

**TOWN OF PROVINCETOWN - BOARD OF SELECTMEN
MEETING MINUTES - REGULAR MEETING
TUESDAY – SEPTEMBER 27, 2016 – 6:00 p.m.
JUDGE WELSH ROOM - 260 COMMERCIAL STREET**

Chairman Richter convened the open meeting at 6:00 p.m. noting the following attendees:

Board of Selectmen members: Raphael Richter, Erik Yingling, Tom Donegan, Cheryl Andrews, and Robert Anthony.

Other attendees: Town Manager David Panagore; Asst. Town Manager David Gardner, Provincetown Public Pier Corp members: Kerry Adams and Scott Fraser, Harbormaster Rex McKinsey, Harbor Committee members: Chair David Flattery and Victor Seltsam.

Recorder: Loretta Dougherty

1. Meeting with the Provincetown Pier Corp.:

A. Yearly Reporting (MOU):

Kerry Adams read a prepared summary to the Board (See Addendum 1). Thus far, the 2016 season has been a very good one. One of three scheduled small cruise ships has just today visited Provincetown. Smaller passenger lines will be their focus that typically cruise our eastern seaboard. They are working with the Provincetown Chamber of Commerce and the Tourism Office to coordinate activities to help keep these visitors in Provincetown when they arrive. Kerry thanked the Town Meeting voters for their support on three articles: STM Article 10 for the funding to complete badly needed repairs, STM 11 for the funding to replace the two motors on the patrol boat with Honda engines, and STM 12 for \$250,000 with which they hired engineers from Bourne Engineering to perform a thorough survey of the pier so that maintenance and capital improvements to the pier could be made.

Tom wanted to know if there was some way to encourage more Provincetown residents to put their boats here.

Rex pointed out that they would need a place to live. This is the only deep-water harbor on the outer cape. Provincetown and Truro together has been the definition of the Provincetown fleet. We are starting to have many aquacultural programs in our area that is going very well.

Tom complimented them on the new floating docks. The boats are in the right places, the inflatables are where they are supposed to be, it is level and everything looks good. It makes the lives of those people who use the pier a lot easier. There is also a new icemaker.

Robert asked for an update on the wave attenuator.

Rex stated that they recently had a site visit by the US Army Corp regarding the permitting process. The Environmental Protection Agency (EPA), Marine Fisheries and FEMA were all present. The DEP Chapter 91 license and 404 Water Quality Certification should be finished by the middle of next month. FEMA's entire process may take a couple of years (\$3 million grant). They have a process that must be gone through. We have received no reimbursements from FEMA at this point for the 2013 storm.

David P. expects to have an update on FEMA at the October 11th Board of Selectmen meeting.

Erik does not understand why the report says the pier is in good condition but then says we need to have immediate repairs.

Rex explained that the untreated oak piles have a six to eight year life span. This year they put in composite piles on the outside of the pier. They want to replace the piles one section at a time and are looking at a product called alternative green heart that is a tropical, dense heavy wood that can withstand abrasions from vessels and has a 15-20 year life span.

David P. agrees that immediate means crisis to us. They are not saying they are failing but that they are problematic. He does not see that we need to replace everything in this report; this is measured activity. It looks as though \$70,000 a year is for maintenance and would include some pile replacements (\$20,000 from PPPC) per year. The engineer will be here to speak directly to this issue at a future meeting.

Raphael likes to see separating capital improvements from maintenance. The pier will be a part of the Capital Improvements Plan moving forward to avoid conflicts among boards.

David P. wants to know how to equalize the flow over a number of years; equal payments every year in bonding. He asked the Board's direction.

Tom wants this to be part of the CIP over a five-year or 10-year process.

Kerry will have the engineer come out and answer all of the Board's questions. He believes that considering it is mostly for pilings they could be spread out over three or four years.

Tom believes that Bourne is very competent. The Board of Selectmen and Finance Committee both would like to have a very clear map of what this is going to cost. He wanted to know how the \$250,000 is to be used.

David P. stated that it is solely for the capital items. If there is money received from FEMA in November, it will free up the \$250,000 for the smaller things.

Erik wants to see a five or 10 year plan and figure out what is critical and what can be done further down the road.

Cheryl asked if the small cruise ships are paying the same kind of embarkation fee.

Kerry stated they pay \$1 more. They want to break even for the cost of their staff.

Tom is skeptical about the rent abatement.

No action was taken.

B. Creating an Outdoor Fish Market and/or a Shellfish Factory on the Pier:

Shellfish Constable Stephen Wisbauer joined the meeting at 6:55 p.m. and brought a Shellfish Factory Update for the Board to review (See Addendum 2).

Rex believes that the infrastructure costs for a full-blown hatchery would be very high. It takes a lot of electricity for heat and running the pumps as well as a lot of water consumption. The needs for fishermen are changing and we want to support the types of services to help them better do their jobs, increase the value of their product and perhaps make the town some revenue as well.

Steve broke down the steps that would be needed to move forward with this idea: a hatchery, upwelling/nursery, culling/sorting workspace, primary buyers, and wholesale/retail sales. Each of these phases has a different impact with respect to need, usefulness and economic benefit. Dealing with shellfish is different in that there is a greater risk for health hazards if it is not treated properly. It has to go directly to a primary buyer.

Erik believes this is exciting. He sees many job opportunities to help in growing our community.

David P. believes we need to start slowly. We will need to have enough products to sell. We have enough product in terms of lobsters but not shellfish, at this point. If you build something on the pier, there is no guarantee that we will have product to fill it every day. He wants us to keep having the conversation. After we get the appropriate permits in place, we could possibly open up a small stand and see what happens. He would like to see us form a working group.

Steve told the Board there are three shellfish operations that are bringing in small amounts of shellfish now. Five years out we will start to have some significant numbers.

Scott has worked with several cooperatives in the past. Co-ops get started when they need capital or facilities resources when they cannot afford them on their own. Private/public partnerships for economic development can be considered while making sure farmers have input. The Pier Corp would be behind it 100%. The coast of Spain has aquaculture piles for growing mussels that are 6 to 8 feet long. In Europe, this is an industry that is very well developed.

David P. will go through and look at all of these options. He would like to get a larger group together and look at shellfish producing on a larger scale (permitting aside). It sounds very doable.

Kerry believes that we could use the Pavilion for a raw bar. This might be something that could be utilized to help get the project off the ground.

Raphael wants to look at something like a farmers' market. A smaller stand to start out with seems viable and then we could look at a bigger picture with the farmers' market.

Raphael would like to see us look at existing space so that we could start small. He congratulated them on all of the operations on the pier this year.

No action was taken.

2. Meeting with the Harbor Committee-Kayak Racks & Other Concerns:

David Flattery Chair, Victor Seltsam member and Harbormaster Rex McKinsey appeared before the Board.

John Santos has stepped down as Chair but plans on continuing to be a part of the Committee. The Committee is recommending three new locations this year for placement of the racks: Court Street, West Vine Landing (Capt'n

Jacks) and One Commercial Street. They would also like to see the name changed from kayak racks to boat racks, as there are other types of vessels that can fit in the racks. This will continue to help relieve some of the congestion on the beach. The Court Street and West Vine Landing locations would require smaller versions of the racks so the DPW would be able to move their equipment around that area as needed. The Committee is recommending changing the permit fee from \$100 to \$75 for each or maybe a family permit for \$150. Next year there will need to be an amendment to the Harbor Plan and they are requesting the Town Manager to get a consultant to help move them through the amendment process. They will pay for this out of the Harbor Committee's Gift Fund. They would like to see about getting a location where people can launch their skimobiles. These machines now have a much larger range and they are much quieter. These are day-trippers who want to come to Provincetown, have lunch and do a bit of shopping and they need a place to land their vessels. Any of the marine based businesses would be a part of the corridor system.

Victor had hoped to have all the racks in by now but they had to stop building them. He wants to have an overall price for storage on the racks. He would like to see these built as soon as possible.

Raphael has no objection in allowing the use for other types of vessels on kayak racks. The fee sounds high to him. He would like to see the fee set around \$50 to encourage people to use the racks.

Rex will suggest holding a Public Hearing to get public comments regarding lowering the fee. They had \$15,000 in the Harbor Access Gift Fund and have spent \$5,000. They can use the revenue to build more racks.

Cheryl wanted to know where the rack located at One Commercial Street would go when 2020 gears up.

Raphael stated that the area at end of Commercial Street before you get to the rotary might work. It is town property that is not in the scenic district.

David P. stated that the racks are easily moveable, so if they are not working we can move them.

Victor would like to see the Parking Dept. enforcement carried out when needed.

Raphael believes enforcement is a very important component.

Tom wants to make sure the Bicycle Committee is aware of the Court Street option.

The Board supports updating the Harbor Plan.

Rex believes we will need to change our Bylaw and the Harbor Regulations. We can hold a Public Hearing and then go to Town Meeting for a vote.

Raphael believes that freedom of navigation is a right and a part of our tradition. Restricting that is not good.

David P. is planning for 2017 and will follow up with Rex to look at a potential article for the warrant to be presented at Town Meeting.

Rex was not ready to present information on liability and houseboat insurance items.

Raphael is not in favor of creating houseboat regulations. He would like to see this on the agenda at the Joint Meeting with the Harbor Committee in November or the next Joint Meeting after that.

Cheryl believes it is needed, as does Tom.

Robert asked about a charge for anchorage. He would like to see if it is viable.

Rex stated that nowhere on the east coast charges for anchorage. The time may be limited but no one charges for anchorage.

Tom would like to have more information about the Oyster Restoration Program.

Raphael would like to have an agenda item to discuss ways to consolidate the Shellfish Committee and Harbor Committee. He believes this would help make processes more efficient.

3. Others: None.

Without objection the meeting was adjourned at 8:19 p.m.

Minutes transcribed by: Loretta Dougherty

Addendum 1

Good evening members of the Board and TM Panagore...

Introduction of PPPC Members & Rex

As agreed in the M.O.U. that we would meet with you in Sept., we are here tonight to update you on the season at MacMillan Wharf as well as our current activities this year. The 2016 season was a very good one that has not quite finished! Today, we welcomed the first of 3 scheduled small cruise ships, the 500 passenger Europa II, followed next Tuesday, October 4, by the 600 passenger Azamara Quest and finally, on October 15, we welcome the Victory One, a smaller cruise line carrying 200 passengers. Working in concert with Candy at the Chamber of Commerce and Tony ~~Fucillo~~ and Radu ~~Luca~~ at the Provincetown Tourism office, we have learned a great deal about cruise ships and the pitfalls to avoid. We have learned that the larger cruise lines are simply not a good fit for Provincetown. We have decided to keep our focus on the smaller passenger lines that typically cruise the eastern US seaboard. We have found that these tours are a much better fit for our demographics, which show that these cruise passengers are much more likely to return to Provincetown for a longer stay after they enjoy their initial visit here. With the Chamber of Commerce and town Tourism office, we work directly with the tour coordinators to plan these visits with an emphasis on keeping these visitors right here in Provincetown, enjoying the local tours in the morning and then getting them downtown and on to Commercial Street to take advantage of our local shopping and dining experiences! I'd personally like to thank Candy and her wonderful staff at the Chamber of Commerce as well as Tony and Radu at the town Tourism office for the exceptional job they all do and the wonderful working relationship we enjoy with them!

Today's visit from the Europa II went very smoothly and her passengers enjoyed a wonderful day here in town! I personally had an opportunity to speak with several of the passengers today while I awaiting my lunch at John's Foot longs. They told me that Provincetown was wonderful and beautiful and they were very much enjoying their time here in our town!

Keeping our focus on the smaller cruise lines, next year, we have 10 separate scheduled arrivals of the smaller 300' cruise ship American Constellation with a capacity of 200 passengers. Rex will be happy to provide more detailed information for you if needed as well as answers to any questions that you may have.

I would like to take this opportunity to sincerely thank the Town Meeting voters for their overwhelming support of the three Articles that Pier Corp. requested at the 2016 Spring Town Meeting with your board's sponsorship. STM Article 10 gave us the funding to complete the badly needed repairs to our two gangways on the transportation float. These repairs were accomplished and we expect them to lengthen the overall life of these gangways. STM Article 11 providing us with the funds to replace the 2 motors on the patrol boat. We have replaced our motors with brand new Honda engines that are performing as expected and still under warranty! Finally, STM Article 12 in the amount of \$250,000 was approved and we owe an enormous debt of gratitude to the voters for their overwhelming and wholehearted support! With a portion of these funds, we hired our engineers from Bourne Engineering to perform a thorough survey of the pier with anticipated costs for maintenance and capital improvements.

We originally began our working relationship with Bourne Engineering, hiring them in 2010 when they initiated annual surveys of the pier with a more thorough and comprehensive survey performed every 5 years. Letter grades A through F are assigned to each of the areas of the pier surveyed.

Tonight we are pleased to introduce the Bourne Engineering Report to you. The cost of deferring maintenance, something our two boards has discussed many times in previous meetings, is clearly revealed in this report. We look forward to laying out a clear path forward with you that considers how we can work cooperatively to address these maintenance and capital improvement items, paying particular attention to the issues that require the most urgent attention. As you will see from the Executive Summary and Condition Report, the appropriate long term annual maintenance budget should be \$75,000 - \$100,000 and an additional immediate need for \$64,000 of maintenance repairs. There are also immediate capital repairs needed of \$800,000 in the near future. We hope that you will all have an opportunity to read this comprehensive report and schedule a follow-up joint meeting with us so that we can all discuss it in greater detail. We would like to have the Engineer present with us to answer any questions.

I am pleased to announce that we have started the process for hiring a Business Manager who will work in concert with Rex, while taking some of the more detail oriented workload from him and handling the financial data and reporting. Presently, we have interviewed 3 well qualified candidates and are in the process of scheduling follow-up interviews which will be held with Town Manager Panagore participating. We expect to bring this new position on board with no

change to the A Budget. We look forward to introducing our new Business Manager to you at our next Joint Meeting!

We continue to support our fishing partners, working cooperatively with them to find solutions to potential issues and assisting them wherever and whenever possible. Several of our fishers have requested that we update and increase our capacity for ice production beyond our current yield. They have also requested that we convert our present fresh water ice production system to a salt water ice system which would be supremely better for their products, particularly their live seafood products that needs to be kept chilled at lower temperatures. Salt water ice production will help prevent mortality and make their harvested products much more appealing to buyers. We believe that grant funding may be available to assist us with this conversion to a larger salt water ice system.

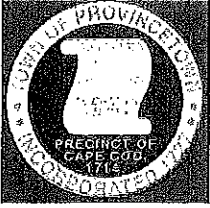
As the aquaculture program matures, the PPPC is well positioned to be an excellent resource for the harvesters and we look forward to lending our support to them wherever needed. Rex and Steve Wisbauer are able to provide more information on this if you wish.

Establishing an Embarkation Fee to our passenger carrying tenants was initially met with concerns from our tenants. I am pleased to announce that this program, now in its second season is generating revenue for the pier and has been accepted by our tenants who are all paying the required fee. We closely monitor this program with our camera system and counts by our staff.

The Pier Corp's trap shed program continues to be a huge success! Our trap shed tenants are extremely pleased with this program, which continues to be available to artists and craftsmen upon their completion of a required application and approval by the Trap Shed Subcommittee. We plan to add 1 additional trap shed per year over the next 2 years, pending Army Corp. approval.

Finally, I would like to take this opportunity to thank your Board for making our meetings with Town Manager Panagore possible. David has been an exceptional source of guidance and information to us. We look forward to continuing this outstanding working relationship and welcome David's continued input!

Thank you for allowing me to provide you with information and we look forward to your comments, questions and suggestions.



Addendum 2

Town of Provincetown

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Office of the Shellfish Constable

Shellfish Factory Update

The term "shellfish factory" is an abbreviation describing a facility that supports aquaculture from the point of hatching thru to the point of sale. The investment necessary to realize the full scope of this would be infrastructure. Specifically, space in a waterfront building that contains floor drains, bathroom and other sanitation.

As Shellfish Constable, I am gauging how the different parts of this support concept might feather into possible projects suggested for Provincetown's larger waterfront.

The breakdown of steps is as follows: hatchery, upwelling/nursery, culling/sorting workspace, primary buyer, wholesale and retail sales. Each of these phases has a different impact with respect to need, usefulness and economic benefit.

The upwelling/nursery stage and the culling/sorting workspace would be immediately useful to growers but don't necessarily need a building. They are logistical and can be solved with PPPC support.

The stage of the process that would allow growers to brand and differentiate their product would be a fixed land-based space permitted to be a primary buyer. This business model works especially well with oyster marketing. Established oyster farmers often become their own "primary buyer" to expand rather than increasing production. As local aquaculture develops so might a desire to pool resources.

The remaining steps of hatchery and point of sale fall more into the categories of tourism, education and science. This could play a role as Provincetown's waterfront develops if larger municipal projects are realized.

MacMillan Pier does need a winter workshop and seasonally some of this space could be utilized. After discussing Pier needs with the community, the increased footprint of the original "shellfish factory" concept would be counterproductive.

The Rose's Wharf project at 221R Commercial Street might include a landing point for shellfish. How this might develop is unknown but full of possibilities.

I am continuing to watch for opportunities as I listen to needs. Provincetown is actively encouraging aquaculture with permitting groundwork and logistical assistance. By the time that this industry matures the support needed will be in place.

Steve Wisbauer, Provincetown Shellfish Constable