Sanctuary System Business Advisory Council Meeting

May 23, 2016 Meeting Minutes

Florida Keys Eco-Discovery Center, Key West, Florida

NOTE: Due to unanticipated events, a number of the Sanctuary System Business Advisory Council members scheduled to attend this meeting had to cancel at the last minute. Despite this fact, the meeting still took place, as scheduled, to accommodate those participants present; however, given that the council lacked a quorum, the agenda was modified to: (1.) remove any action items that would require a quorum and council vote; and (2.) limit each session’s content to information presented for educational purposes only. Accordingly, the meeting minutes contained herein reflect these changes.

No members of the public attended this meeting notwithstanding adequate public notice in the Federal Register and online.

Participants:1
- Ms. Elissa Loughman, Recreation Seat #2
- Ms. Andrea Pinabell, Travel and Tourism Seat #3
- Ms. Maura Welch, Travel and Tourism Seat #2
- Mayor Craig Cates, Key West, Florida
- Mr. Scott Saunders, President and Chief Executive Officer, Fury Water Adventures, Key West, Florida
- Ms. Laurie W. Nunez and Mr. Wayne D. Nunez, Founders and Chief Executive Officers, Showcase Hawaii Productions, LLC and Oceanology, LLC
- Mr. Matthew Stout, Office of National Marine Sanctuaries
- Dr. Rebecca Holyoke, Office of National Marine Sanctuaries
- Mr. Billy Causey, Southeast Atlantic, Gulf of Mexico, and Caribbean Region, Office of National Marine Sanctuaries
- Mr. Sean Morton, Florida Keys National Marine Sanctuary, Office of National Marine Sanctuaries
- Ms. Beth Dieveney, Florida Keys National Marine Sanctuary, Office of National Marine Sanctuaries
- Ms. Nicole Uibel, Florida Keys National Marine Sanctuary, Office of National Marine Sanctuaries
- Mr. Brendan Bray, Office of National Marine Sanctuaries
- Ms. Kate Spidalieri, Office of National Marine Sanctuaries

1 Unable to attend the meeting in person, Ms. Sophia Mendelsohn, Other Business Seat #3, joined the majority of the meeting via conference call.
An Introduction to Florida Keys National Marine Sanctuary

Mr. Sean Morton, Superintendent, Florida Keys National Marine Sanctuary, Office of National Marine Sanctuaries

Mr. Morton, Superintendent, Florida Keys National Marine Sanctuary (FKNMS), Office of National Marine Sanctuaries (ONMS) began his informal presentation by sharing a video created by the Monroe County Tourism and Development Council with participants. The Monroe County Tourism and Development Council incorporates sanctuary imagery into many of its advertising campaigns in order to show why Key West is special compared to other tourist destinations. The video characterized one example of the sanctuary’s partnership with the Monroe County Tourism and Development Council and underscores what contributes to Key West’s uniqueness. Mr. Morton noted that the county even helped FKNMS celebrate its 25th anniversary in 2015 with another video that featured the sanctuary.

Mr. Morton then provided participants with background information and statistics from Monroe County that not only told the site’s story, in regards to the intersection between its resources and people, but also its force as a local economic driver. (Note: Monroe County is the source of most of the following statistics.):

- Key West, Florida: Location at mile marker 0 on U.S. Route 1; 90 miles from Cuba
- Population (Monroe County): 77,136
- Total Annual Visitors (Monroe County): 2,910,700
- About 800,000 people come by cruise ship every year.
- Hotel occupancy (year round):
  - Monroe County: 79.5%;
  - Key West: 87.5%.
- $2.7 billion in tourism value to Keys’ economy that represents 60% of all spending attributed to tourism.
  - The “key” to tourism in the Keys is the water and related recreation to create and maintain “a tourism economy.”
- Diving/Snorkeling: 739,000 people/2.8 million days
- Viewing Wildlife: 620,000 people/2.7 million days
- Recreational Fishing: 416,000 people/2.1 million days
Given the aforementioned statistics, Mr. Morton built on his discussion focusing on the daily management challenges faced by Florida Keys National Marine Sanctuary with the question: “When hundreds of thousands of people are competing for a finite space, how should user conflicts be handled?” Mr. Morton further explained that user conflicts are not only a problem in and of themselves, but that they can also cause damages to marine resources. He then transitioned to potential solutions that can be achieved through marine zoning and planning.

Specifically, Mr. Morton talked about how almost everything that regulates sanctuary uses is accomplished through its zoning plan; the plan includes different types of zones (e.g., sanctuary preservation area, ecological reserves) in an attempt to address the referenced user conflicts and support the local economy, and still uphold the Office of National Marine Sanctuaries’ primary resource protection mandate.

Given that introductory backdrop, Mr. Morton opened the floor.

*Participants had the following questions and comments during this session:*

**Question: What is an ecological reserve?**

- Response: An ecological reserve is a no take area that still allows for recreational uses. The sanctuary’s different zones are defined by regulations and differ primarily by size and location.

**Question: Do no take areas allow for catch and release fishing?**

- Response: No. No take areas are no take, period. Part of the sanctuary’s current work is to look at which areas need to be evaluated as no take areas. Sanctuary management/staff rely on the Florida Keys National Marine Sanctuary Advisory Council to lead it through those areas in order to navigate the various positions. Among other seats, the council has many different fishing representatives. Subcommittees and working groups help the council handle specific issues in a scalable and efficient medium, especially given the council’s size (i.e., 55 members).

**Question: How does a council that large operate effectively?**

- Response: The council is ultimately a very congenial group, where everyone knows each other; this type of environment then provides for long-term corporate knowledge and balances older with newer members. It is rare that the council is unable to reach a quorum for each meeting. The council meets six times a year, which affords lots of opportunities for public comment.

- Response: The council is composed of 55 members because the Keys are 120 miles long. That number of members not only allows the council to represent a variety of important
interests, but it also helps the sanctuary to disseminate accurate, up-to-date facts. For instance, the addition of Five Mayors’ Seats is highly beneficial towards that end.

At FKNMS, the advisory council supports our planning efforts, laying the foundation for potential management-related changes. In general, the process starts with public input to the advisory council and then the advisory council will make recommendations to the sanctuary superintendent, which can feed into a final agency decision by the National Oceanic and Atmospheric Administration (NOAA). Certainly, this process takes a lot longer than if any step were omitted; however, it can also temper any backlash.

Natural resource analysis (i.e., science) and human use analysis (i.e., socioeconomics) are backbones of sanctuary decisions. The advisory council will draft different alternatives and ideas and, if a consensus is reached and any recommendations are forwarded to the sanctuary superintendent, it is up to the site to work through them all. As a result of the council’s current review, it made about 220 recommendations, where approximately 118 were by consensus. FKNMS is writing a draft environmental impact statement (DEIS) that will evaluate the different options for the sanctuary through qualitative and quantitative analysis. When a DEIS is released, there will be another, formal opportunity for public comment, that can bring this entire process full circle.

Question: Was the purpose for all of this work to reconsider the current sanctuary zones?

- Response: Yes. The process ultimately started in 2011 with our condition report to analyze the state of sanctuary resources (natural and historical) and track trends overtime. Condition reports help a sanctuary to identify where it is doing well and where it can improve its resource management. Ideally, the condition report should inform subsequent management plans.

Question: What is the estimated life span of management plans and the other documents mentioned, like sanctuary regulations?

- Response: The estimated life span of a management plan, as specified in the National Marine Sanctuaries Act, is five years; however, the management plan review process can take some time, so that estimated life span can stretch. Gray’s Reef National Marine Sanctuary, a much smaller site, is an excellent example of scheduled management plans reviews.

- Response: Advisory council members start to see examples of what works and does not work (i.e., in management plans and regulations, etc.) and want to replicate successful examples elsewhere. They often see success first.
Response: Once regulations are passed, they do not sunset; they are in place until new regulations come into effect.

Question: How many buoys are in Florida Keys National Marine Sanctuary?

Response: 490 mooring buoys are located throughout the sanctuary to prevent anchoring on the coral.

Question: How often do buoys have to be maintained?

Response: Offshore buoys require greater care because they face more environmental conditions and can get hit more often. FKNMS performs two sweeps every year to inspect its buoys. One team of six people maintains the buoys year-round.

Response: The sanctuary has to account for buoys because of use.

Mr. Morton concluded his presentation with a list of the sanctuary’s education and outreach programs that promote responsible recreation in the Florida Keys, and attempt to mitigate user impacts on resources.

Education and Outreach Programs:

- Team OCEAN (Ocean Conservation Education Action Network): During the summer, volunteers go out on the reef and educate people on sanctuary etiquette and regulations. In the winter, Team OCEAN volunteers also participate in marine debris cleanups.

- Blue Star: A voluntary certification program for diving and snorkeling operations. The sanctuary can then recommend operators from the Blue Star list.

- Dolphin SMART: A voluntary certification program to protect dolphins. Poor actions and choices by sanctuary users can change dolphin behavior.

- Blue Rider Ocean Awareness and Stewardship Program: For personal watercraft.

Florida Keys National Marine Sanctuary Constituent Discussion Panel

Mr. Sean Morton, Superintendent, Florida Keys National Marine Sanctuary, Office of National Marine Sanctuaries (Facilitator)

Mayor Craig Cates, Key West, Florida (Panelist)

Mr. Scott Saunders, President and Chief Executive Officer, Fury Water Adventures (Panelist)
Mr. Morton, Superintendent, Florida Keys National Marine Sanctuary (FKNMS), Office of National Marine Sanctuaries (ONMS) introduced the afternoon’s panelists: Mayor Craig Cates, Key West, Florida (Panelist) and Mr. Scott Saunders, President and Chief Executive Officer, Fury Water Adventures. Mr. Morton stated that the panel’s purpose was to have actual sanctuary users and partners elaborate on the multi-use conflicts and resource protection mandate described in his preceding presentation. Mr. Morton noted that both Mayor Cates and Mr. Saunders are fourth/fifth generation “conchs” or natives to Key West.

Panelists and participants then engaged in the following dialogue during this session:

Mr. Saunders: In establishing Fury Water Adventures, my goal was and still is to leave the marine resources in a better condition than when I started in 2005. Fury is Blue Star and Dolphin SMART certified; in addition we have internal corporate rules that allow the company and its employees to give back to the community. Our long-term captains know the area’s landscape. We also work with MOTE Marine Laboratory and Aquarium to restore corals reefs (e.g., bleaching restoration). Ultimately, we simply want to be good stewards of the community.

Question for Mr. Saunders: Have you found that the Blue Star and Dolphin SMART certifications are advantageous for Fury?

- Mr. Saunders: We did not do it for that reason; instead, we did it to set industry standards and do the right thing. Moreover, we advocate that everyone/every business should do that regardless and it should not require a certification. Do not shirk away from rules and regulations to protect precious resources. We want to see the resources improve because we are a part of the environment (even in my lifetime).

Question for Mr. Saunders: Are there partnerships or programs that teach people and volunteers how to restore reefs?

- Mr. Saunders: We fund some work along those lines at MOTE; however, we want more partnerships. There are a lot of people in the community here that desire to be a part of these efforts. The sanctuary strikes a balance between users and protection.

- Response: Concierges look for opportunities to refer the best in ecotourism and volunteer opportunities.

- Mayor Cates: The city does a lot: sewage pump out stations so boats cannot pump sewage near shore and boats have to be empty to get a permit to dock; we have wells to prevent storm water from running off into the ocean. All in all, whatever the city can do to help people passing through before they go into the ocean, it wants to do. Additionally, the city needs to find a balance between local and tourist/out-of-town uses and impacts, where the latter can be far greater; the locals need places to go too. People must
recognize that the environment can literally move and, if we do not protect it, it will alter the physical geography of Key West (e.g., as a result of natural disasters).

Mr. Morton: If people only want to do this through a federal regulatory process, it will not be enough. We need to try and find ways to adapt faster.

Mr. Causey: Our management plan allows us to demarcate areas both spatially and temporally (e.g., seasonally). The important point is that we need the right tools and people to have the proper ability to act and obtain credibility.

Mayor Cates: Initially, in 1990, people did not like that the water was taken away; now, they understand the importance of marine conservation, and how the sanctuary is beneficial.

Mr. Causey: “Sanctuary” denotes different meanings. For example, some view it as a sacred place. Conversely, I see it as a separate place and, not to change the “sanctuary” name, but we have to market the sanctuary for what it really is i.e., a multiple use special area. “Our business is to keep businesses in business.”

Mr. Saunders: We would like to run a tour with MOTE and its scientists to simultaneously educate the public and restore resources.

Comment: Tourism is heading towards “experiential tourism.”

Comment: Sanctuaries should be branded in a “best practices” way that is consistent across the system so that visitors and others are not overwhelmed by a variety of choices. Play that up. Find a way to have sustainable operators uniformly and consistently brand themselves.

Question for Mr. Saunders: What is Fury’s biggest or most popular activity?

- Mr. Saunders: Most often, people want to snorkel or go on boutique tours; at present, our sunset sail tours are growing faster than snorkeling. Our Dolphin Watch and Island Adventure tours are also trending upwards with a move towards a more relaxed, versus high energy tourist (e.g., not rock climbing, riding jet skis, etc.).

Question for Mayor Cates: What do you see as your biggest challenge in the city?

- Mayor Cates: The city’s biggest challenge is its cost of living, especially for our workers.
- Mr. Morton: I encourage new employees to look at the cost of living before moving here.
Mr. Saunders: I agree that that is the biggest issue too. People can live multiple people to a house, especially when we require a lot of training for our employees.

Mayor Cates: The city is working to preserve affordable housing.

Question to Mr. Saunders: What is the ratio of Fury’s business to cruise ship passengers? Are there any differences between customers from cruise ships and those that stay in hotels?

Mr. Saunders: Less people are going through cruise ships to book ecotours because it is cheaper to book them online, which means that we cannot tell who comes from where. Cruise ships often tell their passengers where to go. Cruise ship schedules to Key West are in decline; although a resurgence could be affected by the president’s new policies on Cuba. The decline in cruise ship customers is not because of a decline, period, but just in the means of how they book on-the-water experiences with us.

Question to Mayor Cates: Do you keep track of return (cruise ship) visitors?

Mayor Cates: We have not kept track of that.

Question: What do you think marks declines in the cruise ship industry?

Mayor Cates: Cruise ships are getting larger. There was a referendum in the city that declined to enlarge our channels, which physically prevents large cruise ships from coming to Key West. Generally speaking, people that stay in Key West spend more or a different kind of money compared to cruise ship passengers. As a city, we have been trying to attract more upscale visitors for years. We do not want to keep cruise ships out of Key West, but ensure that it becomes a great, desirable destination for smaller cruise ships because their passengers want to come and stay here and not just have the city featured as a stop per se.

Mr. Saunders: Bigger ships try to prevent customer dollars from leaving the ship and keep business more internal by offering their own restaurants, boating excursions, etc.

Question: Knowing what is coming, what do you think the sanctuary should be aware of with a new management plan?

Mayor Cates: The management plan cannot be all or nothing; it needs to consider how many citizens it affects, and how that will correlate with the amount of pushback received.

Mr. Morton: If it gets to the point where we have to shut everyone out, we have failed as a sanctuary.
• Mr. Saunders: At Fury, we have GPS routes on jet skis and other vessels to keep people on prescribed routes. Fury does not do pure jet ski rentals (e.g., people are alone, unsupervised on the water). The sanctuary’s advisory council/management plan review process is one example of how user groups can resolve conflicts that arise and bring these issues to light. First and foremost, we need to get people to talk; changes are not always that hard once people are brought to the table. Communication is the key.

Question: What do you do/how do you communicate among one another when you witness legal and ethical violations?

• Mr. Saunders: Sometimes our captains will tell people the right thing to do, pick up debris, etc. We also educate people before they go out on the water.

• Mr. Causey: We need to treat the public first and foremost as those that will do the right thing, if they are educated about the right thing in lieu of first viewing them as violators that require enforcement.

• Response: I think it would be a good idea to hand out brochures, guide books, etc. to hotels with regulations, etiquette, etc.

Strategies to Maximize Visitor Engagement

Laurie W. Nunez and Wayne D. Nunez, Founders and Chief Executive Officers, Showcase Hawaii Productions, LLC and Oceanology, LLC

Ms. Laurie W. Nunez and Mr. Wayne D. Nunez, Founders and Chief Executive Officers, Showcase Hawaii Productions, LLC and Oceanology, LLC [hereinafter referred to as Mr. and Ms. Nunez or the Nunez’s] introduced themselves and used this session as an opportunity to: (1.) describe the ways in which they have interacted with visitors in Hawaii and educated people about Hawaiian Islands Humpback Whale National Marine Sanctuary (HIHWNMS); and (2.) explore new partnerships and ideas to continually advance the nation’s awareness of sanctuaries and marine conservation through their various business endeavors.

The Nunez’s stated that they have worked with the National Oceanic and Atmospheric Administration (NOAA) and HIHWNMS for about six years. The two have their own shopping network, Showcase Hawaii Productions, LLC. Mr. and Ms. Nunez created Oceanology, LLC for HIHWNMS to develop a regional concept for the sanctuary in Hawaii (Maui). Specifically, through Oceanology, the Nunez’s design “outside of the box” sanctuary merchandise and run Whalers Village Museum, the third most frequented attraction on Maui.

Owned by General Growth Properties (GGP), Whalers Village is comprised of over 90 fine shops and restaurants on Kaanapali and averages about 3 million visitors annually. Ultimately, the Nunez’s clarified that Oceanology is a private company that works with NOAA and GGP,
and serves as the conduit between the two. Because Whalers’ Village is co-located with the sanctuary, the Nunez’s have tried to draw people’s attention to its existence through different means, like signage. The two noted that more needs to be done to continue to brand the sanctuary for visitors (e.g., selfie stops).

Mr. and Ms. Nunez then elaborated on their venture to combine elements of a shopping mall, Whalers Village, with a museum, Whalers Village Museum, in order to add a greater value for both entities, particularly in regards to community outreach. In their opinion, today, people want more than a shopping trip; instead, they want to have an “experience” that can evolve over time. The Nunez’s have even reached out to sanctuary staff for support to spread word about humpback whales at both the mall and museum (e.g., to give presentations). Additionally, the two have partnered with various stores and restaurants at the mall in an attempt to let them know about the role the sanctuary can play in their businesses (e.g., a restaurant donates money from a chef’s tasting menu to the local chapter of the National Marine Sanctuary Foundation). The Nunez’s remarked that there are a lot of businesses that want to give back, but do not know how to do as such. Specifically, giving money away can be cost intensive, so the two try to make the process quick. The Nunez’s also jointly educate businesses about HIHWNMS in the process, including training the wait staff about the origin of fish, what to do in the sanctuary, where to go, etc. The two reflected that businesses need to understand the “why” behind why they cannot do something, instead of simply being told “do not do that” and that this can generate positive ripple effects.

Mr. and Ms. Nunez then continued with one of their most intensive projects to connect the mall, museum, and sanctuary: the Oceanology Experience. The Oceanology Experience was a three-day event at the mall that simultaneously offered the sanctuary a wonderful chance to interact with the business community and gave businesses an avenue to give back financially or through in-kind support and advertise themselves too. Through other examples, like NOAA Volunteer Talks and movie nights with special guests, businesses look for opportunities to partner with the sanctuary and one another.

The Nunez’s then segued in their presentation to highlight the Whalers Village Museum. After thirty years, the museum is currently closed for a $22 million renovation to change and improve the visitor experience. For instance, Kaanapali was planned as a high-end resort, and now a broader array of people are coming back as a result of timeshares and second homes. Here, Mr. and Ms. Nunez shared that people want to give back, and not just with money, but with their time to volunteer at the museum.

As a part of this renovation, the Nunez’s emphasized that one of their overarching goals, in addition to attracting new visitors, is to have people stay on the mall property longer, which can equate to more and higher amounts spent per day and then recurring trips to the mall/museum.
Now called the Whale Center of Hawaii, the Nunez’s wanted to move away from the old and uninviting term “museum,” and also garner support from the state. As envisioned, the new space will be about twice the size of the original space, where the challenge has been to blend the past with the future. Among other elements, the plan for the new museum is that it will have: glass walls so that parents can see their kids playing in an interactive area while they view the exhibits; a theater for movies and talks; interactive and high-tech exhibits where kids are learning without knowing that they are learning; and Whale Pavilion, a concept to establish a mall entrance with a whale skeleton that could both add a free element to the whale center and advertise businesses.

Mr. and Mrs. Nunez concluded their presentation and thanked participants for their time and attention.