



**Provincetown Public Pier Corporation (PPPC)  
Judge Welsh Room  
Meeting Minutes of Thursday, June 11, 2015**

**Members Present:** Kerry Adams (KA), Carlos Verde (CV), Ginny Binder (GB), Scott Fraser (SF) and Herbie Hintze.

**Members Absent:** None.

**Other Attendees:** Rex McKinsey (RM), Harbormaster, and Ellen C. Battaglini, Administrative Assistant.

Chair Kerry Adams called the Public Meeting to order at 5:02 P.M.

***AGENDA***

***Public Statements:***

None.

***Special Agenda Items:***

None.

***Review of Minutes***

*A motion was made to approve the minutes of the Public Meeting on 05/28/15 as written.*

***Motion:*** Ginny Binder

***2nd:*** Carlos Verde

***Vote:***

***Yes:*** 5      ***No:*** 0      ***Abstain:*** 0

***Motion passes.***

***Directors' Statements:***

HH: He explained that he was wearing a red cap in honor of Jacques Cousteau's birthday.

GB: None.

CV: None.

KA: The Mayflower Trolley has begun operating on the Pier and he hopes they have a great season. He thinks the Pier is operating well.

### ***Working Group Reports***

**Management Agreements discussion:** SF wanted to clarify some issues that had arisen at the Board of Selectmen's meeting on Monday, June 8<sup>th</sup>. He said that the Memorandum of Understanding was crafted to be consistent with the existing lease, which will be in effect for another ten years. The term 'abatement' was in the lease and the lease required the payment of rent. It stated that the only circumstance in which the Town should not expect rent would be if it were abated by the Town. Also mentioned in the lease was the link between the abatement of the rent and fishing subsidies, which was why those were referenced in the MOU.

SF said that there was a discussion about the Harbormaster's agreement and an interest in linking the costs of service with the revenue and a discussion about looking at the data for the year in November to determine if the Town was getting its money's worth. One reason he included the scope of services provided and a list of staff and their duties in the HM agreement was to show the Town what it was getting for its money. The BOS asked for a comparison of what it would cost for the Town to run the HM office as opposed to having the Pier Corp run it. SF asked RM for that information for the next BOS meeting, in addition to the budget for the HM office the last time it was part of the Town and a number for the average cost that each Town Department budget increased since that time. Dan Hoort had done a comparison to determine if the HM budget went up at the same rate as the rest of the Town's Departments and determined what the current budget would be if it increased at the same rate during that period of time.

SF said the reason he put the boats in the agreement was because the HM office maintained those boats and there was a clause in the agreement that said that the Board would adjust what was being charged for the contract based upon any change in the scope of the services. Since there was a lengthy discussion about surplusage Marine 2 and why the Pier needed three boats, he requested that RM prepare an estimate of how much it would cost to maintain M2 for a year.

There was also a big discussion about an increase in the mooring fees and a proposal that the PPPC get 25% of the increase. SF said that this idea had come out of discussions that he had with Tom Donegan. Mr. Donegan wanted to make sure that the Town's revenue was maximized and that the HM office would work to augment the revenue of the Town. The Board discussed the issue.

There was a lot of talk about the capital acquisition plan and the CIP and who would be responsible for what. SF reviewed the graphics that he created to illustrate those topics. He reviewed the basic principles, including that the Town puts the assets and the infrastructure in place and would redevelop the Pier and the Pier Corp. bought only the assets it needed to do its job under the terms of the lease, the Act and the MOU. The Pier Corp. maintained all the assets in place. The Pier Corp. was responsible for routine foreseeable maintenance in its operating budget and unforeseeable expenses and repairs in the maintenance reserve, however the Town would be responsible for refurbishment programs or major asset replacement, such as the

floating docks, which would be in its CIP. New assets to operate or maintain the Pier would be in the Pier Corp.'s capital budget. Any new infrastructure, such as a new building for aquaculture, would be in the Town's CIP.

He stated that maintenance tasks are either foreseeable or unforeseeable. The foreseeable tasks were located in the engineer's report, which generated a list of prioritized projects. The lower priority projects, the ones that could be deferred, would go into a facility maintenance plan. Some long-term projects would be integrated into the Town's CIP program. The unforeseeable repairs that occur as a result of winter storms or hurricanes were either emergency repairs or asset replacements. Emergency repairs were needed to fix damages so Pier tenants could stay in business. The MOU would state that the maintenance standard should be fully operational at all times. The purpose of the maintenance reserve was for emergency repairs, so money could be spent quickly without having to go through the Town's appropriation process. In addition, there were non-emergency asset repairs and refurbishment that could go through the Town's appropriation process.

During the BOS discussions, the Pier Corp. asked if the Town would agree to take over the major unforeseeable refurbishment and asset replacement. The Town had several concerns regarding it, including the concern that it would be spent on buying new assets. SF's reviewed the proposed language regarding the maintenance reserve. If the Pier had a surplus in any given year, the first \$50,000 would go to the maintenance reserve, then money would go to acquiring new assets to do the job and any remaining funds would go to the Town. The Board discussed the maintenance reserve.

RM had heard from the Acting Town Manager that there were still residual trust issues regarding the Pier Corps. in peoples' minds and there were people on the BOS who did not think that the Pier Corp. was trustworthy or could be transparent enough. The three regular meetings would compel the BOS to meet with the Board and get updates.

RM reviewed the changes to the HM services agreement. The term would be one year and would automatically extend annually. In addition to the 295 budget being discussed at the November meeting, the equipment list would also be updated. The Pier Corp. can still give the Town a financial report in May based on the fiscal year while still running the business on a calendar basis. The Board discussed revised MOU.

### ***Pier Manager's Report***

The personnel sub-committee has discussed the staffing for the year, not knowing what will happen with the budget, and made a list of maintenance objectives for the year. The \$335,000 warrant article money will become available on July 1<sup>st</sup>. The pile driving part, which has been allocated \$315,000, will have to go through a public bid process and will probably not start until the fall. If bids come in under, more piles can be added. The additional \$20,000 had been allocated to labor and materials for the reconstruction of the floating docks, which has already been done.

Another deferred maintenance issue is the lighting on the two fixed piers. Each of those piers has five lampposts. The pilasters are badly damaged and need replacing. The Deputy Director of DPW has suggested a way to re-furbish the pilasters. New poles and lights will be installed. This work can be done for the remaining \$20,000. RM reviewed the bid process.

Cavalo is ready to be righted. It is being entirely sandblasted and painted. All of that equipment will be off the 'T' by the Portuguese Festival. A couple of more dinghy docks need to be re-built, which will happen after Cavalo is re-furbished.

This is the year that all of the awnings are scheduled to be sand-blasted, painted and re-pointed. The wooden boardwalk deck is buckling in several areas and is becoming a public safety issue. Replacement planks need to be installed. RM doesn't want to use pressure-treated wood again.

### ***New Business***

KA reported that he and RM met with David Gardner, Cheryl Andrews and New Hampshire investors who are interested in establishing ferry service from Portsmouth, NH to Provincetown. They are very enthusiastic about it and think it will be at least two years before the project happens.

The meeting was adjourned at 6:30 P.M.

Respectfully submitted,

Ellen C. Battaglini,  
PPPC Administrative Coordinator

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Kerry Adams, Chair