

**Minutes**  
**Bar Harbor Cruise Ship Committee**  
**By Video Conference**  
**Wednesday, Dec. 16, 2020 @ 2:30 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 currently two vacancies on the committee.

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 staff in attendance included Town Manager Cornell Knight and Finance Director Stan Harmon.

- I. **CALL TO ORDER**—2:34 p.m.
  - a. **Excused absences**—All present.
  
- II. **CHAIR COMMENTS**

Mr. Salvatore thanked Councilor Erin Cough for clarifying the duties of the committee during the Town Council discussion the previous evening (12/15). He urged everyone to remember the lessons of the Article 12/Article 13 debate in 2017. Rational discussion of the issue is challenging but not impossible. This issue has a high level of financial impact for everybody. Even with recent growth in cruise ship visitation, it's about 4 percent of total visitation here. If that 4 percent is out of balance, let's examine what's out of place and why.
  
- III. **PUBLIC COMMENT PERIOD (UP TO 15 MINUTES)**—Jennifer Trautwein thanked the committee members for their work.
  
- IV. **APPROVAL OF MEETING MINUTES (March 12, 2020)**

All present indicated by a straw poll vote that the minutes were acceptable. Then Mr. Phippen, with second by Mr. Smith, moved to approve the March 12, 2020 Regular Meeting minutes as presented. 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>

Smith \_\_\_\_\_ Y  
Kelly \_\_\_\_\_ Y

Motion passed 7-0. (Mr. Sweet's video and microphone were off during this vote.)

**V. STAFF REPORTS**

Mr. Phippen said he has been busy with scheduling updates, working on multiple years, but is currently in a holding pattern. He is deferring any reservations that have been received recently at the urging of Mr. Knight until we hash out what is going to be the policy going forward. About 20 Royal Caribbean reservations are pending and there are some Princess reservations going out as far as 2028. No significant 2021 cancellations have been received yet.

Chief Willis has been working on the budgets. The port security building, which is used for both cruise ship operations and parking, has a new heat pump after the original keel cooler failed.

**VI. REGULAR BUSINESS**

**a. 2021 season discussion**

Ms. Flink discussed a webinar held Dec. 15 to discuss logistics for a potential 2021 season. There were representatives from ports, Coast Guard, customs, shipping agents, pilots, tourism officials and Chambers of Commerce. The Maine CDC, including the state epidemiologist, and Acadia National Park were also represented. They heard a presentation from someone from Greece, who talked about risk management and how the cruise industry in Europe got up and running again over the summer and fall. With reduced capacity, etc., they had tens of thousands of passengers sailed and very limited Covid cases. The state is nowhere near making a decision on when or if we're going to be allowing ships. The event was a first step to get everyone aligned on what would be needed and what support we're going to be able to offer. An American Cruise Lines passenger visiting several ports in Maine, for example, wouldn't want signage to look different in every port and the process to work differently. The hope is we can be really coherent and consistent with our partners, including Boston and New York and eastern Canada.

Ms. Searchfield asked if there has been any information available yet on how lack of ship visitation in 2020 impacted downtown Portland businesses.

Mr. McFarland asked about Canada. Ms. Flink said that the province of Quebec has put together a new tourism plan including cruise and submitted it to their federal health authorities. In October the U.S. CDC put out a conditional sail order restricting itineraries to no more than seven days. There have definitely been cancellations because of that requirement. There's a task force working to get the border open, but no one knows what's going to happen with the border closure.

Ms. Powers said a lot will depend on what the CDC's guidance is going forward. Everybody's prepping in the background, getting crew and port partners prepared, but are waiting for word that they can proceed. They did put out a call on social media for passengers who would volunteer to do a test cruise, because they have to do three or four test cruises before they can get final CDC approval to do revenue passengers. Over 150,000 people volunteered. Crew training, being done remotely, is underway.

Mr. Strong asked if the framework is laid out for what has to happen to extend cruise itineraries beyond seven days. Ms. Flink said the rule is in place through Nov. 2021 or until it's modified or rescinded. Ms. Powers added that the test cruises have to go through a three-party audit process and one of the things the auditors will be studying is the interactions between passengers and ports. It's easier to do those studies for cruises that are limited to seven days.

Mr. Salvatore said email updates from CruiseMaine have been very helpful.

**b. Town Council action**

Mr. Salvatore reviewed the Council's recent actions related to cruise ships. At the Nov. 17 meeting, a motion to "ask the cruise ship committee to review potentially capping the number of cruise ships in a given year" passed 6-1. At the Dec. 15 meeting, a motion to "establish cruise ship policy by developing a mailed survey of Bar Harbor residents, holding a public hearing, and placing a proposed limit on the number of cruise ships and disembarking passengers on the June 2021 Town Meeting warrant" passed 4-2.

Mr. Salvatore said not many of the emails sent to the Council say exactly what's wrong and that "dialing in" to the specific problem is an important step. He asked Mr. Hochman as Council representative what would be most productive for the committee to focus on.

Mr. Hochman said he wants to get past the perception of what this committee is all about. He said there are likely citizens' initiatives coming that may seek to ban cruise ships entirely. If the town can come up with a reasonable recommendation, a compromise that both businesses and residents can live with, he thinks the citizens will support it. As for where to begin discussion, he suggested a ballpark cap for ships, or scheduling specific days with no ships, or whether to continue using Anchorage A. He said the Council never rescinded the Nov. 17 charge to this committee.

Mr. Phippen said ship count is not a good formula to use for a limit, because there are too many variables. Better to limit days or passenger counts rather than trying to do what Rockland did and say 15 ships per year, because the passenger count varies so widely for different ships.

Mr. McFarland suggested a subcommittee to include Mr. Phippen, Chief Willis and Mr. Kelly to begin looking at recommendations taking into consideration town revenues, the Harbormaster's position and the National Park.

Ms. Searchfield said the question about no-ship days comes up often, and wondered if it would be helpful to make a graph of days ships were actually here in 2019, because there are already days when there are no ships. Mr. Hochman said the specific message he has heard is people looking for a consistent day or days when they know that there are going to be no ships.

Ms. Powers suggested expanding the discussion beyond Bar Harbor, to find out from itinerary planners, other ports, etc. where they have flexibility and where they're locked in. Ask them, "This is the issue we're up against, how can you help us? What can we do to make the situation better and more harmonious?" The committee wouldn't have to endorse what they come up with, but it would paint a fuller picture.

Mr. Salvatore said no-ship days are one of the few solutions that people who aren't happy with cruise ships have offered. Just like our caps, August is different than May and April is different than July. We're about to lose the buses into the park, so that may mean more people on our sidewalks that normally would be on a bus. And there are ripple effects with other ports: if we ask a cruise ship not to come, we may get all their people by bus from Bucksport. The Town of Bucksport doesn't have \$3M dollars to spend, but they're spending it anyways (expanding the town dock to better accommodate cruise ships). We created the port of Rockland because of our cap.

Mr. Strong said Bucksport is limited in the size of ships it can accommodate, with the bridge and tides there. That doesn't mean they couldn't go to Searsport or elsewhere and passengers could still be showing up on the streets of Bar Harbor.

Ms. Flink said a port in Croatia that was experiencing congestion worked out a system staggering the arrival of ships. I realize there's a hard push to reduce numbers and I'm not trying to push that aside, but we could arrange a presentation from someone there, or from Key West and what's going on there post-referendum. It's really smart of the Council to say let's look at this in advance and try to address it.

Mr. Hochman said it would be helpful to see the actual number of ship visits vs. the number that was on the schedule. And, Mr. Salvatore added, how many passengers actually came ashore. Mr. Phippen sends out a package of pertinent information every year, will plan to do another information drop while this discussion is ongoing. 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.

Mr. Kelly suggested, rather than talking about the situation as a problem, it would be good to start with, “What is it we want to be in regard to the cruise ship industry?” A session where we have a facilitator and a planner to decide what we want to do. Then the solutions should follow that. Jumping into solutions, talking about numbers and limits and all that, are not based on any goal or any endgame we want to reach.

Mr. Salvatore said we do have the benefit of time on our hands; we’re talking years before the industry recovers to what it was, demand-wise. We had already worked with the industry at the end of 2019 to say the tender company would take more people to get the ship (at Anchorage A) out of everyone’s hair. We can put it behind the island and get the visual impact dramatically reduced. There’s all of those things that we could be doing in the meantime.

He said a survey or listening session should ask: What’s the list of things we think are broken, what are the things that we need to maintain, and what’s our vision for solving this issue as a community?

Mr. Smith asked how soon the Council is expecting recommendations. Mr. Salvatore said the timeline of a survey from the Council before their planned ballot measure, and any citizen’s initiative ballot question, remains to be seen. But as far as the committee’s timeline, it’s difficult to study impacts until the ships are back here. It’s difficult to plan on the way we used to operate because it’s probably never going to be the same again. There’s the park’s transportation plan. Everywhere you turn there’s a variable that changes things. To me, for a timeline, a year from now we could be finalizing our future. We can meet next in January to begin putting together a framework, and use Polco or other ways of getting public input. We may split up, like with the ferry terminal committee, and address the two or three biggest issues in detail, then come back together with a thorough recommendation for action. Short of another Council action I think that’s a reasonable way to approach this issue.

Mr. Gordon said it would help to understand the route or series each visit is part of, whether the call is a one-off or on a repeating schedule for part or all of the season. The Port of Boston has decided one turnaround ship per day works for them. And a small ship and a large ship are two different experiences for the town.

Mr. Strong said changing the primary anchorage to Anchorage B is generally not a problem. It would benefit the fishermen if we could get that federal anchorage moved a bit to the west. That would be an involved project. The request should come from the bodies that would be most impacted, which is primarily the fishermen.

He asked Mr. Hochman whether the council is considering all ships the same, regardless of size, with respect to a cap. The appetite for the smaller ships is probably larger than it is for the bigger ships, but the discussion has been about overall numbers.

Mr. Smith said the town started with cruise ships in 1981. People are looking for a silver bullet, wanting it to go away overnight, but need to be patient and let us go through this process. He said he's personally not opposed to reducing the number of ships, but thinks it should be done strategically.

Dr. Disney said she's not sure people do understand what the economic benefit is. Need to bring that economic data more front and center. She's hearing from people that we're making so much on parking meters now that we've made up the revenue lost from ships. Mr. Hochman noted that the cruise ship fund, like the parking fund, is limited by state statute in what it can be used for. Dr. Disney also said we have a very large salmon aquaculture proposal coming into the picture for Frenchman Bay and it looks like they will have salmon pens off of the Hulls Cove area. There could be some interference with cruise ship movement. It's not going to happen in a year, it might not happen at all, but we have other pressures now beginning to move in to Frenchman Bay and we need to figure out how the cruise industry is going to coexist especially if we're hoping to move or limit things to some spaces or places in the bay.

Ms. Flink said we are going to have a far reduced 2021; it's not going to be back to 2019 levels, even if not many of the cancellations have come through yet.

Dr. Disney said we need to get data out there that people can digest alongside the other statistics so they can see how they balance. It seems like there's an opportunity, with no cruise ships in 2020 and reduced ships in 2021, to show people what repercussions happened and what that means behind the scenes. Mr. McFarland asked if the town could provide information about what it will mean to the individual taxpayer if there's a great reduction in cruise ships.

Mr. Salvatore offered to begin drafting a plan of action: identify real problems, as we're identifying economic impacts and as we're identifying public sentiment. Maybe ask that the first thing the council does is recognize our direction, maybe do a POLCO survey and/or mailing. We have 150 emails that we could respond back to asking people to rate specific negatives and positives. Given the heat that we seem to be under, it's helpful if we start to put an action plan on paper so people can see that something's getting done. He proposed drafting that plan for the committee to review at its January meeting.

Mr. Hochman said anything for the June warrant needs to be ready by April. He said the Council hadn't discussed who would be drafting any survey questions.

Mr. Salvatore expressed hope that by the next time the Council meets, if they have their plan formulated, we could combine efforts. If you make a motion to put out a survey, and a motion to reduce visitation all at once, you're guessing what the survey is going to say.

**c. Review of FY22 Cruise Ship budget**

Mr. Knight presented the current draft Cruise Ship Fund budget for the July 1, 2021 to June 30, 2022 fiscal year. Since the 2021 season is so much up in the air, the budget is based on 40% of the passengers from scheduled ships for calendar year 2021 and 100% of passengers from scheduled ships in 2022.

Assuming no ships in May and June 2021, so zero revenue for the current fiscal year that ends June 30, 2021. Used fund balance to cover fixed costs so we wouldn't affect taxes. Ms. Flink said American Cruise Lines may be running in May and June, since they aren't affected by Canada's border or some of the CDC restrictions.

Island Explorer is currently planning to be running just from the Village Green to the Visitor's Center (from there to Loop Road, etc.), not any buses to the other towns.

Mr. Knight said as far as what it would mean to have the cruise ship fees go away, how it would affect taxes: There are contributions to reserve accounts, such as for police cruiser replacement, which over time would affect taxes if they went away. If we went another year with zero fees, we'd have to make up the costs with property taxes. He and Mr. Harmon will work on some numbers and hope to have them for the Jan. 5 Council meeting.

Ms. Powers asked if the Standard Operating Procedures documents that were part of the packet were going to be discussed. Mr. Salvatore said he included them for reference. He said some of the perceived problems that are out there (lights, noise, traffic flow) are already solved via adjustments to these policies that were approved by Council; we just haven't had a chance to show it yet. Ms. Powers asked if Mr. Phippen has sent the current versions out to agents yet. He said he normally sends out updated anchorage assignments and updated SOPs late January each year.

**VII. PUBLIC COMMENT PERIOD (UP TO 15 MINUTES)**

David Witham said there seems to be a swell of rational, reasonable citizens in this community who think things are out of balance. Would ask this committee to be respectful of that voice and not feel the need to defend positions against a more radical voice that wants to just eliminate everything. He worries that some of what he heard in the meeting—about businesses going out

of business, about taxes, or about Bucksport or Rockland—is exaggerated or isn't going to be beneficial to a rational discussion. It's not just a matter of compromise between businesses and residents; it's also compromise between businesses and other businesses. The 2021 schedule had one or more ships every day in September and October except one.

Nick Miller suggested ways to gather quantitative data including asking local stores to mark receipts as whether or not the customers were cruise passengers.

### VIII. COMMITTEE COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

Ms. Powers welcomed the new and returning committee members.

Mr. Hochman said the perception of this committee is not the reality of this committee. He said has been to almost every committee meeting since he has been on the council and has found the group to not be always pushing for what's best for the industry, but that it does balance what's best for the town. He hopes people would watch the meetings and see that the group really does have thoughtful insight on what's going on in our community and wants to find solutions that work for all the residents of Bar Harbor.

Mr. Sweet said this (tourism) is the economy we have. There may be some folks out there that are looking for an economy we don't have. I think we really need to be careful; can't just decide which segments are going to survive. We need all forms.

Mr. McFarland spoke about being 10 years old at the Town Pier during the '47 fire waiting for the Navy who never showed up. Everybody thought the town was going to go. Shortly after that, a group of businesspeople got together and bought the old Bar Harbor Reading Room, which became the Bar Harbor Inn, in order to promote tourism. Then the late Dick Libby became the first to really go after having cruise ships in Bar Harbor. So here we are. It's a gigantic business, it contributes to the town, it contributes to the National Park, and it has to be managed.

Mr. Salvatore suggested for the next agenda: update on 2021 season, draft action to address cap, budget updates. The meeting is set for Thursday, Jan. 14 at 3 p.m. via Zoom.

### IX. ADJOURNMENT

Mr. Smith, with second by Mr. McFarland, moved to adjourn. 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>

Motion passed 6-0. (Dr. Disney and Mr. Kelly had left the meeting before this vote.)