



Provincetown Public Pier Corporation

Minutes

The Provincetown Public Pier Corporation Meeting Minutes of August 06, 2020

Members Present: Regina (Ginny) Binder (RB) Chair, Scott Fraser (SF), Herbie Hintze (HH), Jamie Staniscia (JC) and Carlos Verde (CV).

Other Attendees: Doug Boulanger (DB), Facilities Manager, Jamie Demetriou (JD), Officer Manager and Don German (DG) Harbormaster.

Public present: Susan Avellar, Lory Santos, Wendy Lauglin

Doug Boulanger, Pier Manager read the policy for Virtual Meetings in Provincetown Under the Executive Order Suspending Certain Provisions of the Open Meeting Law, signed March 12, 2020 by the Governor.

The August 06, 2020 meeting of the Provincetown Public Pier Corporation is about to be convened. As a precautionary measure to reduce the spread of coronavirus, all Town buildings are closed to the public, therefore, this meeting will be held by remote participation. Regina Binder, Chair of the PPPC will be chairing this meeting. She will begin by taking roll call for quorum.

Roll Call Vote

Regina Binder-present
Staniscia-present

Scott Fraser-present
Carlos Verde-present

Herbie Hintze-present
Jamie

Meeting called to order at 11:00 a.m.

SF: He drafted a discussion document for Pier Pricing Structure that touches on using a single rate on the docks. What will they charge for and how will they charge for them. The MOU refers to what the Pier Corps business mission is. There are priorities that will set the background on how much the Pier Corp will have to charge for things. It says the Pier Corp will operate from the revenues of the pier. The amount the town has made over the last few years has been quite significant of which most has gone to the east side of the pier on fixed pilings as well as a large investment in the floating docks. If this is done with a bond issue this will carry interest rates with payments. There has been a big commitment on the part of the town and the question going forward is can they continue to do it considering the beating financially they will be taking as a result of the Covid-19. The Pier Corp will also feel the affects of Covid-19 with their finances as well. The presumption going forward is the Pier

Corp should not be relying on the town for the level of support they were able to give the Pier Corp over the last four or five years. It would be much more on the Pier Corps own going forward.

CV: He stated he understands what the town has put into the pier in the short time but the reasoning occurred as a result of having a faulty facility. They did not have the Wave Attenuation to protect the east side floating docks at no one fault. The money for the fixed piers to replace the poles fell into a situation where there was a pier manager that did not necessarily want to push the issue on having the town pay for it over the years. If proper maintenance had been done then the money would not have to have been spent in that short of time. As to assigning rates, he feels there are two different things to look at such as 1. What the pier needs to maintain itself and; 2. A fair market value for the tenants that want to be there.

JS: He agrees there should not have been the large expenses all at once but the Pier Corp also has to consider the town is still committed to the expenses and isn't finished paying for the things they agreed to pay for yet and it is going to be difficult for them to do that. The large expenses are still coming up.

HH: The town and the Pier are in the same situation with Covid-19 and are both going to be losing money and he does not feel the Pier Corp should just excuse the town of their commitment. They now have the Wave Attenuator and new floating docks and are in a very good position in that way.

RB: One thing the Pier Corp does not take into account to the town's benefit is the economic engine that the pier is to them regardless of what revenues the Pier generates from their tenants. When you think about how the pier actually funnels spending in the town in multiple ways whether its direct or indirect or through a number of people who come to town on the ferries and come for the whale watches etc. and don't just pay for the tickets but spend time and money in the town and the return in terms of economic impact to the town through the pier should not be totally discounted. She believes the CIP's put forth for this year and agreed by the town to pay in FY21 as of July 1st is still in place and does not feel they should lessen the burden the town has already committed to.

SF: If the town is going to provide anything on maintenance to the pier, the question is how much can they afford. Unlike the other infrastructure in town, the pier is different in a sense that the roads, the Library, the school and these kinds of public infrastructure are generally available to the entire population for the use of the entire population at no cost other than tax levies. The pier is used partially by the public and used significantly by a number of private businesses to people who earn profits and earn their living on the pier. It's a little bit different than maintaining a public infrastructure because there's not equal access to the commercial or economic value of the pier. There are an exclusive group of people who

have access to it either by former grandfathered rights or by requirements of the legislature that the Pier Corp support the fishing industry. One could make the case it is a public asset but it should be supported by the people that use it in their business. The town maintains Commercial Street and the businesses that front Commercial Street make use of that public way but the town does not maintain the buildings that the businesses are in. On the second page of the document it refers to how the Pier Corp might want to charge for the fixed finger piers which are the large boat industry and then the small boat fishery which is the floating docks. Speaking to the fixed finger piers they need a definition of commercial fishing vessels and they could also add a requirement that says they must be actively engaged in commercial fishing. Then actively engaged would need to be defined. They have always charged a single rate based on the overall length of the vessels with the exception of when discounts were offered to people who own multiple vessels and people who agreed to raft together so they don't use as much of the pier face. The minimum charge should be slightly larger than the floating docks because the boats are bigger. The benchmark to get rates to represent fair market value could be places like New Bedford, Sandwich, Barnstable, Wellfleet and perhaps Gloucester. Discounts for rafting might not be a good idea unless boats are owned by the same owner, however, rafting might be required in the future. In New Bedford they are 3 or 4 vessels deep and they all pay the same rate. There is no guarantee that you will always get the same slip or berth. The only guarantee is you have a permit. There is also the issue of what and how big a boat can be on the floating docks and that impacts the fixed piers. There needs to be a number when moving someone from the floating docks to the fixed docks. Lastly, the permits on the fixed piers should be year-round but there should be rates per seasons and both the off-season and a rate for transient vessels who come mostly during the off-season and not just staying overnight but for a week or over a couple of months. The issues would be the size maximum for the floating docks and the issue of rafting and structure the pricing of this.

DB: The bigger issue is, there is an off-season transient rate for the fixed piers but there's no in-season transient rate. He stated keep in mind when thinking about a link overall for the floating dock which is desperately needed, the fixed piers will start to overflow. There's still discussion on this that has to happen. He is putting in his three- year plan that they will be looking at some floating docks along the fixed piers. A lot of people don't want to go on the fixed piers because of the tide and having to ride up and down which is something to consider as well going into the future.

RB: One question she had was the concept of the fixed piers being more expensive than the floating docks to the convenience of them and the fact you do have to go down the ladder with the tides and the fact it is for larger boats. The fixed fingers should be used for the actively engaged fishermen and is pretty evident by the licenses they hold while at the same time the demand for the fixed piers may increase.

HH: His only question is how much room do they have because it is mentioned there is someone there for the season. How many spaces are available there.

DB: The fixed piers are a little more expensive because they are a year-round rate. The rates at the floating docks are seasonal and is based on each season and most boats should be pulling off the floating docks for the winter season. There's also short-term dockage because they have slips that are not year-round. These are the slips that someone might want to come into from September to April. There are two and possibly three that are transient, short-term dockage. They are full in the winter and transient in the summer.

HH: He asked if there were two available.

DB: He stated they are not necessarily available. There are two that are transient. There are two boats that come in the winter, the Yankee Rose and the Rolex that come in every Fall in September and stay until April. In the summertime those spots are used for transient. He does not have any available year-round spots.

HH: He was wondering if there was an increase in demand if all they need is two people then they would not have to worry about the fee at all for that.

DB: He stated the question was the summer fee. What do they charge in the summer because everything in the regulations talks about a short-term transient off-season rate. He brought up there's no in-season rate for a long-term transient. If someone wants to come in for just May, June and July and then someone wants to come in August, they have to come up with a rate and they have to base it on footage, there's a summer rate, a weekly rate.

HH: He said he is missing something because if what is being said is a demand for the fixed pier and there are only two spaces and if there is a demand for them then what is he missing here.

DB: What is missing is they would have to kick out two long-term repeat customers that come every winter. They come every winter so there's the option of those two spaces being free and available every summer so they rent these two spaces out every summer. The demand is slowly increasing for the fixed piers. He does not have a waiting list for the fixed piers; he did but has since filled the spot and that is on the north floating dock. All of the slips are full except for these two spaces that they have winter transient for the two boats and; then in the summer they are utilized by putting other boats in them. The rate for these two spaces for the summer season is what they are talking about that should be different than the winter season.

SF: New Bedford handles it in an interesting way. Their transient rate is a flat rate of \$200.00 per day and you would pay that \$200.00/day up to the point where the total amount one would pay this year is the same as if you bought an annual dock permit. You would pay

the \$200.00 a day up to the point where it would convert to an annual permit accumulatively. New Bedford has a pretty simple fee schedule. The two transient slips could be used for someone who wants to buy them on an annual basis and if transient boats show up in the winter time then they can raft with someone. We can say we are going to lease or rent slips, and until the boats are rafted two or three in each berth and they can't maneuver because there are too many boats tied up, then that is when they will stop leasing or renting dock space.

JS: He feels the way New Bedford does it is a good idea for the Pier Corp to do it that way but they would need to institute the rafting policy right away because of the two transient vessels that come in for the winter months and there were no slip spaces available but the potential for rafting is available. Also, when you meet the requirements of having paid enough in daily fees to qualify for an annual slip rate that again does not indicate that you will get an assigned slip. He likes the one rate for everyone.

CV: Rafting in Provincetown has always occurred. The finger piers were designed to have two vessels tied on either side. He believes this policy is in place it just needs enforcing it. What New Bedford does is charges the same whether you are tied on the inside or the outside. He is in favor of this system. The policy to raft should definitely be in place if they need to put a policy in place. As for the vessels on the floating docks, when engineered it says the maximum is 40'. The slips that they tie to on the floating docks is 40' so why would one put a larger vessel in a place that a 40' boat docks. You are not only talking about a larger vessel in length but you must consider the width with a larger vessel as well. He is in favor of keeping what is there. It puts the facility at risk by having a larger vessel in a slip that is designed to only handle a 40' vessel.

SF: He agrees with CV and said they could get an opinion from the engineers that designed the docks as to what they would expect for tonnage on the docks. On the other side of the rafting issue, particularly if there are a lot of boats there year-round, he does not know what the operational or the issues are relative to rafting in the Provincetown facility when the wind is up in the wintertime. A lot of the big storms come out of the North or Northeast with little wave action but there are westerly winds that come through the gap between the new marina and the breakwater that have some serious wave action there. When you have vessels rafted together it is much more dangerous than having one vessel tied to the pier. It might be a good idea to get some operational clarification from the fishermen and get some input on what the implications are of maybe having to raft. There might be ways in a bad weather situation in the wintertime by moving the rafts from the outer finger in towards the inner finger in a more protected area behind the wave attenuator. The other issue is the fleet might act negatively in rafting. He would put back to them the more boats we put in the facility the less revenue the Pier Corp would need from each boat. There is an inconvenience in rafting to them but the benefit would be their rates don't have to go up as fast. Lastly on the issue of rates, this is the most expensive part of the facility to maintain

because it needs a piling replacement. The total revenue on the fixed fingers is about \$30,000 per year and \$600,000.00 was spent in the last four or five years with plans to spend about another \$300,000.00 replacing pilings because they get broken. The average boat ties to about ten pilings at \$4,500.00 per piling. The average boat ties to about \$45,000.00 in sacrificial gear and right now they are paying less than \$3,000.00 a year. The economics of the fixed piers is not attractive to the economics of the pier. This is their loss leader in terms of profit centers.

CV: The reason per boat cost for the fixed pier is, the rafting part went away and the vessels on the floating docks are getting larger and larger and should not be on the floating docks. They should actually be on the fixed pier. If you look at per boat per cost it's much lower because there's only a handful of boats that are actually tied up to the fixed pier whereas, there should be more because the ones that are at the fixed pier should be at the floating docks to free up space for smaller boats.

SF: Floating docks – issue is maximum length and if a vessel is larger than the required footage then they get charged some multiple of the standard rate; there's the issue of going to a seasonal permit and an off-season permit. There's the issue of finding a better way to bill for electrical. There was \$50,000.00 in electrical expenses last year and he believes they did not collect a quarter of that from the fleet. The big issues he feels they will face with pushback on from the market place from the tenants are in the area of parking and whether or not it is included in every slip or would one have to buy a parking permit. He encouraged everyone to read the Chapter 91 License on the town's website, paragraph 24 which states vehicle parking described on sheet 3 #22 of the licensed plans shall be restricted to commercial vehicles only for loading, unloading, servicing and maintenance of vessels and accessory uses to commercial operations. No non-commercial vehicles are prohibited from parking on MacMillan Pier. Permits have been issued to non-commercial vehicles. The other thing is how many tenants park their vehicle and leave the facility. One reading of paragraph 24 suggests you cannot do that; you must park your vehicle somewhere else in which case all of the tenants would need Main Parking Lot Permits which is not an issue for a resident of the town but it would be for the non-residents. Also, for deck use fees, if storing gear on the deck it would need to be arranged in advance and pay for it. And, then there's contractor use fees whereas if you bring a vehicle onto the pier whether it be a truck for a mechanic or a crane there is a daily permit that needs to be issued for that and a rate will need to be set. There are other discussions such as excursion fees and how to charge and negotiate renewal ferry contracts.

Adjournment

SF: Motion to adjourn at 12:00 p.m.

HH: Seconded.

Roll Call Vote

RB-Yes SF-Yes HH-Yes JS-Yes CV-Yes