

Minutes
Bar Harbor Cruise Ship Committee
Thursday, August 23, 2018
1:00 P.M.
Council Chambers – Municipal Building
93 Cottage Street

I. CALL TO ORDER

The Chair called the meeting to order at 1:00 P.M.

Members present: Eben Salvatore, Chair; Sandy McFarland, Member; Ken Smith, Member; Martha Searchfield, Vice Chair; Janna Richards, Secretary; Stephen Coston, Member; Katy DeGrass, Member; David Kerns (filling in for Jim Willis), Member; Amy Powers, Member; Skip Strong, Member; Sarah Flink, Member; and Charlie Phippen, Member.

II. APPROVAL OF MINUTES

A. July 26, 2018

Mr. Smith moved to approve the minutes of July 26, 2018 as prepared. Mr. McFarland seconded the motion and the Committee voted 12-0 to approve the motion.

III. PUBLIC COMMENT PERIOD

There was none.

IV. ADOPTION OF THE AGENDA

Mr. McFarland moved to adopt the agenda as prepared. Mr. Phippen seconded the motion and the Committee voted 12-0 to approve the motion.

V. STAFF REPORTS

Mr. Phippen provided a cruise ship count and passenger count update for the 2019 and 2020 season.

Mr. Strong informed the Committee that the Army Corp of Engineers was conducting an evaluation of the breakwater that would help assess the amount of funds needed to repair it or improve it. A repair could be funded by the Army Corp, while an improvement would include splitting the costs with the municipality.

Mr. Salvatore inquired with Mr. Phippen as to if the Royal Caribbean Line count for the 2019 and 2020 seasons was lower than in previous years.

Mr. Kearns reported that there was a violation of the Town's cruise ship policy that was corrected through working with Ocean Properties and Acadia Tours.

Mr. Knight and Ms. Richards said there was nothing to report on behalf of their respective departments.

VI. REGULAR BUSINESS

a. Bay Ferries Proposal and Process Update

Ms. Annette Higgins, Mr. Jim Wilson, and Mr. Don Cormier were present to provide a description of the Bay Ferries proposal and an update of the process. They reported that the process had begun to evaluate the site, the existing building on the site, the requirements for customs, and the ability to provide parking and other uses on the site in addition to the ferry services. They also noted the objective was to minimize the footprint necessary to operate the ferry service while maximizing the space the Town would be able to use toward other uses. They stated that they were about half way through the process and that they would be present for the September 5, 2018 public forum on the proposal.

b. Cruise Ship Rate Analysis Update –

- i. At the April 17, 2018 Town Council meeting, Town Council moved to ask the Cruise Ship Committee to undertake efforts to research, gather, and analyze fees other ports assess or charge and report back to the Town Council.**

There was consensus to combine items 6b and 6c since they were directly related to each other.

Ms. Amy Powers and Ms. Jennifer Trautwein (a member of the public in attendance from InterCruises Shoreside and Port Services) shared a spreadsheet they developed comparing cruise ship fees throughout New England. Ms. Searchfield asked that the abbreviations included in the spreadsheet be spelled out. Mr. Strong asked if municipalities in Canada, such as Sydney and Charlotte, should be considered and included.

There was a discussion by the Committee on increasing cruise ship fees in Bar Harbor. Mr. Phippen stated that the Town would need to be able to justify the increase by indicating what the increased funds would be allocated toward. He also noted that cruise ship fees do increase slightly annually due to the cost of living increase.

Mr. Phippen moved to recommend no cruise ship passenger fee increase at this time. Ms. Powers seconded the motion.

Mr. Smith asked if a fee increase could be allocated toward the ferry terminal if it was used in connection with the cruise line. Mr. Salvatore stated that the proposal of parking and customs operations at the ferry terminal could have a connection with the cruise line. Ms. Searchfield noted that the multi-marine uses proposed by the Town include tendering, boat ramps, and parking for buses, could relate to the cruise industry. Ms. Powers reminded the Committee that based on the Commerce Clause that the increased fee would have to relate to a service provided by the municipality for the cruise line. Mr.

Coston added that until there is a definitive plan for the ferry terminal property it is difficult to assess the level of impact that the development of the property would have on the cruise industry. Mr. Kearns mentioned that with the parking meter plan pending implementation that an increase in cruise ship fees could help pay for the loss in revenue that may result from cruise line buses parking in paid parking spaces.

With no further discussion, the Committee voted 11-0-1 to approve the motion.

c. Cruise Ship Passenger Fees

- i. At the April 17, 2018 Town Council meeting, Town Council moved to ask the Cruise Ship Committee to review the proposal to increase the Port Development from \$2.00 to \$3.00 per passenger and to report back to the Town Council with a recommendation.**

See item 6b above.

d. Cruise Ship Grid Update

Ms. Searchfield noted that she would be giving a presentation on the Cruise Ship Grid Update to the Council at their meeting in September.

Ms. Flink distributed a passenger survey to the Committee for their review and feedback.

VII. PUBLIC COMMENT PERIOD

Ms. Trautwein provided comment on Mr. Kearns' statement regarding losing parking spaces to cruise line staging areas and asked that the Town wait until the metered parking plan is implemented before making a determination. She also provided suggestions for edits/additions to the passenger survey.

Ms. Carol Chappell asked those individuals representing Bay Ferries if they had communicated with the Coast Guard about their proposal. They responded that there had been preliminary discussions with the Coast Guard and that it did not seem that there were significant barriers to implementing their proposal while allowing for other recreational marine uses to simultaneously occur on the property.

Ms. Dessa Dancey asked the Bay Ferries representatives who specifically they had met with regarding their proposal as it relates to security planning.

Mr. Matt Hochman, Councilor and resident of Bar Harbor, added that an increase in cruise ship fees could be justified to help fund the implementation of the Main Street and Cottage Street streetscape projects that were designed to accommodate for an increase in cruise ship passengers.

VIII. ITEMS FOR THE NEXT AGENDA

- a. Breakwater Update**

- b. Royal Caribbean Line Update
- c. Increase in Cruise Ship Fees

IX. SET NEXT MEETING TIME, DATE AND PLACE

October 18, 2018 at 1:00 PM.

X. ADJOURNMENT

Mr. Phippen moved to adjourn at 2:20 PM. Mr. Smith seconded the motion and the Committee voted 12-0 to approve the motion.

Signed as approved:



**Janna Richards, Secretary
Cruise Ship Committee, Town of Bar Harbor**

10/29/18
Date