



REGULAR BOARD OF DIRECTORS MEETING MINUTES

Tuesday, July 27, 2021, at 1:30 p.m.

GVB Conference Room and Teleconference - GoToMeeting

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

I. CALL TO ORDER

II. ROLL CALL

III. MINUTES OF THE PREVIOUS MEETING

EXHIBIT A

Director Eun made a motion, seconded by Director Jones, to approve the previous Board of Directors meeting minutes dated July 08, 2021, subject to minor corrections. Motion Approved.

IV. CHAIRMAN'S REPORT

- Thanked Management for a successful Air V&V Program
- Businesses and Optional Tours are still closed for business
 - Imperative they open to accommodate visiting tourists from Taiwan
 - Koreans expected in September and Japanese in October-November
 - Management to reach out to Optional Tours and Travel Industry to encourage the opening of businesses
- Reminded GVB staff to reach out to committee chairs in the event of meeting cancelations or postponement
 - Committee Chairs to communicate the information with their community members
- Status of PCR tests protocol - JMC & KMC to provide updates

V. MANAGEMENT'S REPORT

President & CEO Gutierrez reported:

- Currently working on getting to airlines and businesses
- Need to instill in the minds of business owners: visitors are here and will continue to visit Guam
 - Military, Taiwanese, Staycationers
 - Activate Trolley operations
 - A good alternative for transportation; rental car companies unable to sustain the level of incoming business
 - Provide more lighting in Tumon
- Incoming Taiwan flights scheduled
- Taiwan's onerous protocol keep customers from taking the opportunity to fly to Guam
 - Possible trip to Taiwan with Chairman Morinaga, Dr. Nguyen, Dr. Cruz, and Chief of Staff to meet with Taiwan Government
 - The purpose is to discuss a reciprocal travel agreement; Guam should not be lumped with the United States

Proposed Rain Shelter

- Corner of JFK (Kmart Intersection)
- Public idea from Ray Gibson
- Beneficial to tourists and students from JFK
- Director Ferguson requested more lighting at the intersection; dark in the evening
- Director Dela Cruz requested the intersection have a mechanism for the hearing and sight-impaired

Vice President Perez reported:

Air V&V

- The team discussed ideas to bring visitors back to Guam
- President Gutierrez came up with the concept of Air V&V (GVB patented)
 - Green shoots of opportunity to get Guam back on track
 - Stimulates our industry that has been on lockdown for a year and a half
- 917 arrivals to date, with another 170 scheduled to arrive at 2:55 PM today
- Vaccine
 - Pfizer: 558
 - People's choice
 - Pfizer can provide a cocktail with AstraZeneca when they return to Taiwan, enabling them to take their second shot in their homeland
 - Moderna: 147
 - Johnson & Johnson: 149
- Following charters from Taiwan: 7/27, 8/2, 8/8, and 8/12 (est. 800 pax)
- Taiwan continues to send charters to Guam organized by Phoenix Tours, and Lion Travel drove the market with GVB
 - Actively selling Guam and gaining traction
 - The amount of earned media coverage is more than GVB's budget on an annual basis
 - According to President Gutierrez, Angel is an actress with over 2M followers with 5 TV Network stations
 - She stayed at Nikko Hotel Guam, where she received her first shot and documented the process, and shared it with followers
- Four airbus 321-300 flights arrived starting on July 6
- July 22 - Airbus 333-300 with 299 passengers

Liberation Day

- Drone show a huge success
- Great opportunity for something different
- Build drone inventory for future expectations
- Two shows - Tumon and Merizo

Fiscal Year to Date 2021



October - July 16, 2021

Total: 37,746 (-95.0%)

% Market Mix	Origin	2020	2021	% to LY
6.0%	Japan	324,487	2,262	-99.3%
2.4%	Korea	324,910	896	-99.7%
1.3%	Taiwan	10,656	508	-95.2%
0.2%	China	4,280	75	-98.2%
69.0%	US/Hawaii	43,990	26,040	-40.8%
4.3%	Philippines	9,022	1,641	-81.8%
0.1%	Hong Kong	1,215	22	-98.2%
0.1%	Russia	994	52	-94.8%

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

Note: June 2021 Daily Arrivals reflect Civilian Air arrivals only

Calendar Year to Date 2021



January - July 16, 2021

Total: 30,733 (-90.3%)

% Market Mix	Origin	2020	2021	% to LY
5.8%	Japan	143,686	1,795	-98.8%
2.4%	Korea	123,825	739	-99.4%
1.4%	Taiwan	4,498	440	-90.2%
0.2%	China	2,030	62	-96.9%
68.9%	US/Hawaii	24,539	21,186	-13.7%
4.1%	Philippines	2,598	1,264	-51.3%
0.0%	Hong Kong	466	12	-97.4%
0.1%	Russia	470	41	-91.3%

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

Note: July 2021 Daily Arrivals reflect Civilian Air arrivals only

July 2021 (impact of GVB Patented Air V&V)



July 1-16, 2021

Total: 3,424 (+385.7%)

% Market Mix	Origin	2020	2021	% to LY
2.0%	Japan	33	70	112.1%
2.5%	Korea	19	84	342.1%
10.3%	Taiwan	7	499*	7028.6%
0.2%	China	7	6	-14.3%
67.6%	US/Hawaii	401	2,169*	440.9%
2.5%	Philippines	20	85	325.0%
0.1%	Hong Kong	2	4	100.0%
0.0%	Russia	9	0	-100.0%

*Taiwan and US arrivals adjusted for dual citizenship
July 17 - July 27, 2021 500+ pax from Taiwan

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

Note: July 2021 Daily Arrivals reflect Civilian Air arrivals only

- Impact of GVB's patented Air V&V Program
- July 1-16, 2021 increase of visitor arrivals from last year; significant numbers from Taiwan's impact
- Military exercises made a difference in arrival numbers

Korea Flight Updates

- Jin Air continues to fly once weekly
- T'way scheduled to begin July 31 (1x weekly, B737-800, 189 seats)
- Korean Air - arriving Aug 6 (twice weekly, B777-300ER 277 seats)
- Air Seoul and Jeju application denied by MLIT for service; currently having a difficult time with virus uptick

Korea Updates

- Head of Mission Mr. In Kook Kim paid a courtesy visit at the Guam Visitors Bureau with Vice President Gerry Perez, Director of Global Marketing Nadine Leon Guerrero, Marketing Manager of Korea Colleen Cabedo, and Marketing Coordinator of Korea Margaret Sablan on Friday, July 23rd

\$500 Incentive

- Explored possibilities with BOG, FHB, etc.
- Meeting with Potential Vendor
 - Possible with a lead time
 - Estimate 45 - 60 days to deliver cards (September)
 - Expecting quotes for 2,500 and 5,000 cards based on \$2.5M

Tumon Vaccination Clinic

- Opened in the Plaza

Valley Of The Latte

- Valley of the Latte held a festival on July 31
- Board invited to attend

VI. TREASURER’S REPORT

Director of Finance Josie Villanueva reported on behalf of Director Shinohara the following: TAF Budget vs. Actual Projection/GVB Fund

Tourist Attraction Fund Update

- \$968K TAF collected as of June
- Hotels occupied by Military, visitors, and Staycations in March, added to the TAF
- Allotments received as of May
- Pending \$532,425 allotment for June

Revenue & Expenditures

- \$5.2M Revenue
- \$4.8M Expenditures
- Interim surplus of \$364K, subject to change

Statement of Net Assets

- Current assets \$15.8M; \$14M in cash & balance
- Long term asset \$9.9M
- Current Liabilities \$745K
- Long term liabilities \$14.2M
- 61% of total assets are current

Spending Update by Department

- The total Budget is \$6.3M
- Current operation expenses \$4.3M
- All departments are on track

Other Expenditures

Program Classifications	27-May-21	24-Jun-21	27-Jul-21	Remarks
Construction in Progress (CIP)	\$ 80,488	\$ 80,488	\$ 84,184	Engineering Fee - \$54K, GVB Building improvement - \$ 40K, Insurance Claims - \$26K (damaged street lights) and Grant - Anti Grafitti - \$2K
2017 RAIN/FY2020	\$ 121,670	\$ 121,670	\$ 292,804	Local Spend related to Digital Media & Communications, Recovery Efforts - \$181K, Japan - \$54K, Korea-\$30K , Taiwan - \$22K
Printing & Promo	\$ 333	\$ 333	\$ 333	
Membership	\$ 4,943	\$ 4,943	\$ 8,934	
Cares Act - EDF	\$ 175,985	\$ 175,985	\$ 248,479	Electronic Declaration Form < For CAPEX reclass - Software - \$139K, Hardware - \$97K, Other Expense - \$8K
VaxNWin			\$ 193,010	6 Cars at - 121K + Cash Price - \$67K
Air V&V			\$ 3,594	
Liberation Program			\$ 2,649	
Total	\$ 383,419	\$ 383,419	\$ 833,987	

Cash Forecast

Recap of GVB's Cash Forecast:

Current Bank Balances as of 07/23/21		\$	14,342,337
Add:			
Allotments to be received from June 2021 to September 30 2021 (\$532,425 x 4 months) >>			
	\$	2,129,700	
Additional Allotment related to VaxN Win & Air V&V (Tourism Recovery Efforts) >>			
	\$	450,000	
BSP Grants>>			
	\$	14,600	\$ 2,594,300
Total Available Funds based on Forecast		\$	16,936,637
Less:			
Public law Restricted Funding			
	\$	392,692	
Booked Payables as of 07/23/21			
	\$	409,047	
Other Liabilities & Encumbrances(PO&Contracts)			
	\$	3,678,875	
GVB Board Committed Fundings (CIP & Others)			
	\$	8,695,770	\$ (13,176,385)
Net Cash Balance/(Shortfall) Estimated ending FY21		\$	3,760,252

Disbursements over \$24,999 – Board Approval Required

1024 - Cash in Bank - BOG Checking (Operations)

Check Number	Effective Date	Vendor Name	Document Amount	Document Description
23056	5/11/2021	JamzMedia Productions	\$ 50,000	Liberation Day Fireworks 50% Mobilization Fee
23065	5/11/2021	W.B. Flores Engineering & Technical Services, Inc. dba W.B. Flores & Associates	\$ 27,000	C21019-TO# 1 Sn Vitores Blvd Culv & Fujita Ponding Basin Final Cleaning Feb 2021
SIM003-003-FY2021	5/12/2021	simpleview, inc.	\$ 40,043	C21018 - CRM, CMS, Global Websites - March, April, May 2021
G4S001-007-FY2021	6/8/2021	G4S Secure Solutions (Guam), Inc.	\$ 55,000	C21004 Visitor Safety Officers - April 2021
GLI001-002-FY21	6/9/2021	Glimpses of Guam, Inc.	\$ 47,500	C21025 CO#1 Liberation Day Drone Light Show Planning, Designing - Mobilization Fee
ANT019-02-FY2021	6/23/2021	Anthology Marketing Group, Inc. dba Anthology Research	\$ 25,250	C21011 Visitor Exit Surveys-Data Collection, Processing, Analysis, Reporting Q2
SHI007-001-FY21	6/30/2021	Shintsu SP, Co., Ltd.	\$ 26,702	C21024 Japan Marketing Rep Fee, PR release,(Leap Corp) Japanese Web-April 2021
GLI001-004-FY21	7/7/2021	Glimpses of Guam, Inc.	\$ 25,070	C21025 Communication, Creative, KUAM Safe Certified & WTTTC- May 2021
G4S001-008-FY2021	7/12/2021	G4S Secure Solutions (Guam), Inc.	\$ 55,000	C21004 Visitor Safety Officers May 2021
G4S001-009-FY2021	7/12/2021	G4S Secure Solutions (Guam), Inc.	\$ 55,000	C21004 Visitor Safety Officers June 2021

- The Board must ratify any expenditure over \$24,999 by law

Director Shinohara made a motion, seconded by Director Quinata, to approve the Vax n' Win Operation Liberate Guam Program (Pass Thru Program) in the amount of \$450,000.00. **Motion approved.**

Director Shinohara made a motion, seconded by Director Jones, to adopt the disbursements report as attached. **Motion approved.**

- Chairman Morinaga requested that the Director of Finance pre-send financial reports to all Board Directors for review beforehand, so if any questions arise, much time will not be taken
- Director Jones requested a copy of the requirement to approve the \$24,999

VII. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

- None to report

B. ADMINISTRATION & GOVERNANCE

- None to report
- Bill on Membership voting is currently being heard
 - Send statements to Senator Shelton

C. REOPENING TASK FORCE

- Director Shinohara had no updates to report

Requested the following from the Task Force:

- Incoming flights from Korea in August
 - Sense of incoming bookings
 - How to plan
- Taiwan largest market for Air V&V
- Prepare for dialog in Reopening Task Force Meeting
 - What is happening in other markets
 - What can be done
 - Border issues

Cash Reconciliation

- \$1M committed moving forward
- How and where funds are being committed
- How it would drive business forward
- Re-opening Guam
- Getting the island prepared

D. AIR SERVICE DEVELOPMENT

Updates

- PAL flies twice weekly
- Air Busan currently pending
- Starlux received U.S. permission to fly to Guam
- Asiana is considering service; charter flights right now

Japan

United Airlines UA196/UA197 continues to operate daily. All other flights are now suspended until Oct 4

Japan Airlines remains suspended until September 30

Tway remains suspended until September 30

Jeju Air remains now suspended until July 31

- MOFA travel advisory and warning level to the US remains at level 3
- Tour package cancellation extended in response to flight suspension to Guam; most tours canceled until August 31; Jalpak canceled until Sept 30
- The total air seat capacity forecast for FY21 is 142,333 seats

South Korea

- All flights from Korea to Guam are suspended, except for *Jin Air & T'way* (outbound seat capacity for July is 945 seats)
 - Jin Air weekly flight scheduled July 6, 13, 20, 27
- South Korea extended its special advisory against overseas travel until August 14
- T'way and Korean Air are resuming regular one-time, weekly service; T'way on July 31 and Korean Air on August 6.

Taiwan

Upcoming Eva Air charter flights at 3 pm:

- July 27
- August 2, 8, 12, 14, 18, 22, and 26

E. DESTINATION MANAGEMENT/VISITOR & SAFETY SATISFACTION

Director Shinohara reported:

- Culvert cleaning continues
- Changes to planning and design at Matapang
- Ongoing work with two murals in Tumon
 - Wall near San Vitores Church cleaned and prepped
 - Director Paco working with Dee Hernandez to remove three tree stumps at the wall
 - I Love Guam mural near JFK hill; postponed due to inclement weather
- Director Shinohara noticed on Rt. 8 after the underpass near McDonald's, an overgrowth of grass about three feet high on the road; Management to speak with DPW

F. CULTURAL HERITAGE, COMMUNITY OUTREACH & BRANDING

- None to report

G. RESEARCH / MEMBERSHIP

- Director Jones reported the status of Bill 81-36 is still pending
- Statements should be sent to Senator Shelton
 - No closing date to submit comments or statements

H. SPORTS & EVENTS

- Nothing to report
- Kraig Camacho thanked Mike Nauta and the team for volunteering to assist with the I Love Guam mural, tree planting in Merizo

I. JAPAN

EXHIBIT C

Committee Meeting Minutes July 13, 2020

Japan Market Updates

- Tokyo and Okinawa are under a state of emergency until August 22.
- Having issues with vaccinations; only 25% of the country were fully immunized
- The US, including Guam, remains at MOFA's Level 3 travel for entry into Japan.

Tokyo Olympics

- The Opening Ceremony included a drone show

Liberation Drone Show

- JTB Guam Instagram page shared Liberation Drone Show on July 21st
- GVB Japan Facebook account linked KUAM Liberation live stream

JATA Tourism Expo

- The Japan Association of Travel Agents (JATA) Tourism Expo Japan (TEJ), postponed from November 25 to 28, 2021 to September 22 to 25, 2022

Monthly JMC Meeting

- August JMC Meeting: August 17, 2021, at 1:30 PM via GoToMeeting
<https://www.gotomeet.me/GUAMVISITORSBUREAU/jmc-meeting>

J. KOREA

EXHIBIT D

Committee Meeting Minutes July 13, 2020

COVID-19 and South Korea Updates

- 34.1% received their first dose, and 13.5% are fully vaccinated

GVB Korea PR/Marketing Efforts

- GVB RFP 2021-007: Destination Marketing Representation Services in South Korea deadline is July 27th
- GVB working on selecting a Country Manager within two weeks

K. TAIWAN

EXHIBIT E

Committee Meeting Minutes July 09, 2020

- Chairman Morinaga mentioned that Vice President Perez thoroughly covered Taiwan's report
- Taiwan is in talks with Palau to resume the travel bubble
- travel link between the two countries was temporarily suspended after Taiwan's Central Epidemic Command Center (CECC) raised the pandemic alert to Level 3 on May 15th
- Taiwan to lower the pandemic alert to Level 2 for domestic travel

L. NEW MARKETS

- Nothing to report

M. NORTH AMERICA, PACIFIC & PHILIPPINES

- Nothing to report

VIII. OLD BUSINESS

- No Old Business

IX. NEW BUSINESS

- No Old Business

X. EXECUTIVE SESSION

- No Executive Session

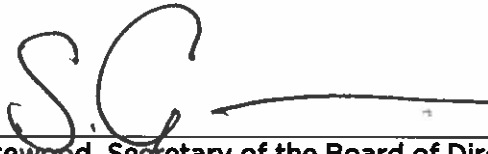
XI. ANNOUNCEMENTS

Upcoming Board Meetings:

- August 12, 2021
- August 26, 2021

XII. ADJOURNMENT

Vice Chairman Shimizu made a motion, seconded by Director Eun, to adjourn the Board of Directors meeting at 2:54 p.m. **Motion approved.**

A handwritten signature in black ink, consisting of the letters 'S.G.' followed by a horizontal line extending to the right.

Mr. Stephen Gatewood, Secretary of the Board of Directors

A handwritten signature in black ink, appearing to be 'V. Sablan'.

Board Minutes respectively submitted by Valerie Sablan, Executive Secretary