



Embarkation fees add up in Tisbury and Oak Bluffs. *Ivy Ashe*

Passenger Ferry Fees Provide Boost to Port Town Budgets

Ivy Ashe *Thursday, January 9, 2014 - 7:21pm*

This is budget season around the Island, and as towns look to keep a tight rein on expenses amid shrinking revenues, it turns out that it pays to be a port community these days. Thanks to a 50-cent fee tacked onto every passenger ticket between the Cape and Islands, towns where the ferries come and go are able to collect a little more cash for their coffers.

It's called the embarkation fee. In Tisbury the money is used for everything from summer traffic cops to harbor dredging. In other towns money collected from the fee is simply added to public safety budgets.

The surcharge of 50 cents for every one-way trip on a passenger ticket began with a piece of legislation proposed in 2003 by former Cape and Islands Sen. Robert O'Leary and Rep. Eric Turkington as a response to decreases in state aid. The act took effect in 2004.

Since then the Steamship Authority, which is the central clearinghouse for the fees, has dispersed a combined \$8.1 million to Barnstable, Falmouth, Nantucket, Oak Bluffs and Tisbury. Final numbers and total fees for 2013 are expected sometime next week, SSA treasurer Robert Davis said this week.

The fee may be collected by any port town in Barnstable, Bristol, Dukes or Nantucket County and is intended to mitigate the impact of ferry traffic on the towns.

Fees are now collected by several port towns throughout the four counties, as well as Provincetown and Boston. Seasonal passenger ferry services, such as the Island Queen (serving Falmouth and Oak Bluffs), the SeaStreak (serving New Bedford, Tisbury and Oak Bluffs), and the Hy-Line (serving Hyannis, Oak Bluffs, and Nantucket), also are subject to the embarkation fees, but the largest revenue contributor by far is the Steamship Authority.

“They’re fairly consistent year to year,” said Mr. Davis, allowing for variability based on when the terminal in Oak Bluffs opens for the season.

On Tuesday this week the Tisbury selectmen offered feedback on proposals from a five-person embarkation fee committee. Salaries for summer police officers directing traffic earned a go-ahead, while salaries for summer emergency service personnel were met with ambivalence. The board suggested that a new patrol car for the police department instead be a warrant article at town meeting, while it was agreed that a replacement rescue boat for the fire department was appropriate use of the money.

“If we can attach an expenditure and relate it directly to the harbor, then we can use that for embarkation fees,” selectman Tristan Israel said.

“There are some philosophical underpinnings, I guess you could say,” committee member Melinda Loberg told the Gazette later.

Tisbury’s system of allocating its funds is markedly different from the nearest port towns of Oak Bluffs and Falmouth. Falmouth receives the largest share of embarkation fees each year (last year the total was \$355,636), and sets aside its funds for public safety expenses, namely fire and police services, town manager Julian Suso said.

Mr. Suso said when embarkation funds are received they are merged with other general fund appropriations for police and fire expenses.

Oak Bluffs, which received \$107,910 last year, employs a similar system, funneling the fees into its public safety budget.

“When we appropriate money at town meeting . . . we specifically take money from embarkation fee [revenues] and appropriate it to public safety,” said town administrator Robert Whritenour, who is also a former Falmouth town manager.



Summer crowds create additional costs for port towns; embarkation fees help out. —

Tisbury is the lone port town that relies on a committee to directly make decisions about how to spend the money. The committee consists of five members: chairman Jynell Kristal, Mr. Israel the selectman, town treasurer Tim McLean, harbor management committee member Melinda Loberg, and Peter Goodale.

“The first couple of years, we worked hard to set up a process, as opposed to having something that was [subject] to the board of selectmen,” Mr. Israel said. It is the board that ultimately puts the committee’s recommendations on the annual town meeting warrant.

Each year, there is more demand for embarkation funds than there is revenue, and the paring-down process begins as early as October, when the committee begins meeting. This year, Tisbury is working to narrow requests from the total of \$353,175 presented at Tuesday’s meeting to a number closer to the approximately \$240,000 the town receives each year.

“It impacts how departments develop their budget requests,” Mrs. Loberg said. “If we turn them down then they have to make a warrant article [for their spending request].”

In the past, Tisbury town departments have been encouraged to pursue capital expenditures through embarkation fee requests. Some, such as the beautification committee, receive all their funding from embarkation fees.

As in Oak Bluffs and Falmouth, decisions “tend to come down to public safety issues,” Mrs. Loberg said.

“Right off the bat we pay for the summer traffic officers; that’s a priority,” Mr. Israel said. Last year, the committee also decided to allocate funding for dredge projects, since the buildup of silt in the harbor is a byproduct of ferry traffic.

That leaves approximately \$125,000 to work with this year. Some funds may be returned to the pool if requests from previous years went unused, Mrs. Loberg said.

But it still leaves tough choices to make. On Tuesday, as selectmen discussed the requests, they tried to keep in mind the original intent of the embarkation fund.

“If somebody requires emergency assistance . . . down by the boat, then some of this technical equipment is needed in order to deal with that situation” Mr. Israel said, referring to a request by the ambulance department. “Is it within the spirit, the things that have to do with equipment?”

Selectman Jeffrey Kristal said that might be a stretch. “It’s like the chicken and the egg,” he said.

Final recommendations from the committee are expected next week.