

**2024 Chappy Community Ferry  
CPC Application for funds: Study/Design by Naval Architect**

2024 Application for funds from the Edgartown Community Preservation Committee for the use of the Chappy Community Ferry to Preserve the Chappaquiddick Ferry for use of all Edgartown citizens, property owners, seasonal visitors and their guests.

**Brief Description of the applicant:**

The Chappy Community Ferry, Inc. (CCF) is a 501(c)(3) IRS recognized, nonprofit entity that intends to acquire the lease and license to operate the passenger and vehicle ferry that provides the only service from Dock Street in Edgartown to the Island of Chappaquiddick. As we work to accomplish this goal, it has become apparent that professional services are needed to determine the best design and potential costs of acquiring a third ferry to augment the current fleet. We have been advised by a marine appraisal that the current fleet of two boats, although accomplishing the tasks presently, are beyond their predicted lifespan. To determine a proper evaluation of the current privately operated business including the lease and the license from the town, the CCF needs certified US Coast Guard documentation of a plan to replace the vessels over the near future. The CCF website provides more information about the CCF, its bylaws and reports of recent community meetings. ([www.chappycommunityferry.org](http://www.chappycommunityferry.org))

**1. Detailed project description:**

The CCF is applying for \$35,000 to be used to obtain the services of Christopher J. Melo, naval architect. (see Consulting Contract). Mr. Melo would be charged with studying the current vessels and their design, operational readiness, advantages and shortcomings and their success or failures in meeting the needs of the Chappaquiddick Community (\$25,000). His work would be informed by reports from the traffic planners of the Martha's Vineyard Commission as to future needs expected. Mr. Melo would then produce a vessel design that would reflect changing climatic conditions based on the above study's findings. Regardless of those findings, this vessel design would not necessarily be a major deviation from the current fleet and would utilize the same landside infrastructure as the current fleet. The vessel design would potentially allow the operator to continue with or to streamline the current maintenance and repair expertise and to minimize additional crew training and crewing level. The design work would include consultation with the US Coast Guard and local boat builders in order to secure a realistic quote to construct the vessel and deliver it to Edgartown. (\$10,000). Should additional funding be required, donations and/or loans from the community would be solicited to cover the shortfall.

**2. How does the project accomplish the goals of the CPA?**

The CCF intends to maintain the operation of the historically "oldest business on the Vineyard". The CCF, with its board of Chappaquiddick residents and owners of Chappaquiddick property, elected by the membership which also consists of every Chappy resident and property owner, believes the only sustainable future for this historic business is with this nonprofit ownership model. The CCF ownership of the ferry meets all the Historic Preservation requirements set forth by the CPC: (1) the Chappy ferry has

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long term historical significance, (2) is a significant historical Edgartown/Vineyard feature; should the ferry fail, expense to the Town to provide an alternative would be overwhelming and loss of the historic link be unacceptable for the Chappy community, (3) the ferry is a public utility and (4) use of the ferry affects every member of the CCF (residents and property owners) and all the town and its visitors for generations.

**3. How does this project impact Edgartown's citizens and address current need? What is the estimated or target number of people this project will benefit/effect? How will you measure the success of their project?**

As addressed above, the Chappy Ferry is the only way to get vehicles to and from Edgartown reliably, that is without relying on driving the barrier beach which is currently impassable. All emergency services (Fire, Police, Utility Service vehicles) are reliant on the ferry. The Chappy community has been advised in a community meeting on 17 August 2024 that the current vessels are at the end of their lifespan based on our marine appraisal, the current owners are interested in finding a buyer and there are many pressures that are affecting all aspects of Vineyard life that will require changes to the Chappy Ferry operation. As the only current option for the future of the Historic Chappy Ferry is the CCF, funding for the proposed study and design work is essential to keep the ferry business going. There are currently about 600 members of the CCF (residents and property owners) who all are directly affected by the Chappy Ferry and its future. In addition, visitors to Edgartown, workers servicing Chappy properties and Edgartown citizens will all benefit from the continued operation of the ferry. With the completion of the proposed study, an evaluation of the current ferry operation can be finalized, a fair market value can be negotiated and funding can be obtained to transfer the ownership to the CCF. From there, the community will make the decisions as to the future of their ferry, with full knowledge of all aspects of the business, the revenue, expenses and the condition of the equipment. The project will be successful if the CCF board has confidence that a new vessel or vessels can be purchased for some feasible amount and that the transportation needs of the community will be met for the near and long terms.

**4. Projected Action Plan and Timeline including major steps needed to complete the project.**

The contract with Mr. Melo will be agreed to in the near future. (October 2024) The current and future use requirement study will start immediately. That study will be completed by February 2025 and in February 2025 the board will approve a design for third boat. The details sufficient for a US Coast Guard approval and boatyard quote will be completed by June of 2025. Approval by the Town Meeting for the CPC funds totaling \$35,000 will be used to pay Mr. Melo with additional funds needed to be raised from the Community.

**5.a. Initial Capital budget and proposed schedule of CPC disbursement of funds, should application be accepted.**

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On July 1, 2025, the \$35,000 will be accepted from the CPC by the CCF. Outstanding balances owned Mr. Melo will be disbursed to him, any remaining funds will be used to reimburse the CCF funds expended for Mr. Melo's work already covered by other CCF funds.

**5.b. Other revenue sources including private/public funds or in-kind contributions**

CCF is currently funded by private donations, interest free loans and in-kind work provided by the all volunteer Founding Board of Directors. Funding for the eventual acquisition of the ferry operation most probably will be from loans, both private and commercial, and donations. Funding for the operation and capitalization of the ferry will come from revenue from rate payers with the excesses above operating expenses providing funds for vessel investments.

**5.c and d. Annual revenue and operating costs, and annual cost to the town, once the project is operational.**

The study and design work done by Mr. Melo will be public information and will be used by the CCF to determine the fair market value of the current Chappy Ferry operation. Should the CCF be unable to come to terms with the current owners, the information could be used by the Town of Edgartown for future planning. There will be no costs beyond the study and design to either the CCF or the Town for this stage in the acquisition process. The revenue and expense of operating the ferry is beyond the scope of this application, but these numbers are known to the Selectboard and the CCF board.

**5.e. What are the key assumptions in the budget? What are the risks?**

It is only with advice from a naval architect like Mr. Melo and reports of costs of design work publicly available that we think \$35,000 will cover the study and design work. Should the expense be greater and donations and loans become unavailable, the risk is the study will not be completed and/or that the design work will be insufficient to gain the confidence needed to evaluate the business for acquisition.

**5.f. Financial sustainability – how will the continuation of the project be secured after the grant?**

As stated above, once the study and design work is secured, the Chappy community will be solicited for loans and donations in addition to commercial loans to transfer the ferry operation to the CCF. The ferry will rely on its daily use and rate revenue to meet its operational expenses with excesses applied to capital accounts including acquisition costs (loan repayment), new vessel investments and any other financial needs. Rate increases may be required, as is the case at present, and these will need to be approved by the Selectboard. There is no indication that the transportation needs of the community will diminish. The Chappy community will decide the future of the ferry through their vote for the directors of the CCF.

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**6. Are there any legal ramifications and/or impediments to this project?**

The study and design work will be underway even as the Town decides to fund our application. It is essential to the continued operation of the Chappy Ferry. We anticipate no impediments to getting this required work and this part of the process accomplished so we can continue our work acquiring the ferry operation.

**7. Do you have the authorization of the property owner? What permits/orders/licenses will be required from which Town, Regional or Federal Agencies?**

The study will address our questions about US Coast Guard approval of possible designs and the design will provide answers to questions about costs, which in turn will answer questions about the current operation's fair market value and necessary funding needed to pursue transfer of the license and lease from the town. We have received assistance from the current owners and we expect to have their full support for this project.

**Attachments:**

Consultation contract with Christopher J. Melo

**Chappy Community Ferry, Inc.**

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