournaments to maintain (improve) their ranking
- ITF believe players motivated even if quarantined on their return home
- ITF providing \$41,000 in grant funding to assist with Guam tournaments
- Japan not hosting tournaments, pandemic issues still lingering, and vaccination rate at glacial speed

- **The Opportunity**
 - Guam is the first Asia Pacific “country” to recommence international tennis
 - Players looking to maintain, improve rankings but qualifying tournaments lacking in the region
 - Guam can fill the void, attract internationally recognized tennis players, coaches, support staff, and accompanying friends and family
 - Two professional and two junior tournaments spread out over a month, May 21 – June 19, with spacing to manage safety and logistical issues is being proposed by the Guam Tennis Association
 - **Economic Benefits:** Total estimated 600 pax, 2,700 room nights, \$700,000 (Federal and MI&E per diem rates), \$338,850 in TAF income based on blended 125.50 ADR
 - **Marketing Benefits:** Guam, recognized in Asia and globally for one of few places hosting professional events at this level, show off a new world-class tennis center to the world-ranked tennis community
 - **Optics:** Incalculable advertising and PR value for Guam as a safe tourist destination, important to JKT and other markets, solidifies Governor LG’s May 1st tourist reopening date and elevates island sports tourism posture

- **Three Key Issues:**
 1. Guam National Tennis Federation requested \$30,000 for GVB support,
 2. Harmonizing ITF return to competition protocols with DPH&SS requirements, and
 3. GNTF local and ITF arrangements for a successful event
 - GVB **\$30,000 available** in set aside **recovery budget**, pay back more than ten times the **\$344,250** in estimated TAF income from month’s event
 - GNTF and GVB working closely with Lt. Governor Tenorio’s office and DPH&SS to satisfy mutual concerns on quarantine, monitoring, testing, and vaccination issues
 - GNTF to be responsible for local and ITF requirements

GOVERNOR’S TOURISM REOPENING TASKFORCE

- **Scaling up Industry Vaccination**
 - Support Governor’s Path to 50% vaccinated residents by May 1st
 - About 600 vaccinated at Hyatt March 30, 3 hours
 - GHRA secured 2nd dose allocation, scheduled next week
 - Discussing 3rd first dose vaccines with DPH&SS, decision pending
 - Director Ferguson mentioned
 - 200 vaccines - 2nd dose April 14th
 - 600 vaccines - 2nd dose April 27 Pilot Program
 - Hyatt location geographically convenient, peer group pressure and support from proximity to workplace
 - To date, 45% of eligible residents have first dose and 26% second dose
 - National Guard reporting 3,000 per day & 34% second dose (radio show today)
 - Director Ferguson reported 1200 doses approved for April (per Mary, GHRA)
 - Leaves us with 390 new doses after the 600 doses are used in the Pilot program
 - GHRA will send out a link to get the program started

PREPARING THE DESTINATION

- GVB board half-day inspection tour of popular tourist sites and visual corridors to identify issues in need of attention/action
- IBTF and GVB partnering on island-wide cleanup and beautification, Earth Week culmination, April 24
- Government agencies, mayors, community volunteers, and non-profit group focus on the most visible roadways, parks, and beaches
- DPW enforcing laws on abandoned buildings and dilapidated structures
- President & CEO Gutierrez reported Chief Justice Carbullido immersed himself in the cleanup efforts and sought more areas to clean than what was given.
- More than 30-31 WTTC safe certified business applications received to date, 25 approved, more applications anticipated with continued marketing
- Congratulated the AB Won Pat International Airport for Airport Council International recognition in providing safe health and hygiene airport environment for travelers
- First U.S. airport in Micronesian and Polynesian region earning ACI health accreditation, and already has WTTC Safe travel stamp UNWTO recognized

MESSAGING AND COMMUNICATIONS STRATEGY

- **A Very lengthy draft letter has been prepared for the governor**
 - To use in official communications to government officials (JKT)
 - Will be wordsmithed according to specific audience and timing
 - Outlines current success in containing COVID and progress in reopening the tourism industry
 - Goal: Requesting assistance and support for travel to Guam
- Small, short-term, and highly controlled tours for qualifying participants, pilot program, results shared with community & government
- Seeking less restrictive protocols for tourists returning from Guam
- Five respondents to Communications RFP, ALL qualified, Glimpses selected by the independent evaluation panel, two with legal backgrounds and a company CEO
- No GVB employee involved to avoid conflicted personal or business contacts from current or previous engagements
- Glimpses presented a plan for board action, "Reimagining the Håfa Adai Spirit."

Project Overview

	PHASE I	PHASE II	PHASE III
Local Market	Vaccinations for Targeted Age Groups	Continued Vaccination Targets and Progress Reports	Widespread Vaccination
	Safety Protocols	Safety Protocols established for incoming travelers	Enhanced safety protocols for incoming travelers
	PHASE I	PHASE II	PHASE III
Japan	Top of Mind Awareness	Guam's Vaccination Progress	Guam's Vaccination Progress
Korea	Guam Safe Certification WTTC Safe Travels Safety Protocols / Practices	Pilot Tour Group – safe and secure visit	Guam Safe Certification WTTC Safe Travels Safety Protocols / Practices
Taiwan	Guam Safe Certification WTTC Safe Travels CDC – Down grade to Level 2	Cultural Exchange and Growing Friendship Proximity for Essential Travel	Guam Safe Certification WTTC Safe Travels Safety Protocols / Practices



*** Amplify local positive news to source market.**



Questions & Comments:

Glimpses Presentation

- Director Shinohara inquired about the time frame between phases.
 - Sixty-day spreads: April – May: Phase 1, June – July: Phase 2, August – September: Phase 3
 - Through social media, the populous in the local community believes Guam is not ready and should not open its doors to tourism. Director Shinohara asked whether phases 1 and 2 can be consolidated simultaneously for this purpose.
 - Some protocols are being finalized for incoming passengers. Once completed, it will be included in the communications; the most significant concern - local communities are safe, numbers are good, cases are down, don't want to expose ourselves; once protocols are in place, it will be integrated into the communications.
- Director Shinohara inquired about the communication vehicle for underserved communities.
 - Person to person communication

- To work with village mayors and find the best method to reach them
 - To work with organizations, church groups, or key leaders in their demographic
- Director Shinohara inquired whether our source markets made suggestions relevant to the key marketing messaging strategy presented. He is concerned that the message is not consistent across the different markets. It may create further challenges for us. He would like everything GVB does to reinforce the message being included in the letter to the foreign governments.
 - According to Vice President Perez, this was discussed. Even with overarching themes common to all, there will be individual nuances crafted for the specific markets. The communications team will be in touch with our Marketing reps in those markets. Whatever is composed in the markets will need to be aligned with understanding the message content in our source markets.
 - Marcus with Glimpses stated that the timing would be a bit different because each market has different timing. The content will remain the same. They've been alerted to the various nuances of each market.

Guam National Tennis Federation

- Date set for May 21
- We need to hustle to reconcile the COVID protocols between the International Tennis Federation and DPHSS
- The majority of the funds will be distributed to its original intent, and a portion will go to logistical arrangements

VI. TREASURER'S REPORT

Director Shinohara made a motion, seconded by Director Ada, to increase GVB's budget ceiling request from \$20.9M to \$27.7M. GVB Management to present category details to the Board as soon as possible but prior to the official submission to the legislature. Motion Approved.

Background: The FY2022 budget was approved initially via board motion on January 28, 2021 board meeting at \$20M. After the management and several board members' discussion, it is determined that the revised budget of \$27.69M is what GVB needs to address the market recovery, destination management, and destination capacity issues.

Cost Estimate: N/A

Funding Source/Account: N/A

Action Required: Board Approval Required

Questions & Comments:

- After assessing the original budget ceiling request, Vice President Perez and Director Shinohara concluded that the opportunity to do more is attainable if GVB could receive more funds.
- Much work is needed to revamp GVB's marketing, the capacity to do much in the industry, and destination improvement.

VII. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

B. ADMINISTRATION & GOVERNMENT

Director Eun made a motion, seconded by Director Jones, to authorize the President and Chief Executive Officer as Chief Procurement Officer of GVB to enter into negotiations with the highest-ranking qualified offeror in response to GVB RFP 2021-004 INSURANCE BROKERAGE SERVICES, and if successful, to enter into a contract. Motion Approved.

Background: In accordance with the Guam Procurement Law and Regulations, the Guam Visitors Bureau (GVB), a public, non-stock, non-profit membership corporation, is seeking written proposals from experienced and qualified insurance brokers to provide insurance broker service that include, but are not

limited to, insurance placement and servicing, risk exposure analysis, as well as general insurance advisory services and claims assistance.

GVB seeks to engage a Broker that will provide an assessment of the existing insurance program, recommend additional or modified coverages and limits, and provide quality forms of coverage at the most competitive premiums.

The term of this agreement shall begin on October 1, 2021, for FY2022, with two (2) options to renew for each succeeding fiscal year, subject to certification and availability of funds.

Issue: Board approval required.

Questions & Comments:

- Vice President Perez shared that GVB had been using a firm for the last three years to assist in negotiating the best insurance rates that include officers and directors, among other things.
- The contract is expiring; need to renew for another three years
- Chairman Morinaga requested that management inquire about travel insurance; Vice President assured him that it'd be part of the coverage.

C. REOPENING TASK FORCE

Director Shinohara made a motion, seconded by Director Eun, to approve up to \$150,000 from the Market Recovery Account for the Communications Plan. Motion Approved.

Comments & Questions

- Director Shinohara is concerned about our ability and status to provide testing services for incoming visitors. We cannot provide the service through DPHSS.
- Director Eun inquired about trusted testing partners
 - Marketing Manager Colleen Cabedo mentioned that DPHSS provided GVB with a certified listing of local clinics, then sent it to our source markets.
- Director Shinohara asked if a motion for returning residents (outbound testing) should be made
- GIAA is working with a particular vendor with capacity issues
- GVB was asked to do something; to have language that included airport site testing as a backup
- Discussion in the committee was to stage a facility in Tumon to make it convenient for visitors to take their tests.
- It was discussed in the committee that part of the strategy was to find resources in GVB to pick up the cost on an interim basis to make us more attractive and give us a competitive advantage over other markets.

Director Shinohara made a motion, seconded by Director Jones, to negotiate or issue an RFP to provide COVID testing required of travelers returning to their home countries. Motion Approved.

D. AIR SERVICE DEVELOPMENT

- United decreased their flight schedule for the island hopper, Philippines, and Japan, according to the Guam Post
- JAL suspended until May 31
- T'way suspended until June 30
- Jeju suspended until March 27
- Tour package canceled until Guam reopens
- All flights from Korea to Guam are suspended, except Jin Air
- New Korean aircrafts currently being licensed: The Air Premia and Aero K. Air Premia will be traveling to Hawaii and the Westcoast.
- Korean Airlines, Asiana Airlines, Jin Air, Air Busan, Air Seoul will merge

Questions & Comments:

- Director Shinohara shared that GIAA issued an incentive program for carriers for the next three months. It was suggested that GVB package something more attractive to bring airlines back to Guam.

- o Vice President Perez mentioned Nadine has been communicating with them on this matter

E. DESTINATION MANAGEMENT/VISITOR & SAFETY SATISFACTION

Director Shinohara made a motion, seconded by Vice-Chairman Shimizu, to authorize the President and Chief Executive Officer as Chief Procurement Officer of GVB to enter into negotiations with the highest-ranking qualified Offeror in response to GVB RFP 2021-005 Language Assistance Program, and if successful, to enter into a contract. Motion Approved.

Background: GVB seeks to retain a qualified professional agency to provide language assistance services to improve access to services and provide support in incidents that may require language mediation. This contract may be awarded in whole or in part.

The services required include, but are not limited to:

Translation & Interpretation Services - The offeror must provide the following services:

- Provide trained professionals capable of accurately interpreting verbal and written communications from Japanese, Korean, and Chinese (Traditional) to English.
- The contractor must retain available staff to be deployable 24/7 in the event services are needed. Services may warrant over-the-phone assistance or physical presence.
- Interpreters must demonstrate proficiency in both English and the language they are interpreting.
- It may be required to provide medical and legal translations.

The contract shall begin April 29, 2021, through September 30, 2021, for FY2021, with the option to renew for up to two (2) fiscal years, subject to the availability of funds.

Issue: Board approval required.

Questions & Comments:

- Management to control trigger date

F. CULTURAL HERITAGE, COMMUNITY OUTREACH & BRANDING

- Director Cepeda reported GMIF would host a virtual tour on May 29th

G. RESEARCH / MEMBERSHIP

- Director Jones reported Vice President Perez covered most of Research
- Membership: Bill 81-36 is still pending; no updates

H. SPORTS & EVENTS

Guam National Tennis Federation (GNTF) WTT Junior and Pro Event Sponsorship

Director Gatewood made a motion, seconded by Director Ada, to approve up to \$30,000 in event sponsorship funding to support the Guam National Tennis Federations hosting of four (4) 2021 WTT Pro and Junior Tennis Tournaments scheduled for May 21, 2021, through June 19, 2021. (Cost approximately \$30,000.00). Motion Approved.

Background: Both the ITF (International Tennis Federation) and the JTA (Japan Tennis Association) has confirmed Japan will not be hosting tennis events before the Japan Olympic Games this summer. With that said, the ITF has asked Guam to host two consecutive events with \$25,000 prize money per event to enhance tournament attractivity, but more importantly, to provide tournaments for desperate tennis players in the region who'd like to maintain their rankings but have not events.

In addition, the Guam National Tennis Federation (GNT) was also approached to host Saipan's junior ITF event along with the Guam Junior's event. Totaling (4) events (2) - Junior events Guam and Saipan, and (2) - Pro tournaments from May 21 - June 19, 2021.

The ITF has stepped up and offered \$41,000 in funding to help the GNTF pull off the four weeks of international events. However, the amount does not cover the expenses to fly in tournament officials and provide them with paid hotel accommodations.

Issue: Board approval required.

Funding Source: Market Recovery

I. JAPAN

Meeting schedules

- April 13, 2021
- May 11, 2021

Japan Office

- Director Bell reported New Japan Marketing Representative Shintsu SP Co. Ltd
- Chairman Morinaga shared JGTC and GVB will conduct a meeting on April 14, 2021, via Zoom

J. KOREA

- Attempting to make 1.1M population inoculation per day
- Korean Air and Asiana Airlines will integrate in 2024
- Chooses to use a digital certificate system similar to vaccine passport
 - System based upon blockchain technology
 - Launching in April
- The government changed legal wording in terms of quarantine requirements due to the virus issue

K. TAIWAN

EXHIBIT B

Committee Minutes dated March 12, 2021

- Taiwan representative Felix met with Haomai Tour agent to discuss PAK possibility
- Met with Bruce Chen of China Airline Guam Branch Manager to discuss steps to resume direct. Flight and establish travel bubble
- Global News and Public Television Service News report in recent news on both online media are all portraying Guam as the first choice of travel destination filled with sunshine and warmth
 - Positive messages are being sent
 - Thanked TECO for being a positive impact on Guam by sending positive messages to use in the media

Upcoming Travel Fairs

- GVB Taiwan was offered free booths with organizations in charge of major travel fairs due to their great relationship. Guam will present at the following fairs:
 - 2021 Spring Travel Fair
 - 2021 Taichung International Travel Fair
 - 2021 Kaohsiung Travel Fair

Questions & Comments:

- President & CEO Gutierrez recalled the Board's idea to expand the presence of GVB Taiwan's representative, Felix. The idea was that he would go beyond GVB & tourism and represent us in economic development, the airlines, etc.
 - Suggested that GVB collaborate with GIAA, GEDA, and the Port Authority of Guam
 - The team tentatively agreed on how they would share the expanded role of our representative in Taiwan
 - Our Taiwan representative's role will be much larger
 - Governor LG desires that the economic development portion of Taiwan be led to Guam

L. NEW MARKETS

- Nothing to report

M. NORTH AMERICA, PACIFIC & PHILIPPINES

- Nothing new to report for North America

Philippines

- An influencer and industry partners will visit Guam
- Next committee meeting - April 14

VIII. OLD BUSINESS

- None

IX. NEW BUSINESS

- None

X. EXECUTIVE SESSION

Chairman Morinaga made a motion, seconded by Director Jones, to enter into Executive Session at 3:21 p.m. **Motion Approved.**

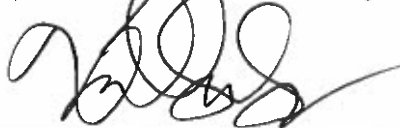
Chairman Morinaga called the Regular Meeting of the Board of Directors back to the session at 4:19 p.m.

XI. ADJOURNMENT

Vice-Chairman Shimizu made a motion, seconded by Director Quinata, to adjourn the Board of Directors regular board meeting at 4:20 p.m. **Motion Approved.**



Mr. Stephen Gatewood, Secretary of the Board of Directors



Board Minutes respectively submitted by Valerie Sablan, Executive Secretary