



REGULAR BOARD OF DIRECTORS MEETING MINUTES

Thursday, January 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

- Chairman Morinaga called the Board's regular meeting to order at 1:40 pm with a quorum being present

II. ROLL CALL

In-Person: Milton Morinaga, Ho Eun, Akihiro Tani, Jeff Jones

Online: Paul Shimizu, Sonny Ada, Derrick Quinata, Ben Ferguson, Sam Shinohara, Flori-Ann Dela Cruz

Absent: Laura Cepeda, Rudy Paco

III. MINUTES OF THE PREVIOUS MEETING

EXHIBIT A

Director Jones made a motion, seconded by Director Eun, to approve the previous Board of Directors meeting minutes dated January 13, 2022, subject to minor corrections. Motion Approved.

IV. CHAIRMAN'S REPORT

Chairman Morinaga announced:

- Motions held until the next Board meeting

V. MANAGEMENT'S REPORT

GVB Public Notice Board Meetings



- Ongoing inconsistency in understanding and compliance with new public meeting notice requirements
Public notice last board meeting provided agenda topics (Roberts Rules) and public directed to website for lengthy details of business to be discussed
Vigilance Committee deemed this insufficient per new public law
Discussed with Legal Counsel
Due to shortcomings in agenda notice details, management will defer board action on motions until next meeting
Today's meeting limited and no action to be taken
Motions and action items will be properly noticed for the next board meeting

FY2021 GVB BUDGET SUMMARY



- TAF funding source for GVB operations
TAF Hotel Occupancy Taxes FY 2021
Total collected \$13,002,348.52
Less bond payment \$5,027,196.53
GVB actual cash received \$5,324,326.00
Balance
After debt service and GVB allotments \$2,650,915.99
GVB Budget (PL 35-99) \$6,389,099.00
Actual Allotments Received by GVB \$5,324,326.00
Uncollected Allotments Owed to GVB \$1,064,863.00





- There was enough TAF collected to pay for debt service and cover GVB appropriated budget.
 - Researched why full allotments not received
 - DOA Issue
- **GVB Disadvantaged:** Line agencies have direct access to TAF funds and pro-rated share of shortfalls, but not GVB.
 - Line agencies can draw funding directly via internal transfers and fund account entries.
 - GVB must first do DDR to trigger DOA allotment releases and await bank account credit
 - Basically, last in the queue for TAF access



- Priority Irrelevant**
 - > GVB operational funding priority (HOT Bonds) rendered irrelevant by DOA operating procedures
 - > Operationally preempted from securing first position
 - > Balance of \$2,650,915 enough to cover \$1,064,863 owed GVB
 - > Insufficient for \$4,075,554 appropriated to GPD, DPR and six other GovGuam departments and agencies.
- Remedy DOA Operating Procedure**
 - > DOA policy, full allotment to GVB bank account, credit before internal fund account entries directly accessible to other GovGuam depts
 - > Specific language in Executive budget law
- In Interim**
 - > Discussed GVB allotment shortfall and other obligations with Chief of Staff
 - > Assuming GVB will receive \$126.760 (EDF) and \$1,064,000 (Aug & Sept allotment)

President Gutierrez reported:

GVB allotment shortfalls

- Discussed GVB's allotment shortfall and obligations with Chief of Staff (COS) Calvo
 - COS understands the purpose of the TAF; understands that Marketing & Tourism have been relegated

Board Meeting Announcements

- President Gutierrez expressed
 - the outcome of created laws are unknown until implemented
 - the law is not one size fits all; GVB is a non-profit organization and is not comparable to an autonomous agency
 - GVB acts with a different law; the agency deals with dynamic and fluid functions; last-minute things surface an hour or two before a board meeting that needs to be promptly addressed (Examples: Issues may arise with incoming flights that need to be addressed, a tourist who encounter COVID and require a timely resolve)
 - GVB is a war room type of agency
 - Agenda details cannot always be pre-planned
 - GVB is a tight organization that strategizes and competes with others; refrains from openly sharing detailed plans
- Will be in communication with oversight Chairwoman Senator Shelton
 - to discuss forfeiting the law and implementing something that allows flexibility in publishing agenda details

Assumptions - receiving funds

- Thanked Director Shinohara for objecting to wipe out and have GVB absorb \$126K (EDF); was brought to Governor LG's attention
 - funds were released to GVB on January 26, 2022
- \$1.64M (August & September allotment)
 - GVB did not receive the allotment as promised by Governor LG & Lt. Governor Tenorio
 - Funds were factored into GVB's operation
 - Instructed to use certain funds; Governor LG will handle it
 - Adelup is onboard and aware that GVB drives and moves our economy forward
 - GVB cannot be relegated to the end of the line with the TAF or with the ARP funding
 - Governor LG is on top of the idea that GVB should receive some of the funds because we are the solution in getting our economy back in order

Questions & Discussion

Director Shinohara inquired if we could argue that this is a DOA problem/issue, not a GVB challenge to solve.

- Unsure if it is just statute or policy
- GVB funding should be prioritized above all else

Vice President Perez mentioned that other agencies have direct and real-time access to the TAF with instant credit. Whereas GVB must submit a direct deposit request, and the process could take up to two days.

President Gutierrez shared that the Governor's office understands GVB's dilemma and is temporarily stepping in to solve the issue. He mentioned that the law must be adjusted to ensure that GVB is first in line and encouraged Director Shinohara to meet with the legislature to revise the idea of requesting allotments.

Destination Management 

• **Tumon Landscape Maintenance**

• Contractors: PWS/GPS and Guam Cleaning Masters commenced zone maintenance



Zones 1 - 6 



Questions & Discussion

Director Jones asked how many contractors were awarded and total bidders

- **Two contractors share the six zones**
- **A total of five bidders**

Zone 1:
Pacific Waste Systems & General Pacific Services 

Zone 1:
Archbishop Flores rotunda to Joseph Flores Memorial Park main entrance



Zone 2:
Pacific Waste Systems & General Pacific Services 

Zone 2:
Joseph Flores Memorial Park main entrance to up JFK hill to Marine Corps Drive



Zone 3 – Guam Cleaning Masters



Zone 3:
Bottom of JFK Hill to
entrance of
Holiday
Resort &
Spa Guam



Zone 4: Pacific Waste Systems & General Pacific Services



Zone 4:
Holiday
Resort &
Spa Guam
to Hyatt
Regency
Guam



Zone 5 – Guam Cleaning Masters



Zone 5:
Hyatt
Regency
Guam to
The Westin
Resort
Guam and
Santos Hill
(Australian
Cable road)



Zone 6: Pacific Waste Systems & General Pacific Services



Zone 6:
The Westin
Resort
Guam to
Hotel Nikko
Guam



Destination Management



- IFB 2022-010 | San Vitores Streetlight and Sidewalk Safety Improvements
- Bid closes at 3P.M. on February 14, 2022

January 2022



		January 1-17, 2022			Total: 3,331 (+136.6%)
% Market Mix	Origin	2021	2022	% to LY	
2.3%	Japan	48	77	57.1%	
15.4%	Korea	57	512	796.2%	
0.2%	Taiwan	7	8	14.3%	
0.3%	China	7	10	42.9%	
58.1%	US/Hawaii	1,075	1,934	90.5%	
9.1%	Philippines	67	169	152.2%	
0.1%	Hong Kong	0	3	-	
0.1%	Russia	0	2	-	

Source: Guam Customs Department Reports. Prepared by the Guam Market Bureau.

Note: January 2022 Total includes other ICBT 07 24 2022

Fiscal Year to Date 2022



October - January 17, 2022

Total: 28,126 (+234.0%)

% Market Mt	Origin	2021	2022	% to LY
4.5%	Japan	516	1,358	143.0%
11.6%	Korea	214	4,608	2907.0%
0.3%	Taiwan	75	90	20.0%
0.1%	China	20	71	255.0%
54.1%	US/Hawaii	6,869	16,215	158.2%
4.2%	Philippines	444	1,171	163.7%
0.0%	Hong Kong	10	11	10.0%
0.1%	Revalo	11	16	45.5%

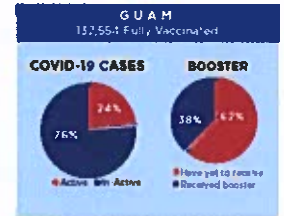
Source: Guam County Health Services. Prepared by the Guam Health Bureau. Last January 2022 Data as of January 17, 2022.

GUAM COVID-19 STATUS



As of January 26, JC Release No. 937

By Response to Infection	Active	Recovery	Death	Other
Active	18	12	1	1
Recovery	1	1	1	1
Death	1	1	1	1
Other	1	1	1	1

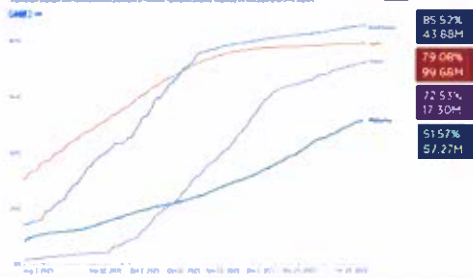


- DPHSS prioritizes testing symptomatic patients, high-risk close contacts; limited test kits
- Unvaccinated or not fully vaccinated; aged 65 or older; multiple comorbidities or multiple underlying health conditions; moderately to severely immunocompromised condition

VACCINATION BY MARKET



Share of the population fully vaccinated against COVID-19



CURRENT MARKET ENVIRONMENT



IATA, Phillip Goh, Asia

- Travel optimism despite current travel restrictions
- Asia reopening tourism, recent border controls temporary slowdown on road to recovery
- People miss traveling, online interaction lacks sensory experiences that traveling provides

KOREA



- Strategic approach PCR testing on vulnerable groups:
 - Health care workers in close contact with COVID patients
 - COVID suspected people over age 60
 - People testing positive, rapid antigen test
- Vaccinated quarantine period changed from 10 to 7 days starting Jan 26
- Quarantine free travel (effective 1/2/22) for fully vaccinated leisure travelers allowed entry into QLD, Australia. BUT need to complete viral test within 24 hours of arrival

JAPAN



- Quarantine free travel for fully vaccinated Japanese leisure travelers also allowed, same as in Korea
- Travel bubble with MVA pushed back from December 21 to uncertain launch date due to increase in Covid Omicron cases
- Air service to Guam pushed back to late March (JL and UA)
- UA 196 & 197 still operating

TAIWAN



- Airlines and schedules still pending
 - China Airlines: Forecasted March 2022
 - Eva Air & Starlux: Forecasted June 2022
- TECO Director Stephen Hsu, leaving post February and Director General Paul Chen hosting farewell reception Feb 5th

GUAM



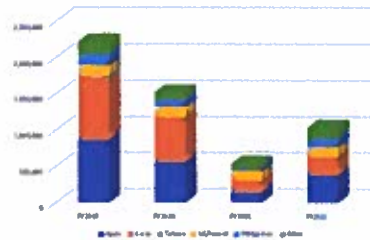
- Allows quarantine free entry of fully vaccinated travelers
- Returning source market travel restrictions easing in Korea (from 10 to 7 days quarantine period)
- Pent up demand (Adversely impacted by returning travel protocols)
- Q-1 recovery trajectory derailed by Omicron, hoping to resume uptrends in Q-2 and beyond

GUAM



AIRLIFT SEATS BY MARKET FY 2022 INCREASE YOY

➤ Japan	377,880	+ 272 %
➤ Korea	237,743	+ 148 %
➤ Taiwan	18,952	+ 390 %
➤ PI	114,320	+252 %
➤ US-HI	130,368	+ 103 %
➤ Other	153,882	+ 292 %



VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

- Nothing to report

B. ADMINISTRATION & GOVERNANCE

- Nothing to report

C. AIR SERVICE DEVELOPMENT

- Management provided an update on the report
- Next meeting - February 2, 2022

D. TAIWAN

- Lunar New Year to begin February 1, 2022; Year of the Tiger
 - Holiday Season for Taiwan's Lunar New Year: January 31 – February 5
- Committee Meeting scheduled for February 3 at 11:00 a.m. –
 - Q3 plans to be discussed
- Taiwan tightens quarantine rules for travelers from Palau
 - PCR test upon arrival is required
 - Five days quarantine at a government facility at travelers expense
 - Must take a PCR test on the 5th day of quarantine
- Flight previously scheduled to Palau on January 26 & 29 have been canceled
- Taiwan to expand its current COVID-19 testing program at the airport
 - Currently requires passengers on long-haul flights to test negative before clearing Immigrations; if positive, the traveler must quarantine for 14 days

E. DESTINATION MANAGEMENT/VISITOR & SAFETY SATISFACTION

- Management covered updates

F. RESEARCH / MEMBERSHIP

- Nothing to report

G. JAPAN

- Committee Minutes - January 18, 2022 **EXHIBIT B**
- 71,620 COVID cases nationwide; numbers increasing but fatality rates are low.
 - 14,086 - Tokyo
 - 19,800 - Osaka
 - 4,600 - Aichi Prefecture
- Shortage of antigen and PCR kits
- Launching a new automated PCR test machine worth \$84K
- Vaccination rate statistics
 - 1st dose - 8% of population
 - 2nd dose - 79% of population
 - 3rd dose - 2.3% of population
- #HereWeGuam Ambassador FAM Tour - February 7-14, 2022
 - Candidate screening & interview held in January
 - Six ambassadors selected
- #HereWeGuam webinar - tentative for February 16
 - Intro of #HereWeGuam and #GoGo Campaign
 - Travel trade and industry partners will be invited
 - Sharing Guam updates; GVB members & trade partners
- HYPEBEAST FAMTour - February 28 - March 4
 - Invitation only golf event held December 6
 - GVB Photobooth set up at the golf course
 - GVB Japan attended and raffled two tickets to Guam FAM
 - Winners and HYPEBEAST media will have Guam FAM Tour
- Next JMC meeting - February 15 at 2:00 p.m.

H. KOREA

- Committee Minutes - January 18, 2022 **EXHIBIT C**
- Fully vaccinated individuals who come in close contact with those positive will no longer be placed in quarantine
- Seoul & Busan departure: Tourist load capacity
 - January and February - 8K
 - March - 22,270

I. NORTH AMERICA & PACIFIC

- Pacific Airforce exercises commence next week
- Several hundred thousand military will arrive
- Most staying in downtown hotels

VII. OLD BUSINESS

- No Old Business

VIII. NEW BUSINESS

- Chairman Morinaga congratulated GIAA for the opening of their 3rd floor for arriving guests
- Korean, Japan, and Taiwan committees will make more announcements on the GIAA 3rd floor opening

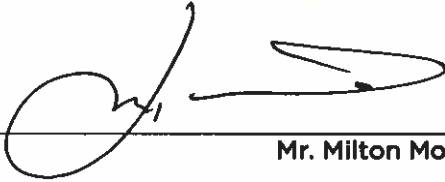
IX. ANNOUNCEMENTS

Upcoming Board Meetings:

- February 10, 2022
- February 24, 2022

X. ADJOURNMENT

Director Ada made a motion, seconded by Vice-Chairman Shmlizu, to adjourn the Board of Directors regular board meeting at 2:30 pm. Motion Approved.



Mr. Milton Morinaga, Chairman of the Board of Directors



Board Minutes respectively submitted by Valerie Sablan, Executive Secretary