



## REGULAR BOARD OF DIRECTORS MEETING MINUTES

Thursday, October 24, 2024, at 1:30 p.m.

GVB Conference Room and Teleconference - GoToMeeting

<https://meet.goto.com/GUAMVISITORSBUREAU/gvb-board-meeting>

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### AGENDA

#### I. CALL TO ORDER

- Chairman Chiu called the Board of Directors meeting to order at 1:36 p.m.

#### II. ROLL CALL

In-Person: Milton Morinaga, Sonny Ada, Ken Yanagisawa, Ho Eun, George Chiu,

Micheal Sgro, Michelle Merfalen, Joaquin Cook, Robert Hofmann

Absent: Jeff Jones

#### III. MINUTES OF THE PREVIOUS MEETING

Director Hofmann made a motion, seconded by Director Ada, to approve the previous Board of Directors meeting minutes dated September 17, 2024. **Motion approved.**

#### IV. ACTION BY THE BOARD

- No action was made by the Board.

#### V. CHAIRMAN'S REPORT

- Nothing to report

#### VI. MANAGEMENT'S REPORT

- Vice President Perez presents a strategic overview of GVB's effort since the onset of COVID-19, highlighting the challenges and achievements
- Management's report can be found on GVB's website

## Motion to approve purchase orders for FY2025

- Director Hofmann made a motion, seconded by Director Eun, to approve purchase of Two (2) 2WD Trucks (P24419) for \$102,990.00. **Motion Approved**
- Director Hofmann made a motion, seconded by Director Ada, to approve purchase of repairs at Latte Stone Park (P25019) for \$48,000.00. **Motion Approved**

## VII.REPORT OF THE BOARD COMMITTEES

- A. Executive Committee
  - Nothing to report
- B. Administration & Governance
  - Nothing to report
- C. Destination Management / Visitor Safety & Satisfaction
  - Nothing to report
- D. Cultural Heritage & Community Outreach
  - Nothing to report
- E. Research
  - Nothing to report
- F. Sports & Events
  - Director Cook reported the meeting with Guam Basketball Federation and the upcoming FIBA championship game in February that'll be on Guam.
  - Director Cook requested to "hurry up" with the process on the Tottenham Hotspur and is aware it is with legal and has been in a back-and-forth process. He expressed they have been very accommodating with this matter. President Gutierrez explained the delay is due to not sticking to one agreement. Director Cook requested to take this matter offline, and President Gutierrez declined. Director Cook understands it moved from GVB to the Korean agency and that there was a request to move back to GVB. Vice President Perez indicated that the issue wasn't them willing to work the project out of Korea, but instead, a new entity was introduced that was not introduced prior to the start of the process. Legal Counsel Chuck explained there has been rounds of negotiation, and they are doing everything they can. During the last

discussion it was disclosed that there was a commission to be made and requested GVB to warrant, which then legal counsel asked for clarification on that matter. Director Cook expressed he is hearing two different stories and that his concern is to get it to them due to the season being eight games in. President Gutierrez expressed it needs to be within the law and will not be doing anything because of time limitation, due to the procurement law. Chairman Chiu agrees with President Gutierrez and assured him that they will not be doing anything. Director Cook understands we're working with them and wanted to make sure that it is happening and stated he is not asking GVB to do anything they shouldn't do. President Gutierrez expressed his understanding of it all and that Director Cook's expediting request process was because of the time running out. Director Cook expressed he doesn't want to hear a discount because of the missed season.

G. Japan

- Nothing to report

H. Korea

- Nothing to report

I. Taiwan

- Nothing to report

J. North America, Pacific, Philippines & New Markets

- Nothing to report

K. Membership

- Vice President Perez reported updates in the management report

## **VIII. OLD CORPORATION BUSINESS**

- Updates on GVB Enabling Legislation & Bylaws
  - Pending Speaker to appoint the 11<sup>th</sup> Board of Director
- Discussion on the conflict between tourism & military buildup
- Discussion on the status of the Guam International Country Club (GICC) Golf Course; GVB's participation in the revitalization

## **IX. NEW CORPORATION BUSINESS**

## Tourism Recovery Plan

- Honorable Lou Leon Guerrero, Governor of Guam, notably attended the meeting and thanked Management and Board Directors for allowing her to attend and speak. Governor emphasized the urgent need to boost tourism and stressed the importance of tourism as the main economic driver for Guam and called for immediate action, starting tomorrow, to address declining market share in key markets like Japan and Korea. Governor Leon Guerrero appealed for a plan and a strategy to boost tourism under Chairman Chiu and President Gutierrez' leadership. She mentions the importance of cultural tourism and the need to rebrand and re-educate the market about Guam. The Governor discusses the high costs of hotels in Guam compared to other destinations and the need to focus on unique selling points. She proposed that she is willing to invest in incentives for airlines and discussed her meetings with Alaska Airlines and the importance of providing seat capacity to attract more visitors. Governor Leon Guerrero mentions the announcement of China Airlines starting flights to Guam and the potential for making these flights permanent. Governor then expressed she supported President Gutierrez for uplifting villages with the "village signs" and stated that the tourists enjoy taking photos with the many different village signs.
- Director Cook proposed a two-week timeframe, Governor Lou then agreed and settled on the two-week deadline for GVB Management. Chairman Chiu proposed the Guam Recovery Plan and would like GVB Board of Directors and Management's input with this idea to help boost our tourism. Governor announced for GVB Board Directors and Management to come back in two weeks and discuss on a plan, "Management should look at the report and then board to approve." Chairman Chiu expressed that GVB could potentially have a similar report that can be used and merged.
- Chairman Chiu thanked Governor Lou for attending the meeting and expressed that this is a message that the public, the businesses, GVB Board members, and GVB Staff and Management needed to hear. Chairman Chiu recalled an idea proposed by Governor Leon Guerrero for a recovery committee that should be formed with GVB Board Directors, Management, and Staff. He expressed having the opportunity now that Governor Lou came and emphasized the urgency so that we have a plan that is done by a committee of everybody in the industry and to find a way for the Board Directors and GVB Management team to work together. Chairman expressed President Gutierrez has done a fantastic job with the popular village signs around all the villages, fixing up the solar power lights in Tumon to ensure a safer environment for the people and the drivers, and maintenance and repair of Tumon infrastructure. Chairman expressed on GVB going above and beyond what their normal duties are and stating it's something we need to recognize that GVB has accomplished

- President Gutierrez thanked Governor Leon Guerrero and LT Governor Tenorio for leading the mission to go to Japan, Korea, and Taiwan to look at low-cost carriers for airlines and incentives we can propose
- A Tourism Recovery Team was formed
  - Tourism Recovery Team comprising GVB board members, industry representatives, and community stakeholders to develop and implement a comprehensive recovery plan
  - Governor Leon Guerrero suggest creating a recovery committee through an executive order to bypass legal constraints
  - Director Hofmann proposes using an executive order to create a recovery committee and involve the public and community members
  - Chairman Chiu and other board directors agree on the need for a recovery committee and the importance of transparency and collaboration
  - The board discussed the need for a situational report and short-term recovery plan to guide their actions.
  - The recovery committee is led by Director Cook and in the committee followed by Director Eun from Korea committee, Director Yanagisawa from Japan committee, Director Morinaga from Taiwan committee, and Youth Representative, Director Merfalen.

**Director Ada made a motion, seconded by Director Eun, to approve the recovery committee team. Motion approved.**

## X. EXECUTIVE SESSION

- None

## XI. ANNOUNCEMENTS

### Upcoming Board Meetings:

- November 7, 2024

## XII. ADJOURNMENT

**Director Ada made a motion, seconded by Director Merfalen to adjourn the Board of Directors meeting at 3:41 p.m. Meeting adjourned.**



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Jeffrey Jones, Secretary of the Board of Directors



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Board Minutes respectively submitted by Kadence Wusstig, Assistant to the Executive Assistant and Board Secretary