REGULAR BOARD OF DIRECTORS MEETING MINUTES
Thursday, July 24, 2025, at 1:30 PM
GVB Conference Room and Teleconference - Zoom
https://us02web.zoom.us/j/89090779984?pwd=aeGojojPvOMoNDxc4fVCdfQluBHngK.1
Meeting ID: 890 9077 9984
Passcode: visitguam

I. CALL TO ORDER

- Chairman Chiu called the Board of Directors meeting to order at 1:38 pm.

II. ROLL CALL

In Person: Nate Denight, Michelle Merfalen, George Chiu, Joaquin Cook, Jeff Jones, Robert Hoffman, Michelle Merfalen, Mike Sgro, Joanne Brown
Online: Ken Yanagisawa
Absent: Milton Morinaga, Ho Eun

III. MINUTES OF THE PREVIOUS MEETING

Director Denight made a motion, seconded by Director Jones, to approve the minutes of the previous Board of Directors Meeting dated June 26, 2025. Motion approved.

IV. ACTION BY THE BOARD

Director Denight made a motion, seconded by Director Cook, to appoint Mayor Robert Hoffman as Chair of the Philippine Committee. Motion approved.

V. CHAIRMAN'S REPORT

Chairman Chiu highlighted key updates:

- With the implementation of a Filipino visa waiver, the Philippines market has the potential to become Guam's third-largest market. Chairman Chiu emphasized Guam's strong ties with the Philippines and looks forward to Mayor Hofmann leading the Philippine committee.
- Chairman Chiu noted that Bill 160-38 (COR), regarding minimum maintenance standards for hotel zones, will hold a public hearing on July 25th. The legislation, co-sponsored by seven senators, encourages the Board to draft supportive testimony. Acting President Gerry Perez added that this bill aligns with the Recovery Committee's goals. Chairman Chiu suggested amending the enactment date from one year to an earlier date.
- Chairman Chiu introduced the new Personnel Services Administrator.
- Chairman Chiu acknowledged a recent GVB trip to Malaysia as part of efforts to develop new markets, noting the availability of airline seats and emphasizing the importance of marketing to attract visitors to Guam.

VI. MANAGEMENT'S REPORT

- The full Management report is available on the Guam Visitors Bureau website.
- Chairman Chiu commented that Hawaii faces similar challenges in its tourism industry.
- Director Brown reported her attendance at Guam Experience Committee meetings and thanked GVB for its participation. She emphasized enhancing the Guam experience for visitors.

VII. REPORT OF THE BOARD COMMITTEES

A. Executive Committee

B. Administration & Government

- Approval of FY2025 Purchase Orders, Contracts, IFBs, and RFPs

RFPs:

GVB RFP 2025-009 South Korea Destination Marketing Services

Director Jones made a motion, seconded by Director Hoffman, to approve and authorize the President and CEO as Chief Procurement Officer to enter into negotiations with the highest rated offeror for South Korea Destination Marketing Services to commence October 1, 2025 for FY26, with the option to renew for up to three (3) additional fiscal years, and to contract, subject to the availability of funds and upon final approval of the Board of Directors. Motion Approved.

Background: GVB issued a procurement entitled GVB RFP 2025-009 South Korea Destination Marketing Services, seeking proposals from professional and experienced agencies to provide DESTINATION MARKETING SERVICES IN SOUTH KOREA. The selected agency will assist GVB in promoting Guam as a tourist destination, supporting visitor arrival goals, and serving as GVB's liaison for matters concerning Guam. As required under 5GCA §5150, this procurement was submitted to the AG on March 24, 2025, for a case number assignment. For reference: AG PCF# 25-0130.

Issue: Board approval required.

Discussion:
Director Jones inquired, and Director of Global Marketing Nadine Leon Guerrero confirmed that the current contract had expired.

GVB RFP 2025-013 Digital Timekeeping System

Director Hoffman made a motion, seconded by Director Sgro, to approve the solicitation and authorize the President and CEO, as Chief Procurement Officer, to enter into negotiations with the most successful offeror. Service term will commence October 1, 2025, for FY26, with the option to renew for up to three (3) additional fiscal years, and to contract, subject to the availability of funds and upon final approval of the Board of Directors. Motion Approved.

Background: GVB requests approval to issue RFP for a digital timekeeping system that offers an on-premise and/or cloud-based application. A digital timekeeping system will transition GVB's payroll process from manual to a digital workflow. Other benefits include electronic scheduling, electronic submission of leave requests, and digital access to leave hours.

Issue: Board approval required.

Discussion:

- Chairman Chiu asked Rudd Gudmalin to clarify the purpose of the RFP.
- Mr. Gudmalin explained that the RFP is for a digital timekeeping system to transition GVB to a paperless workflow and ensure accurate tracking of hours worked on leave.
- Chairman Chiu confirmed that the system would be separate from GVB's current payroll company; Mr. Gudmalin noted that other agencies had recommended keeping the systems separate.
- Director Brown emphasized that visitor safety should remain a top priority and inquired about the financial effectiveness of the system.
- Chairman Chiu noted that most private companies use similar systems; Director Jones responded that GVB's smaller staff of sixty differs from larger companies.
- Director Brown confirmed that no positions would be eliminated and questioned the necessity of the system.
- Director Denight stated that the system could be beneficial for audits.
- Chairman Chiu concluded that the motion is for negotiation purposes only and recommended that the Board approve proceeding with negotiations.

GVB RFP 2025-014 Japan Market Consultant

Director Denight made a motion, seconded by Director Cook, to approve the solicitation and authorize the GVB President and CEO as Chief Procurement Officer to enter into negotiations with the most successful offeror who can provide the professional services for the Japan Market Consultant. Motion Approved.

Background: GVB requests approval to issue an RFP for a motion to approve the issuance of a Japan market consultant for strategic and tactical development.

Issue: Board approval required.

Discussion:

- Director Jones asked if the Japan RFP was similar to the Korea RFP.
- Acting President Gerry Perez explained that it differs, as the Recovery Committee recommended retaining an additional consultant for the Japan market alongside the existing consultant.
- Chairman Chiu stated that an extra consultant is needed to address the low number of visitors from Japan.
- Director Cook noted the RFP would expand the consultant's scope of work, and Acting President Perez confirmed that GVB will develop the specific scope.

GVB RFP 2025-015 Sella Bay Overlook Trail

Director Jones made a motion, seconded by Director Cook, to approve solicitation and authorize the GVB President and CEO to enter into negotiations with the most successful offeror who can provide the professional services of providing a comprehensive plan for the design, development and maintenance of a multi- use natural surface trail – accommodating both hiking and trail biking originating at the Sella Bay Overlook along Route 4 between Hågat and Humåtak. Motion Approved.

Background: On July 16, 2025, GVB issued Task Order Number 4 to the Planning and Architectural Consultant to prepare the Scope of Work and relevant technical information to support GVB's procurement for qualification-based and competitive pricing proposals for the conceptualizing, planning, and development of the proposed Sella Bay Overlook Trail. This solicitation will be issued as GVB RFP 2025-015 Sella Bay Overlook Trail, pending funding availability and compliance with 5 GCA §5150.

Issue: Board approval required.

Discussion:

- Chairman Chiu asked if the RFP would exceed $25,000; management clarified that it would.
- Director Brown inquired about landowner approval, and management confirmed that all necessary approvals had been obtained.
- Director Denight noted that the project could serve as a pilot for future trails.
- Director Jones asked if the scope includes maintenance, and Chairman Chiu confirmed that it does.

GVB IFB 2025-002 Copier Lease & Maintenance Services

Director Denight made a motion, seconded by Director Hoffman, to approve and authorize the President and CEO as Chief Procurement Officer to issue IFB for Copier Lease & Maintenance Services to commence October 1, 2025 for FY26, with the option to renew for up to three (3) additional fiscal years, and to contract, subject to the availability of funds and upon final approval of the Board of Directors. Motion Approved.

Background: GVB requests approval to issue GVB IFB 2025-002 for the lease of three (3) copier machines with maintenance service. The lease of the copier machines is an integral component of GVB's office operations.

Issue: Board approval required.

CONTRACTS

OPA-RFP-25-003 GVB Independent Financial Audit Services

Director Jones made a motion, seconded by Director Denight, to approve and authorize the President & CEO as Chief Procurement Officer to contract award of OPA-RFP-25-003 to the highest-rated offeror, Ernst & Young LLP, at the negotiated price and term:
FY2025 - $39,500
FY2026 - $39,500
FY2027 - $40,700
FY2028 - $40,700 (Option Year subject to OPA & GVB approval)
Motion Approved.

Background: OPA issued OPA-RFP-25-003 to seek qualified professional services for GVB's independent financial audit for FY2025 - FY2027, with an optional one-year renewal for FY2028. The procurement and evaluations were conducted by the OPA, with Ernst & Young LLP ("EY") selected as the highest-rated offeror. After evaluations, the OPA, GVB, and EY engaged in price negotiations.

Issue: Board approval required.

PURCHASE ORDERS:

<u>P25349: Google Workspace for GVB HQ – 85 users</u>
Cost: $28,437.60

Director Denight made a motion, seconded by Director Sgro, to approve, pursuant to 12 GCA §9111, purchase order number P25349 for the renewal of GVB's Google Workspace in the amount of $28,437.60. Director Jones opposed. Motion Approved.

Background: GVB requests approval to renew its Google Workspace subscription for 85 user accounts. Google Workspace provides tools used in daily operations such as Gmail, Google Calendar, Google Drive, and Google Meet.

Issue: Board approval required.

<u>Discussion:</u>

- Director Jones questioned the need for 85 Google Workspace users when GVB has 60 employees. IT Administrator Allan Rosario clarified that the count also includes the Board of Directors.
- Director Jones noted that Google Workspace costs approximately $28 per person per year ($8 per month). Mr. Rosario explained that the RFP price covers all services, including maintenance support.
- Director Jones observed that the Board primarily uses email. Chairman Chiu noted that Directors also utilize applications such as Google Docs and Google Drive.
- Mr. Rosario explained that GVB purchases Workspace through the region's only verified reseller. Director Jones asked if GVB could purchase directly from Google; Mr. Rosario stated that the reseller is preferred for technical support.
- Director Denight asked if Directors could have Gmail-only licenses, and Mr. Rosario explained that pricing is fixed per user per year.
- Director Jones expressed uncertainty regarding the sole-source provider arrangement.

C. Destination Management/Visitor Safety and Satisfaction

- Nothing to report.

D. Cultural Heritage & Community Outreach

- Mayor Hoffman reported a partnership with the Organic Act celebration committee; all events are calendared.

E. Research

- Nothing to report.

F. Sports & Events

- Chairman Chiu informed Director Sgro via email regarding Joseph Lin.
- Sports and Events Director Kraig Camacho noted that the Department of Parks and Recreation initiated the proposal, which GVB is currently reviewing.
- Mr. Camacho explained that Joseph Lin intends to conduct a seminar in Guam and that a meeting will be held to discuss it.
- Director Brown inquired about the budget source and emphasized the importance of allocating funds for visitor safety, noting that Guam must be perceived as a safe destination.

UOG Endowment Foundation - $20,000

Motion to approve the UOG Endowment Foundation's grant/sponsorship request in the amount of Twenty Thousand Dollars ($20,000.00) for the "Tumua Chee Hoo Tour Live on Guam" scheduled for November 1, 2025, at the UOG Calvo Field House.
Motion tabled.

Background: The UOG Foundation, through this event, raises vital funds in support of College Affordability. This event will provide for scholarships, academic programs, and the long-term success of UOG students.

Discussion:

- Chairman Chiu noted that, as a member of the UOG Endowment Foundation Board, he was not aware of this request.
- Director Jones questioned how the event would benefit the visitor industry and how tourists from Japan or Korea would be expected to attend.
- Director Brown inquired why the Endowment Foundation was not funding the event and raised concerns that GVB is not prioritizing visitor safety.
- Chairman Chiu recommended setting the motion aside until the next Board meeting.

G. Japan
- Director Yanagisawa noted sustainable growth in the Japanese market, emphasized the need to keep pushing forward, and thanked the Board for approving the Japan Consultant RFP.

H. Korea
- Nothing to report.

I. Taiwan
- Nothing to report.

J. North America, Pacific, Philippines & New Markets
- Nothing to report.

K. Membership
- Director Merfalen stated that the next GVB membership meeting is scheduled for August 14th.

L. Recovery Committee
- Recovery Committee Chairman Mr. Baldyga highlighted Japan RFP focus areas, Tumon Night Market postponement, and the need for airline incentive funding and legislative support.

VIII. OLD CORPORATION BUSINESS
- None.

IX. EXECUTIVE SESSION
- None.

X. OTHER BUSINESS
- **UOG Collaboration with GVB – Creation of Visitors App**
  - Acting President Dr. Perez noted that a University of Guam student created the app as a graduation project, and that GVB has been working on a web-based product that can accomplish the same goals as the app.
  - Mr. Rosario noted that GVB is looking forward to launching a map-based product for tourists arriving in Guam, which will include information on safety, attractions, and more.

- **Election of the 12th Board Member**
    - Chairman Chiu advised consulting legal counsel on quorum requirements and asked the Board to consider candidates.

XI. AGENDA ITEMS FOR THE NEXT MEETING

- Public Notice Requirements for Board Meetings
- DPW/GVB Cleaning Contract

XII. ANNOUNCEMENTS

- Upcoming Board Meetings: August 28, September 25, 2025

XIII. ADJOURNMENT

Director Jones made a motion, seconded by Director Denight, to adjourn the Board of Directors meeting at 3:15 p.m.

Jeffrey Jones, Secretary of the Board of Directors

Board Minutes respectively submitted by Valerie Sablan, Executive Assistant