

**Minutes  
Bar Harbor Cruise Ship Committee  
By Video Conference  
Thursday, Jan. 14, 2021 @ 3:00 PM**

**Attendance:**

Chair Eben Salvatore and committee members Martha Searchfield, Eben Salvatore, Matt Hochman, Jane Disney, Sandy McFarland, Ken Smith, Jim Willis, Lawrence Sweet, Greg Gordon, John Kelly, Charlie Phippen, Sarah Flink, Skip Strong, Amy Powers and Liz Graves.

There are two vacancies on the committee, as of the meeting date. Jim Willis, Greg Gordon, Charlie Phippen, Sarah Flink, Skip Strong and Amy Powers are non-voting members. Liz Graves did not vote. The voting membership for the meeting was eight.

Town Manager Cornell Knight also attended.

- I. **CALL TO ORDER— 3:03 p.m.**
  - a. **Excused absences—**All present.
- II. **PUBLIC COMMENT PERIOD (UP TO 15 MINUTES)—**None.
- III. **APPROVAL OF MEETING MINUTES (Dec. 16, 2020)**

Ms. Powers asked for clarification of the two sentences at the top of pg. 5 of the draft minutes, beginning, “Stat sheets...” That section will be amended to read, “Mr. Phippen offered to send stat sheets showing number of ships, cancellations, passenger numbers, customs information and legal information about how Bar Harbor is able to regulate ships.”

Ms. Powers asked whether the 2020 Standard Operating Procedures documents shared at the last meeting are going to be updated for 2021. Mr. Salvatore said we’re not currently recommending nor have there been any changes, so he’s assuming it will carry over. Mr. Phippen said the only time he requests Council approval is if there’s a substantive change. He said he hasn’t updated them to read “2021” yet, but he will do that this month. Ms. Powers also shared (included in amended packet) a 2019 letter from Maine Attorney General Aaron Frey about a bill in the legislature that sought to prohibit “Large Commercial Vessels in the Waters of Southern Mount Desert Island.”

All present indicated by a straw poll vote that the minutes were acceptable. Then Mr. Smith, with second by Mr. Hochman, moved to approve the Dec. 16, 2020 Regular Meeting minutes as amended. Roll Call Vote:

<u>Searchfield</u>	<u>Y</u>
<u>Salvatore</u>	<u>Y</u>
<u>Hochman</u>	<u>Y</u>
<u>Disney</u>	<u>Y</u>
<u>McFarland</u>	<u>Y</u>
<u>Smith</u>	<u>Y</u>
<u>Sweet</u>	<u>Y</u>
<u>Kelly</u>	<u>Y</u>
<u>Motion passed 8-0.</u>	

**IV. STAFF REPORTS**

Mr. Phippen provided an update on the 29 cancellations received for 2021 so far. With these cancellations, only small ships are scheduled from the beginning of the season through the end of August. To date, 2021 has 139 ship visits scheduled, representing capacity for 181,000 passengers. He expects five additional cancellations from Royal Caribbean due to the sale of the Empress of the Seas, which would take the 139 ships to 134.

For 2022, 117 ships are scheduled (219,000 passengers). In 2023, there are 81 ships so far. In 2024, 34 ships. The years 2025 and 2026 each have 25 ships on the schedule.

He reported that the Harbor Committee heard a presentation from a Lamoine selectperson about the proposed finfish aquaculture operation in Frenchman Bay. As described, it would not impede any cruise ship operations.

**V. REGULAR BUSINESS**

**a. 2021 season update**

Ms. Flink reminded the group that CruiseMaine held a kickoff meeting in December to give an overview of what the new protocols would need to be if we have a 2021 season across the whole state. She said they are now finalizing membership of a task force working on operations, security and sanitation planning for 2021. From Bar Harbor, Mr. Phippen and a representative of Ocean Properties will serve on the task force. Everyone expects Covid-19 to still be part of the picture for the entire 2021 tourism season. There are still many unknowns. The border is still closed with Canada. Cruise lines are extending their pause in operations later into the spring.

Ms. Powers asked if the scheduled visits include American Cruise Lines. Mr. Phippen said the Independence is scheduled to be here 19 times. The Constitution is not scheduled for Bar Harbor this year.

Mr. Salvatore said no ship has yet filed a 60-day notice of intent to sail. That's the benchmark on when cruising may resume, is when we see those things start to

happen. He recommended a recent MaineBiz article about the potential 2021 season in which Ms. Flink describes the steps that will be required for the season to begin.

**b. FY22 Cruise Ship budget update**

Mr. Knight said no significant changes have been made since the December meeting. The Town Council will get the full budget presented Jan. 19 and then budget review is Jan. 21, 26 and 28.

**c. Review recent Council action/draft action to address cap**

This discussion covered two agenda items: (c), Review recent Council action and (e), Draft action to address cap.

Mr. Hochman shared the reasoning behind the Council's decision to hire a consulting firm to conduct a community-wide survey to see if we can get a better response rate than we have had with POLCO and previous surveys. The goal is to find out what it actually is that people have a problem with with cruise ships (congestion, noise, pollution, etc.). The Council is still trying to get a question on the June ballot but it's probably more realistic that it will end up on the November ballot. Mr. Salvatore asked for clarification about what the ballot question would be. Mr. Hochman said he thinks right now the will of Council is to have an annual cap on the total number of ships, but his personal opinion is that we don't have enough information yet to decide what that cap should be or how it should be determined. He has requested that the Council, at a future meeting, clarify what the Council wants to do itself and what it wants this committee to do.

Mr. Smith asked whether the cost of the survey would come from the Cruise Ship fund. Ms. Searchfield asked for a ballpark estimate of the cost. Mr. Knight said he'd expect the project to cost \$15K-\$20K. The Council motion was to take from the Cruise Ship fund, but it will have to come from a reserve fund that is funded mostly by cruise ship funds. The town sent about seven Requests for Qualifications and they're due back tomorrow. Mr. Knight said he hopes to have a recommendation for Council on Jan. 19.

Mr. Salvatore shared with the committee an updated list of emails sent to the Council about cruise ships (included in amended packet).

Ms. Powers reiterated a suggestion from the last meeting that when the time comes we have a thorough discussion with cruise itinerary planners, maybe even one-on-one, to get an idea about how this process works on their end and see where they can make some changes. In speaking with folks from the industry, they want to talk with port communities about how to improve efficiencies and accomplish things the

community wants, such as staggering visitation or sanctuary days. Mr. Hochman said the Council is aware that's something the industry is willing to do.

Mr. Salvatore said he has always hoped the conversation would head there, trying to get at answers to the questions: Do we have too many ships? If so, where? Can we move them or do we need to eliminate them? Then, once we have that conversation, that's when you bring the industry to the table and say, "Here are some areas we've identified where there's friction, what can you do to help?" We owe it to everybody to be sure we're thorough and be sure we've looked at it fairly from all sides before we say there's just too many and they need to go.

Mr. Kelly asked whether this committee will have a role in formulating the survey questions. Mr. Salvatore said he would hope so, but said a survey for a referendum question is different from a survey to figure out how to fix things. Mr. Kelly hopes the survey will address what residents want from the town relating to tourism and cruise ships. He said we're probably looking at a bell curve—he doesn't think people are in two different camps, he thinks most people fall somewhere in between. He thinks the survey should look at the whole picture, not the extremes. It should look at context, not just what people like or don't like about cruise ships.

Mr. Salvatore said if people are concerned there's too much visitation on the island, cutting out 20 ships a year isn't going to move the needle. Being angry about cruise ships is what this is about, but the town's overall tourism carrying capacity is a separate, Comprehensive Plan-type conversation. If the goal of this consultant is to solve all the island's problems, the water is going to get even muddier.

Dr. Disney suggested it's not fair to say people are "angry about cruise ships" and assume that's at the heart of things. It could be that people are sad or concerned because something has changed that affects their lives, something that cruise ships are playing a part in. The cruise ship story is part of the larger planning process and the info from the survey could be a lead-in to the Comprehensive Plan process. Mr. Knight said the Planning Department is starting work on starting a Comp Plan update.

Ms. Powers said the committee, before the pandemic, had begun talking about sustainability and tourism destination management. Working to successfully manage and maintain—not talking about growth—just that overall picture of balancing everything out, which she thinks is something a lot of people in the community want. You've got many sectors and they're all equally important. How do you split the cruise ship piece out when you're under a time constraint?

Dr. Disney suggested putting together a small action committee of this group that would focus on this survey, maybe inviting some other people in the community to participate, to generate these questions to ask. Do the comments to Council give us the grist for the questions? Mr. Salvatore said each committee member could submit questions. Mr. Kelly said if the town is hiring a professional they're going to guide the process; they'll write the questions based on what the town informs them about. He'd encourage the Planning Department to have a big role in this.

Ms. Searchfield said she doesn't see this survey as "one and done." It's the beginning of the conversation about the larger picture about tourism. Committee members could start sending thoughts to Mr. Hochman, as the Council representative, but it's the Council's project. She didn't get the impression that they're looking at forming subcommittees.

Mr. Salvatore asked if the committee wants to take a wait and see approach as the survey process gets started. He said the Council took back over a task it had asked us to do, but surely the committee will have our time to weigh in.

Ms. Powers said committee members can all think about our own questions and the comments we've received, and also look at things we were working on to improve operations, such as traffic flow. We shouldn't stop thinking about this; it's going to be June before we know it.

Mr. Salvatore said we don't know how long the survey process is going to take, but in the meantime life is going to go on. Hopefully some ships are going to come here in 2021. He said he can't wait to put the recent improvements into play and see how they work. We aren't going to stop trying to make something as good as it can be. Ms. Flink suggested putting together a summary of the changes made in 2019 and those that never got implemented, as a reminder of what problems or issues or concerns were in the process of being addressed. Mr. Salvatore said the 2019 report to council includes a summary of those changes.

**d. Review draft annual report**

Mr. Salvatore presented a draft of an annual report to Council, which is required by the committee's bylaws. He said he doesn't know if we're in a position to make any recommendations other than to continue the community discussion. "Continue the community conversation" will be added in the blank under item E, "Make recommendations to the Town Council regarding cruise ship visitation." Ms. Flink noted a typo in the draft referring to the annual Cruise Canada New England (CCNE) conference.

Mr. Kelly, with second by Mr. Smith, moved to approve the draft annual report as amended. All present indicated approval by a straw poll vote before the Roll Call Vote:

<u>Searchfield</u>	<u>Y</u>
<u>Salvatore</u>	<u>Y</u>
<u>Hochman</u>	<u>Y</u>
<u>Disney</u>	<u>Y</u>
<u>McFarland</u>	<u>Y</u>
<u>Smith</u>	<u>Y</u>
<u>Sweet</u>	<u>Y</u>
<u>Kelly</u>	<u>Y</u>

Motion passed 8-0.

**e. Anchorage B discussion**

Mr. Phippen said he will continue to discuss the idea of moving the anchorage a bit to the west with lobstermen, to try to get a sense of whether it's worth the effort to do it or not. A depth contour, sometimes referred to by fishermen as the "35-fathom edge" (not the actual depth), that is productive for lobstering currently runs across the northeast corner of the anchorage. The move would make more of it accessible, but it would possibly make the tender trip a little further to come into the inner harbor.

As far as the process for making the change, Mr. Phippen said the Council could send a letter to the Coast Guard requesting the anchorage be moved, but without more discussion and input from people possibly affected he doesn't think we should be going ahead with it right now.

Mr. Strong shared his screen with an image showing the proposal to move the anchorage to the west 1/10 of a nautical mile, or about 204 yards. The anchorage was designed to have room for the ¼ mile swing radius of two 960-foot ships (the size of many of the 3,500 passenger ships that we get) at anchor with 7 shots of chain out. The existing anchorage can be swinging through a lot of fishing gear at times. Typically, during the summer months, Anchorage B never gets used until we get into multiple ship days. If the town would like to have this be the primary anchorage, the move would lessen the impact on fishing gear. It wouldn't impact the operation of The CAT.

Mr. Strong said the Coast Guard has acknowledged that pilots can anchor a ship anyplace that it is safe.

Mr. Salvatore asked about whether it makes a difference to move the anchorage if the ship's track still goes through the desired fishing area. Mr. Strong said whatever line goes on the chart for the ships' track is also going to be what The CAT ferry uses. Mr. Phippen said fishermen generally try to avoid lines that are on the chart; he thinks existing line up to the center of the anchorage is a good way to do it.

Ms. Powers asked whether the new anchorage position would be better protected from weather. Mr. Strong said that in the summertime, and when we have a large southerly swell coming in, it would be the better protected anchorage. In the fall, it could be less protected after storms go through when we get northerly or northwesterly winds. He said the tenders would have to go between islands to get back and forth. Newer ships have tenders with radar, chart plotters, AIS, etc., which make them better able to safely operate in the fog. Some of the older tenders have not been outfitted that way and that would be something we'd have to strongly encourage them to do.

Mr. McFarland said Anchorage B is a heavily fished area in the summer—it's hard to even sail in there. Mr. Phippen said Anchorage A is also a hot zone for lobster, and if it were used less often, fishermen might concentrate more traps there instead.

Ms. Powers noted that Mr. Strong and others successfully got the shipping lane coordinates on the chart at the entrance to the harbor changed last year. They didn't need to wait for the chart to be formally changed before they could implement the change.

**VI. PUBLIC COMMENT PERIOD (UP TO 15 MINUTES)**—Dr. Disney paraphrased a comment sent in the Zoom chat function from Jim O'Connell, saying he isn't sure the town needs to spend so much money on a survey.

**VII. COMMITTEE COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS**

Mr. Salvatore suggested continuing the current agenda items for the next meeting: 2021 season update, draft action to address cap, Anchorage B update.

Dr. Disney wondered, if Anchorage B is going to be used more frequently, and if new aquaculture operations begin, whether Hulls Cove property owners who don't think they need to follow cruise ship issues may begin to be more impacted. Mr. Salvatore suggested that might be a good question for part of the survey—"Would you be more affected if Anchorage B is used more often?" He also said it's extremely fluid whether ships use A or B. Anchorage B1, which will be our anchorage 90 percent of the time, is as far away from both downtown and Hulls Cove as possible. Mr. Phippen said there was interest and participation

from Hulls Cove at the last Harbor Committee meeting—more people attended that meeting than the committee had ever had, at least on Zoom. He thinks people are paying attention. He said Anchorage B is used most multiple-ship days, so having ships there wouldn't be anything new. Mr. Phippen will communicate to the Harbor Committee that the anchorage might be used more frequently in the future, and ask people to direct any feedback or questions to him or to the Cruise Ship Committee.

Mr. Strong asked where large yachts fit into the conversation about big ships and small ships. A megayacht carries far fewer people than a small cruise ship but takes up anchorage space. Mr. Hochman said the council hasn't made any decisions about big ships vs. small ships, but his feeling is that a lot of the concern is the size of the larger ships that we're getting. Mr. Strong said it would help the committee to move forward if there were some clarification about the potential cap, whether it would differentiate on size of ships, number of passengers, etc. He said if Anchorage A is going to be used for yachts, and Anchorage A is also flooded with fishing gear, there's going to be a lot of conflict. We just need to be ready to figure out how we manage the whole thing on the water.

Ms. Flink said the industry trend away from the middle-size ships has been accelerated because a lot of those ships are the much older ones. One of the smaller Royal Caribbean ships, and two of the Holland America ships that we have been seeing for a long time in Bar Harbor, have been sold out of our market. So the gulf between small ships and large ships has almost gotten bigger—there's not going to be a lot in that middle range left.

Mr. McFarland asked if the town has done a pro forma that shows the tax impact of cruise ship fees. Those costs that are supported by the cruise ships don't go away and it impacts local taxpayers. Mr. Knight said we basically drained the fund balance so we could continue to pay the basic operations transfer that we normally get from the cruise ship fund so it wouldn't affect taxes too much. We did distribute that chart (in the December meeting packet) showing \$7.5 million in cruise fee revenue over 10 years and what we've spent the money on. Fees pay for a lot of Mr. Phippen's time, the finance office time, police, highway, and some expenses for debt. A lot of it goes into reserve, so the initial hit to taxes may not be that much, but you set aside a lot of money so that, for example, when you do Grant Park renovations for \$200,000 it doesn't come out of taxes. Same with renovating comfort stations.

Mr. McFarland said he's looking for ways to share the positives of what cruise ship revenues have done, since all we hear from particular people is just the negative side. The park and waterfront are so much better than they used to be. Mr. Hochman said it would be great to find a way to explain to people that it's not as simple as paying \$75 more in taxes per year if we didn't have ships. That's not really an accurate portrayal of what would happen if cruise



ships were to go away. So much of the cruise ship revenue goes into reserves or CIP accounts that will pay for things five or 10 years down the road.

Mr. Salvatore said he doesn't know how many people will vote for their taxes to go up just so they don't have to look at cruise ships. Dr. Disney said we should be careful about saying people's main concern is that they just don't want to look at cruise ships; it's more complex than that. Mr. Salvatore agreed, saying the "arms around the issue" analysis is much deeper, but there's a small, overly aggressive group that's missing the facts because of their agenda.

The next meeting was set for Thursday, Feb. 11 at 3:00 p.m.


Mr. Hochman requested members of the public wishing to comment use the "Raise Hand" feature in Zoom during the public comment periods and be recognized to speak, rather than typing comments in to the chat function.

**VIII. ADJOURNMENT—4:35 p.m.**

Mr. Smith, with second by Ms. Searchfield, moved to adjourn. A straw poll show of hands approved. Roll Call Vote:

<u>Searchfield</u>	<u>Y</u>
<u>Salvatore</u>	<u>Y</u>
<u>Hochman</u>	<u>Y</u>
<u>McFarland</u>	<u>Y</u>
<u>Smith</u>	<u>Y</u>
<u>Sweet</u>	<u>Y</u>
<u>Kelly</u>	<u>Y</u>

Motion passed 7-0. (Dr. Disney left the meeting before this vote.)

  
Liz Graves, Deputy Clerk