




BOAT LAUNCH AT JACKSON'S POINT HARBOUR






REASONS FOR



-  Recreational boats that typically use a launch ramp (i.e. 26 feet and less) comprise the largest share of the recreational boating market.
-  Through our discussions with local boaters, there is sizable (though undocumented) boater market that would use a launch ramp at Jackson's Point Harbour.
-  Daily and seasonal revenue would be generated by the use of the launch and parking of vehicles and trailers.

REASONS AGAINST



-  The loss of parkland space at the harbour which is already limited would be further diminished.
-  Boats less than 26 feet in length are projected to increase by only 5.0 percent between 2017 and 2037.
-  There are other existing alternative locations to launch a boat within close proximity to Jackson's Point Harbour.
-  The annual revenue generated through the launch and parking activities would be insufficient to cover the estimated \$150,000 capital cost and annual maintenance cost within a reasonable time period. (i. e. beyond 10 to 12 years annual maintenance costs will increase substantially).
-  Additional staff would be required or a gate and key card system implemented to ensure that all users paid for the use of the ramp and parking.





WE RECOMMEND THAT A LAUNCH RAMP NOT BE INCLUDED IN BONNIE PARK

REVENUE POTENTIAL FROM GAS/FUEL DOCK

Depending on the volume of fuel sold, the industry norm is that there is a **15 to 20%** margin for fuel sales (i.e. \$100,000 in gas dock revenue, \$85,000 in fuel cost).

With annual revenues in excess of **\$150,000** the profit margin increases (i.e. \$150,000 in gas dock revenue, \$120,000 in fuel cost).

JACKSON'S POINT HARBOUR FACES TWO CHALLENGES IN THIS REGARD:

-  First, **30** of the existing slips are held by sail boat users (Sail Georgina members) which use a small amount of fuel.
-  Second, with only **80 or 81** slips in an expanded marina the profit margin would be at the lower end of the scale.

Based on an **80** slip marina with **30** slips occupied by Sail Georgina and **10** slips set aside as dedicated transients slips the following table provides an indication of the revenue potential for a gas dock at Jackson's Point.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue	\$82,930	\$84,170	\$85,430	\$86,710	\$88,010	\$89,330	\$90,670	\$92,030	\$93,410	\$94,820
Cost of Sales	\$70,490	\$71,540	\$72,620	\$73,700	\$74,810	\$75,930	\$77,070	\$78,230	\$79,400	\$80,600
Labour Cost	\$5,250	\$5,330	\$5,410	\$5,490	\$5,570	\$5,650	\$5,730	\$5,820	\$5,910	\$6,000
Net Profit	\$7,190	\$7,300	\$7,400	\$7,520	\$7,630	\$7,750	\$7,870	\$7,980	\$8,100	\$8,220

The net profit over the first ten years would be **\$76,960**.

The life cycle of the **\$245,000** fuel pump and fuel dock is in the neighbourhood of **20 years**.

Therefore while the fuel dock provides an annual net profit, it would not cover the replacement cost by the end of the assumed 20 year life cycle.

WHILE WE BELIEVE A FUEL DOCK WOULD BE AN ASSET IN ATTRACTING LARGER SEASONAL AND TRANSIENT BOATS TO JACKSON'S POINT HARBOUR, A MORE THOROUGH ANALYSIS OF THE OVERALL PROFITABILITY OF THE EXPANDED MARINA WOULD PROVIDE AN INDICATION OF WHETHER OR NOT THE ANNUAL RESERVE FOR REPLACEMENT WOULD BE SUFFICIENT TO COVER THE REPLACEMENT COST OF THE DOCK SYSTEM AND THE FUEL FACILITY.

ADDING ADDITIONAL LONGER SLIPS



Boats 30 feet to less than 36 feet, 36 feet to less than 46 feet, and 46 feet and over are projected to increase by 53.8, 81.5 and 118.7 percent respectively between 2017 and 2037.



In order to continue to attract the existing and future seasonal and transient boater market to use Jackson's Point Harbour it is necessary to provide as many slips as possible at least 30 feet in length.



Boats 30 feet and longer, especially those 36 feet and longer require 30 and 50 amp. power to support all of the onboard amenities.



Seasonal and transient fees are typically charged on a per linear foot basis for slip use, so the bigger the boat the more revenue generated by the marina.



A number of the older marinas in the area have fixed rather than floating docks which will not allow them to cater to the bigger boats.



There is a waiting list for slips on the southern end of Lake Simcoe, especially for slips 36 feet and longer.

WE RECOMMEND THAT ALL OF THE EXISTING DOCKS BE REPLACED AND THAT DEPENDING ON THE WATER SPACE AVAILABILITY WITHIN THE HARBOUR, THE FOLLOWING CONFIGURATION OF SLIP SIZES AND AMENITIES BE CONSIDERED.

Length of Slips	Number Unserved	Number with 30 amp power and water	Number with 50 amp power and water	Total
20 ft. to <26 ft. (6 m. to <8 m.)	5	5		10
26 ft. to <30 ft. (8 m. to <9 m.)		20		20
30 ft. to <36 ft. (9 m. to <11 m.)		20		20
36 ft. to <46 ft. (11 m. to <14 m.)			25	25
46 ft. and over (14 m. or more)			5	5
Total	5	45	30	80

WHILE WE EXPECT THAT THE INCREASED REVENUE POTENTIAL FROM THE NEW DOCKS WILL BE SUFFICIENT TO COVER THE CAPITAL COST OVER THE 25 TO 30 YEAR LIFE CYCLE OF THE NEW DOCKS, WE WOULD RECOMMEND THAT A MORE DETAILED FINANCIAL REVIEW BE UNDERTAKEN PRIOR TO FINAL CONSIDERATION.