



Meeting Agenda

The Provincetown Board of Selectmen will hold a public meeting on Thursday, June 30, 2016, at 5:30 p.m., in the Judge Welsh Room, Town Hall, 260 Commercial Street, Provincetown, MA 02657.

1. Joint meeting / Presentations - Votes may be taken on the following items:
 - A. Joint meeting with the Provincetown Public Pier Corporation for a review of the Pier Corporation's financial statements and the operating results of the prior financial year; the maintenance plan and budgets for the current year, including the status of the maintenance reserves and any other issues related to the Pier Corporation's operational planning for the summer season just ahead.
2. Others – Other matters that may legally come before the Board not reasonably anticipated by the Chair 48 hours before the meeting. Votes may be taken.

Posted by the Assistant Town Clerk: www.provincetown-ma.gov, 6/28/16 10:00 am dv



Provincetown Board of Selectmen
AGENDA ACTION REQUEST

Thursday, June 30, 2016 @ 5:30 p.m.

1

JOINT MEETING – PROVINCETOWN PIER CORP.
Review of Financial Statements, Operating Results, and MOU

Requested by: Town Manager David Panagore

Action Sought: Discussion

Proposed Motion(s)

Discussion dependent. Votes may be taken.

Additional Information

Board Action

<i>Motion</i>	<i>Second</i>	<i>Yea</i>	<i>Nay</i>	<i>Abstain</i>	<i>Disposition</i>



PROVINCETOWN PUBLIC PIER CORPORATION

OFFICE OF THE HARBORMASTER

June 29, 2016

Provincetown Board of Selectmen

RE: Update on Operating Results, Maintenance Plans and Town Meeting Articles

As we review the previous year and look forward to the next season, we want to thank the Board of Selectmen for supporting our articles at Town Meeting. We believe the work going on now will greatly aid our ability to manage the pier on a cost effective and efficient basis. This season's challenges include addressing staff changes and the needs of the pier in light of the changing security environment. We want to thank Ellen Battaglini for her service and congratulate her on her new position as Permit Coordinator.

This personnel change allows us to review the work load for the employees and re-allocate responsibilities, possibility including the creation of a part-time business manager position. We have been discussing these changes with the Town Manager and the Board. This position would focus more on bookkeeping and project management without the distraction of the front counter, phones and radios.

We are looking at another 'productive' squid season and are considering adding a second person on a modified second shift to provide better coverage for the entire pier. Our request for a recreational limit on squid that may have addressed the issue was turned down by the Division of Marine Fisheries. While squid can be seen as one type of security issue, we are currently working on addressing two other components of security.

We are working to clear several deficiencies we have with the Coast Guard regarding our facility security plan. This plan is the tool that allows us to have foreign flag vessels (i.e. cruise ship tenders) land at the pier. The Town Manager is assisting us. We will have the plan compliant next week. Additionally, this department works with Coast Guard Station Provincetown and our Police Department for cooperative trainings, search and rescue (SAR), mass casualty, and towing evolutions. We now turn addition to another type of concern and will work with our partners to coordinate our response plans. As it deals with security, we will only have limited comment in public.

The financials follow as a separate appendix and spreadsheet. Here is an update on the Town Meeting articles we have.

STM 2013, Article 11 Design and Repair to the Floating Docks \$250,000

This article is for engineering services to design, permit and manage the reconstruction of the floating docks with wave attenuation. \$137,552 has been expended to date. This project is in final design phase with regulatory submittals completed (and waiting on permitting authorities). The engineers are starting to prepare bid documents for later this summer into fall. We are looking for dredging this fall/winter and installation over winter. This is a tight schedule.

ATM 2015 Article 18-13 Pier Maintenance Requests \$335,000

This article replaces fender piles and reconstructs 8 damaged floating docks. This project allowed us to replace traditional oak piles with composite piles. This greatly increases the lifespan of the material. This project replaced 62 piles on the outside face of the Tee. We have another 20 composite piles from this order for installation in other areas next fall. This project is substantially complete with 3 walers to be replaced by staff. The 10-year manufacturer's warranty has been approved. \$326,569 has been expended to date. There are a total of 401 fender piles protecting the pier. Oak piles are lasting 6-8 years in this harbor. This project replaced 20% of the oak piles.

STM 2016 Article 10 Boston Boat Gangways \$28,125

This article did substantial repairs to the two gangways serving all ferry services for Provincetown. The repairs included new, redesigned rollers of stainless steel with UHMW plastic bushings on stainless axles and new tabs, new transition plates, reinforcement of high wear areas and double handrails on the Ravens gangway. \$24,212 has been expended to date.

STM 2016 Article 11 Replace Outboard Motors on Patrol Boat \$30,000

This article repowers the patrol boat with two- 150 hp. Honda 4-stroke motors. \$28,389 has been expended to date.

STM 2016 Article 12 MacMillan Pier Emergency Capital Improvements \$250,000

Article 12 seeks to approximate the pier capital reserve in a way that allows the Town control over expenditures for unforeseen capital work such as storm damage. This coming season is also time for our next comprehensive above and below the waterline survey we do every 5 years. Town Manager Panagore is requesting a more thorough survey by Bourne Consulting Engineers, including costs for work to be done, milestones and project management. The capital work will be reviewed by DPW as well. Bourne has completed on-site work. The comprehensive capital repair plan will establish an ongoing maintenance budget. The cost is \$41,682. The report will be the subject of our September joint meeting in preparation for budget season.

Appendix A/Bdgt vs Actuals

		FY 2016	FY 2016	FY 2017	FY 2018
		Budget	Actuals*	Revised Budget*	Budget
Operating Expenses					
A Personnel Services					
A-1	511001 Department Head*	58,538	60,305	59,709	61,201
A-2	511002 Professional/Tech*	53,040	54,000	54,101	55,453
A-3	511002 Clerical	48,880	47,164	49,858	51,104
A-4	512500 Part-time Seasonal	136,908	114,270	144,269	147,876
A-5	513100 Overtime	9,000	13,247	14,000	14,350
A-6	514500 Longevity	700	1,400	1,400	1,400
A-7	519999 Benefits-Health Insurance	36,000	44,226	45,111	46,238
	519999 Medicare	5,000	4,240	5,100	5,228
A-8	OPEB/Retirement	25,875	25,875	26,393	27,052
A	Personnel Services	373,941	364,727	399,939	409,903
B Expenses					
B-1	542005 Office Expenses	10,225	12,680	10,430	10,690
B-2	527301 Insurance (Liability & D&O)	59,000	63,940	65,219	66,849
B-3	530010 Accounting/Legal and Other Vari	29,507	51,524	30,097	30,850
B-4	527495 Harbor Operating Assets Expens	5,000	15,534	12,500	12,813
B-5	527490 Pier Operating Assets Expenses	31,500	51,685	52,977	54,302
B-6	Planned Maintenance for Existing	-	-	-	-
B-7	527500 Utilities Expenses (11)	60,000	60,100	61,200	62,730
B-8	Bad Debt (12)	15,971	25,971	-	-
B-9	580010 Capital Exp. (affects Maint. Reserve)	-	3,615	-	-
B-11	527100 Lease Payment to Town	118,263	118,263	93,263	93,263
B-12	Depreciation	30,000	30,000	30,000	30,000
B	Expenses	359,466	433,312	355,686	361,496
TOTAL Operating Expense		733,407	798,039	755,625	771,399
Operating Revenues					
R-1	438000 Docks-Commercial Fisheries	165,904	195,947	170,754	175,023
R-2	438005 Docks-Excursion Floats	151,850	206,585	172,229	176,535
R-3	438010 Docks-Transportation	81,995	83,470	83,635	85,726
R-4	438015 Docks-All Other	20,450	24,396	20,859	21,380
R-5	459000 Permits	10,225	20,540	16,225	16,631
R-6	438020 Ice Sales	29,653	32,456	30,246	31,002
R-7	438025 Events	2,000	2,900	2,040	2,091
R-8	450500 Grant Revenues	-	-	-	-
R-9	438030 Trap Shed Rental	38,800	28,182	39,576	40,565
R-10	485000 Other Income	20,450	18,744	20,859	21,380
R-11	295 HM budget contract to PPPC	195,000	195,000	195,000	198,900
R-12	Excursion Embarkation Fees	50,000	47,602	50,000	50,000
TOTAL Revenues		766,327	855,822	801,423	819,234
Surplus/(Deficit)					
Surplus (Deficit)		32,920	57,783	45,798	47,835
Allocation of Surplus Revenue					
C-1	Capital Reserve Contribution	32,920	50,000	50,000	50,000
	Available for Aquisition of New Assets			0	0
Balance		0	7,783	(4,202)	(2,165)



PROVINCETOWN PUBLIC PIER CORPORATION

OFFICE OF THE HARBORMASTER

Notes to Appendix A, Budget vs Actuals

The FY 2016 Actuals column is projected to end of fiscal year with data to June 15, 2016 and adjustment for the last two weeks.

The FY 2017 Revised Budget changes some costs and revenues since last published. The revised estimates remove plug numbers from maintenance lines and are based on prior year trends. The consumer price index (CPI) used in projections is set to 2.5%.

A Budget Lines- Personnel

Over the last decade, the Pier Corp and Harbormaster Department has taken on a wide variety of additional duties and services. From grants for added infrastructure and in-house maintenance to increased activities with partner agencies, training and improvements to beaches and the environment or assisting Conservation Commission, personnel have had to adapt without much change beyond the original staff levels set in the 2005 proforma. With the Administrative Assistant position vacant, we have the opportunity to reevaluate the position, dividing up the duties between the regular counter and phone work from the more detailed bookkeeping and business management.

A-1 and A-2, Department Head and Professional /Tech. Harbormaster and Senior Assistant are higher than budgeted due to a 27th pay period in FY 2016.

A-4 Part-time Seasonal this line item is level funded until we work out the details of the Admin and business management. Last summer we were down a long-season position.

A-5 Overtime budget increase is based on actual costs this year. This is the first year we track overtime separately.

A-7 Benefits-Health Insurance budget increase is based on actual costs this year.

B Budget Lines- Expenses

B-2 Insurance budget increase is based on actual costs this year.

B-3 Accounting Legal 2016 actual reflects the last of the billing for the multi-year reconciliation project with the Town. 2017 budget line reduced accordingly.

B-4 Harbor Operating Assets (Maintenance) A \$5,000 plug number has been used for this line since the first proforma in 2005. 2017 budget number is based on previous actuals. Costs for Marine 1 repair will drop with the new engines and is reflected in the new budget number. This line is gas, oil, fenders, and repairs for boats, lines, mooring chains, equipment, and stickers for moorings and boat permits. We are replacing several

H

no wake buoys in the harbor this year under this line.

B-5 Pier Operating Assets is the line item for regular maintenance items; oil & gas for vehicle, forklift and crane barge, paint, bathroom supplies, crane repair, fender piles, boardwalk repairs, electrical, light and floating dock repairs. This budget line had a plug number of \$31,500 carried from the original proforma in 2005. The FY 2017 budget number is based on actual experience.

B-6 Planned Maintenance- determination of maintenance by Town and Pier Corp is a subject for further discussion when we have received the condition survey and capital repair plan from Bourne Consulting Engineers at our September meeting.

B-8 Bad Debt The majority of these write-downs (\$23,573) are five boats with old debts ranging from 2005 to 2011. They have been through the collections process and court with limited or no success. The vessels no longer exist. The remaining \$2400 is made of balances ranging from \$5 to 500.

B-11 Lease Payment FY 2017 reduced rents reflects BoS vote on February 29, 2016 to subsidize commercial fishing fleet for \$25,000 in FY 2017.

Operating Revenue Notes

R-1 Docks- Comm Fish shows an increase of \$30,043. This is due to previous year billing of \$27,780 in the beginning of this fiscal year. We have changed tenant renewal process to include invoices with the renewal forms instead of waiting on completed paperwork. The remaining increase is transient fishing boats. FY 2017 budget reflects a \$4,850 increase for 2 additional boats expected by next spring.

R-2 Docks- Excursion Floats is up \$54,735. Of that, \$19,408 was invoices crossing fiscal years as noted above. This line also increased by \$20,379 due to Captain John's boats. The two companies coming from Plymouth had docked at MacMillan and Fishermen's Wharf. The two Captain Johns businesses have consolidated. All ferry and whale watch traffic in Provincetown Harbor now operates from MacMillan Pier. FY 2017 has been adjusted to reflect this new revenue. Over time, we expect the Plymouth ferry to operate two boats a day in season with alternating schedules in preparation for 2020.

R-3 Transportation only shows the increase of CPI at this time as we are treating the Plymouth to Provincetown route as an excursion for day-trippers. This characterization may change by 2020.

R-4 All Other Docks shows an increase this year, but we have not adjusted the 2017 budget as we will lose yacht market share to Provincetown Marina expansion. This is the trade-off with all Captain John's vessels landing here.

R-6 Permits Shows an increase in offloading permits due to increased transient fishing activity last summer into fall and added permits for kayaks. Net income may also be affected by a reduction of beached boats as the seasonal permit takes effect. Change in budget reflects an increase from kayak rack permits, but not offloading.

R-9 Trapshed Rental is \$10,618 less than forecast. This is due to a lack of demand for weekly shed rentals, especially on the shoulder seasons. One shed, with two spaces is devoted to the weekly rental program. The program will be reviewed at the end of the season to determine how we can meet the 2017 forecast.

R-12 Embarkation Fee projections based on first year data.

Capital Reserve Contribution

C-1 Capital Reserve balance on June 30th, 2015 (FY 15) was \$9212. The \$50,000 listed for FY 2016 is the current estimate to be confirmed by the auditors.

C-2 Acquisition of New Assets plans for replacement or acquisition of new equipment. In this case we are projecting the need to replace the Ford Expedition in 2018. It had 100,000 on when handed over from PPD.



Provincetown Board of Selectmen
AGENDA ACTION REQUEST

Thursday, June 30, 2016 @ 5:30 p.m.

2

OTHER

Requested by: Town Manager David Panagore

Action Sought: Discussion

Proposed Motion(s)

Discussion Dependent – votes may be taken.

Additional Information

Board Action

<i>Motion</i>	<i>Second</i>	<i>Yea</i>	<i>Nay</i>	<i>Abstain</i>	<i>Disposition</i>