

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winqest, District General Manager

FROM: Mike Bandelin, Ski Resort General Manager

SUBJECT: Review, discuss and possibly approve a purchase and professional service agreement for the replacement of the 1979 haul rope on Red Fox ski lift. 2022/2023 Capital Improvement Project: Fund; Community Services; Division: Ski; Project #3462HE1712 Project Type; E - Capital Maintenance; Vendor: Wire Rope Service in the amount of \$72,930 (Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin)

**RELATED STRATEGIC
PLAN BUDGET
INITIATIVE(S):**

**LONG RANGE PRINCIPLE #5 – ASSETS AND
INFRASTRUCTURE**

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation venues, facilities, and services.

**RELATED DISTRICT
POLICIES, PRACTICES,
RESOLUTIONS OR
ORDINANCES**

Capital Planning Multi-Year Capital Planning Policy 12.1.0; Capital Planning Capital Project Budgeting Policy 13.1.0; Capital Planning Capital Expenditures Practice 13.2.0; Purchasing Policy for Goods and Services Policy 20.1.0; Board Policy 3.1.0. , 0.4 Consent Calendar

DATE: May 25, 2023

I. RECOMMENDATION

That the Board of Trustees makes a motion to:

1. Approve a Purchase Agreement for a replacement haul rope; Red Fox Ski Lift – 2022/2023 Capital Improvement Project: Fund: Community Services; Division: Ski; Project # 3462HE1712; Project Type; E – Capital Maintenance; Vendor: Wire Rope Service in the amount of \$38,530.00

2. Approve a Professional Service agreement for the removal and installation of the replacement haul rope; Red Fox Ski Lift – 2022/2023 Capital Improvement

Project: Fund: Community Services; Division: Ski; Project # 3462HE1712; Project Type; E – Capital Maintenance; Vendor: Wire Rope Service in the amount of \$34,400

II. BACKGROUND

The general purpose of this project is to maintain Diamond Peak Ski Area operations through a necessary replacement of equipment and materials at the Venue. The Red Fox ski lift was purchased by the District and installed in 1979 as Wiggle lift. The lift is a fixed grip YAN double chair manufactured by Lift Engineering based out Carson City, Nevada. Annual maintenance is performed on the ski lift, including some notable upgrade projects in recent years to the lift include, replacing the electric motor drive and safety controls in 2011 and the installation of chair restraint bars in 2019. This report requests the approval to replace the original 1979 ski lift haul rope and counterweight cable. The haul rope is a term used for the wire rope or cable that the ski lift carriers are attached to and the counter weight cable is the cable that is attached to the moveable carriage and a counter weight that achieves the desired tension of the haul rope between the top and bottom terminal as well as the line equipment. The existing haul rope of approximately 3,000 linear ft. has been inspected and measured annually by Wire Rope Service. District staff have been involved and accompanied the annual rope inspections and identified the replacement project within the District's capital-funding plan in 2017, knowing that due to the ropes age and the length of service, the nominal diameter of the rope would eventually not conform to the minimal acceptance diameter per the ANSI – B77 standard for passenger ropeways guidelines. Provided the recommendation is approved, the haul rope replacement project will extend the life of the asset. The Redfox chair lift is maintained to operate daily during the season as it did until the Lakeview chair lift was installed with increased capacity from a double to a quad chair in 1995. At that time, the Redfox lift was operated mostly on weekends and holiday periods as the demand did not warrant the daily operation. Today, the lift continues to be forecasted and planned to operate on most weekends and holiday periods annually.

In accordance with Board Policy 3.1.0., 0.4 Consent Calendar, this item is included on the Consent Calendar as it is routine business of the District and within the currently approved District Budget. The proposed recommended item has a budgeted financial impact of less than \$100,000 and the attached agreements have been reviewed by legal counsel and Trustee Schmitz.

III. BID RESULTS

The Districts Purchasing Policy for Goods and Services - Policy 20.1.0 section 2.2.7 Purchase of Professional Services references – (District contracts or agreements for professional service where highly specialized knowledge or technical know-how is required are not always adapted to award by competitive Solicitation. District staff shall evaluate each purchase of professional services to determine whether a competitive solicitation process would serve the best interests of IVGID or whether such a practice would be impractical).

The Districts purchase of a replacement Ski lift haul rope, removal of existing, Installation and splicing from Wire Rope Service is exempt from competitive bidding for the following Nevada Revised Statue reasons:

- A. This purchase is for items, which may only be contracted from a sole source (NRS 332.115.1.a). Wire Rope Service is the exclusive wire rope professional service provider for Northern Nevada and the entire western region.
- B. This purchase is for additions to and repairs and maintenance of equipment which may be more effectively added to, repaired or maintained by a certain person (NRS 332.115.1.C). Wire Rope Service is the Districts exclusive wire rope professional service provider for Northern Nevada and the entire western region.
- C. The equipment and professional service proposed for purchase, by virtue of the training of the personnel or of any inventory of replacement parts maintained by the local government is compatible with existing equipment (NRS 332.115.1.d). Diamond Peaks ski lift haul ropes and counter weight cables are currently serviced and maintained exclusively by Wire Rope Service.

IV. FINANCIAL IMPACT AND BUDGET

The 2022/2023, Capital Improvement Project Budget includes funding of \$75,000 to replace the ski lift haul rope on Red Fox lift. The attached data sheet identifies funding in FY2024 to replace the ski lift counter weight cable at \$10,000 as well as the carrier haul rope grips estimated at \$54,000 for a total of \$64,000. Provided the fiscal year budget is approved and adopted, staff would recommend replacing the counterweight cable in concurrence with the haul rope replacement project, which is proposed to take place in November 2023. Staff intends to make the determination of moving forward with the carrier grip replacement project after the new haul rope is installed and the current grips are installed and evaluated per manufacture conformance.

The table below provides estimated expenses related to the project including the sole vendor to perform the service and purchase of the replacement haul rope and counterweight rope project.

Estimated Project Expense and Budget

Description	Vendor	Amount
Procurement of Haul Rope	Wire Rope Service	\$38,530
Haul Rope Removal and Installation	Wire Rope Service	\$29,700
Splicing New Haul Rope	Wire Rope Service	\$4,700
Estimated Project Total		\$72,930
Total Project Budget FY2023		\$75,000
Procurement of Counter Weight Cable	Wire Rope Service	\$6,000

CWC Removal and Installation	Wire Rope Service	*N/A
Total Tentative Project Budget FY2024		\$10,000

*Staff will note that the removal and installation of the counterweight cable expenses have been included within the above haul rope removal and installation project expense.

V. ALTERNATIVES

The Board of Trustees may consider not approving the staff recommendation, defer or eliminate the proposed project. Doing so would essentially direct staff to carry forward the available funding to upcoming fiscal years, knowing that the haul rope will eventually become condemned for passenger use.

VI. COMMENTS

The District has obtained the professional service of ski lift rope inspections, installations, splicing and maintenance from Wire Rope Service annually since 2012 when the company was purchased from Richard Ryer Inc. who the District had used to perform wire rope maintenance on the District's ski lifts since the early 1970's.

As the District staff work towards continuous improvement with procurement, purchases and professional service agreements and contract, staff is disclosing that Wire Rope Service declines to accept changes to their provided agreements as suggested by District Counsel. Staff met with District counsel and discussed the agreements to the extent that counsel has provided an opinion of which they are supportive of staff making the determination that the benefits of working with Wire Rope Service outweigh the minor risks, and may move forward with the recommendation to the District Board of Trustees. Staff will note that the current professional service agreement between the District and Wire Rope Service is consistent with previous agreements and they are very reputable vendor.

VII. BUSINESS IMPACT/BENEFIT

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement. The benefit to the District of approving staff's recommendation of replacing the ski lift haul rope ensures the future safe operation of the ski lift to the community.

VIII. ATTACHMENTS

1. Red Fox Ski Lift 230312_QUOTE & ORDER Diamond Peak
2. Red Fox Ski Lift 230424_BID ORDER Diamond Peak
3. 2022 DIAMOND PEAK IVGID - WRS Profesional Service Agreement
4. Ski Data Sheet - Red Fox Maintenece and Improvements

IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

The decision needed from the Board of Trustee's shall be that of approving the staff recommendation as presented.

March 12, 2023

Diamond Peak Ski Resort
ATTN Mike Bandelin
1210 Ski Way
Incline Village, NV 89451
MLB@ivgid.org

Dear Mike, I'm pleased to quote the following rope from TOKYO ROPE for RED FOX.
Delivery address: Diamond Peak Ski Resort, 1210 Ski Way, Incline Village, NV 89451
The rope and the length of the rope are determined by DIAMOND PEAK SKI RESORT.
Wire Rope Service Inc. may not held responsible for wrong specifications.
Shipping included, Tailwrapping Material is included, Rope Certificate included.
Delivery approx.7.5 months after receiving down payment.
30% down payment is due with order confirmation. 70% are due within 1 week after rope delivery.
DIAMOND PEAK SKI RESORT is responsible for unloading the rope.

description	amount in USD
31.8 mm (1 1/4"), from TOKYO ROPE 6XFI25 RLL, synthetic fiber core, bright, IPS grade, minimum breaking load 575kN (129,200 lbs), on wooden reel, 1050m (3445 ft)	\$ 38,530.00

DIAMOND PEAK IS RESPONSIBLE TO PAY APPLICABLE USE/ SALES TAX IN NEVADA.

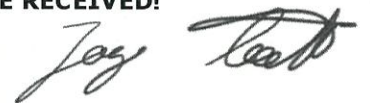
This quotation is valid until March 27th.

If you have any questions concerning this quote contact (530) 412-0601 or by email at jorg@tonett.net .
Please check the rope specifications, print this quote, fill out below, name the exact delivery address, scan and return via email, include a purchase order number if you would like to order and mail a check for the down payment of \$11,559.

ORDER WILL BE PLACED WHEN DOWN PAYMENT AND SIGNED QUOTE ARE RECEIVED!

LOOKING FORWARD FOR YOUR BUSINESS!

Sincerely yours,



Jorg Tonett /// wire rope service

This order expressly incorporates herein by reference all terms and conditions included in that certain Agreement previously entered into between Client and WRS.

The above quote is accepted according to the terms hereof by Client's authorized representative.

SIGNATURE	DATE
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PRINT NAME/ TITLE	PO#
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THE MATERIALS TO BE QUOTED AND/OR PURCHASED UNDER THIS AGREEMENT ARE FURNISHED AS-IS, WHERE IS, WITH ALL FAULTS AND WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. WIRE ROPE SERVICE, INC. DOES NOT MAKE ANY WARRANTY THAT ANY MATERIALS FURNISHED COMPLY WITH ANY LAW OR REGULATION, DOMESTIC OR FOREIGN.

April 24, 2023

Diamond Peak Ski Resort
ATTN John Olson
1210 Ski Way
Incline Village, NV 89451
jgo@ivgid.org

RED FOX - HAUL ROPE REPLACEMENT 1,050m & CW cable replacement

I'm pleased to bid the described works for fall 2023.
This bid is only valid for fall 2023 and if weather permits the works to be performed.

description	amount in USD
Taking cable of the towers, Rigging of old cable, Construction splice (old with new cable), Spooling rope, Rigging of new cable, Putting new cable back on towers after splicing including Horizontal Spooler, Chain Spooler and all other equipment, and replacing CW cable	\$ 29,700.00
Splicing of new 31.8mm cable, including tools & Splicing Certificate	\$ 4,700.00

- . Expenses (Room & Board) will be invoiced at actual cost.
- . Travel Time will be charged at \$115 per hour per person, and Travel at \$1.10 per mile per vehicle.
- . Rigging equipment, splicing tools, spool stand, horizontal spooler, chain spooler, are included in this bid.
- . DIAMOND PEAK needs to provide a fork lift to unload and load equipment.
- . DIAMOND PEAK needs to provide
 - 4-6 employees while rigging and derigging,
 - 6 employees while rope pull,
 - 10-12 employees for first third of splicing,
 - 7 employees for the other two thirds of splicing.
- . DIAMOND PEAK is responsible to recycle the old rope.
- . Any waiting period or downtime spent on site (safety trainings, ...) that cannot be used directly for changing or splicing the rope will be invoiced at \$ 400 per hour.
- . **TRANSPORT OF EQUIPMENT TO AND FROM DIAMOND PEAK IS NOT INCLUDED IN THIS BID.**

This bid shall remain binding upon Wire Rope Service, Inc. for fourteen (14) days from the date of hereof. If you have any questions contact (530) 412-0601 or by email at office@tonett.net .

LOOKING FORWARD FOR YOUR BUSINESS!

Sincerely yours,



Jorg Tonett /// wire rope service

This service order expressly incorporates herein by reference all terms and conditions included in that certain Agreement for Services previously entered into between Client and WRS. The above proposal is accepted according to the terms hereof by Client's authorized representative.

[Redacted] SIGNATURE [Redacted] DATE [Redacted]

[Redacted] PRINT NAME [Redacted] PO# [Redacted]

[Redacted] TITLE

10/20/2022

INCLINE VILAGE G.I.D.
893 Southwood Boulevard
Incline Village, NV 89451

(hereinafter referred to as "Client") and WIRE ROPE SERVICE, INC., a California corporation (hereinafter "WRS"), of Post Office Box 2091, Kings Beach, California 96143, make the following agreement for the provision of professional wire rope services, which may include, without limitation, inspecting, rigging, splicing and maintaining wire rope, making end connections, and lift services, on the following terms and conditions.

WRS shall from time to time provide to Client those wire rope services described in WRS's bid as agreed to by Client's representative(s).

The following terms and conditions shall also govern the delivery of services by WRS hereunder:

1. No Warranty Given. In its wire rope service, WRS may provide a report and/or certificate on the condition of the wire rope at the time of providing services. A report or certificate, however, identifying the wire rope as being in good condition is not a warranty or guarantee of the wire rope's future performance. A wire rope can deteriorate or fail from a variety of causes, including, among others, misuse, misalignment, improper or inadequate adjustment and lubrication of equipment, the elements, fire, weather conditions, and damage caused to the wire rope from falling trees or other objects.

WRS does not manufacture any products; however, WRS resells the products of third-party manufacturers. WRS does not warrant or guarantee these third-party products for any purpose, whether for merchantability, fitness for a particular purpose, or otherwise. Client agrees that its sole recourse is against the original manufacturer's warranty, if any is available.

2. Indemnification. If Client's employee or contractor participates in, assists with, or otherwise engages in any activity which enables, assists or furthers the provision of services by WRS to Client, such activity does not make WRS an employer of such persons, nor does it make WRS a partner, affiliate, or joint venture of Client in any manner, even where such persons are following the instructions of WRS or its personnel. Regardless of whether the employee or contractor of Client is following the instruction of WRS or its personnel, WRS shall have no responsibility to any employee or contractor of Client for any physical injury or death suffered by such person(s) during the course of such activities, including that caused by the ordinary or gross negligence of WRS or its personnel, the conduct of any third party, including any other employee or contractor of Client, or by the use of any equipment of WRS. Client hereby promises and agrees to indemnify and hold harmless WRS, its employees, officers, directors, managers, members, insurers, and all others in privity with them, from and against any and all liability for such claim of injury or death suffered by such person(s), including anyone claiming by, through, and/or under Client, employee, contractor or any other third party.

Client shall further indemnify and hold WRS harmless from any damage caused to any equipment or vehicle of WRS by/through the negligence (ordinary or gross) of Client, or any of Client's employees or contractors.

3. Independent Contractor Status. Client and WRS agree that: (1) Client has engaged WRS for a particular result, but does not control the means or manner in which WRS performs its work; WRS controls all aspects of the means and manner of the work performance; (2) as a wire rope professional, WRS performs work which is outside the usual course of business conducted by Client; and (3) WRS is customarily engaged, as a professional working with wire rope and related equipment and accessories, in an independently established occupation or business from that owned and operated by Client.

4. Late Payments. For all services, all fees and charges are payable upon invoice and past due after thirty (30) days, at which time a late payment fee of currently \$300.00 will be added to the account, and interest at the rate of ten percent per annum shall begin to accrue on the unpaid balance. The unpaid balance is determined by taking the beginning account balance, adding any new charges, and subtracting any payments made on account.

5. Client Delays. If WRS arrives at Client's site to perform services, but is delayed or prevented from doing so due to any reason outside of WRS's control, and WRS's personnel and equipment are thus required to be idle, such down time will be invoiced to Client at WRS's standard billing rate, currently \$300.00 per hour, along with charges for rendering idle WRS's equipment.

Similarly, if WRS's personnel are required by Client to attend Client's safety training courses, such training time will be invoiced to Client at WRS's standard hourly rate.

6. Expenses. Client will be additionally invoiced for WRS's travel time, travel expenses (including, but not limited to, where appropriate, lodging and meals) and, when using WRS's vehicles, for travel mileage.

7. Timeliness of Completion. The completion of WRS' services may be extended as commercially reasonable due to inclement weather conditions, the inability to gain access to Client's facilities, delays caused by Client's employees or contractors, acts of God, an act of war (whether declared or not), hostilities, invasion, act of foreign enemies, terrorism or civil disorder, or when other circumstances beyond WRS's control arise, making performance inadvisable, commercially impracticable, illegal, or impossible.

8. Additional Work. To the extent that Client has engaged WRS on a fixed price basis, should Client request additional work not shown on the WRS Bid to be done by WRS, absent some other written agreement to the contrary, such additional work shall be performed at WRS's then standard hourly rate and Client shall be invoiced for such services upon completion which shall be due and payable by Client upon receipt.

9. Termination of Contractual Relationship. At any time, upon thirty (30) days' notice, either party hereto may terminate their contractual relationship to the other pursuant to this Agreement. However, the promises and covenants contained herein shall survive until such time that all services to be performed by WRS have been fully completed and payment therefore made by Client. Moreover, those promises and covenants contained in Paragraphs 2 (No Warranty Given), 3 (Indemnification), and 4 (Independent Contractor Status) shall survive such termination and shall remain in full force and effect.

10. Rights of Termination of WRS. Should Client fail to pay WRS for its services within thirty (30) days of invoice, or for any third-party products within seven (7) days of invoice, WRS may, in its sole discretion, and without liability or further obligation to Client, suspend further services until payment is made, or may terminate altogether any further services being rendered to Client.

11. Notices. Any and all notices or other matters required or permitted by this Agreement or by law to be served on, given to, or delivered to either the Client or WRS, by the other party to this Agreement, shall be in writing and shall be deemed duly served, given, or delivered when personally delivered to a supervisory employee of the party to whom it is addressed, or in lieu of personal service, when deposited in the United States mail, first-class postage paid, addressed to Client or WRS at the respective address set forth hereinabove, or when sent by email delivery with acknowledgment of receipt. Either party may change

Executed as follows:

CLIENT:

.....
Print name
Title.....

the party's address for these purposes by giving written notice of the change to the other party in the manner provided in this paragraph.

12. Jurisdiction and Venue; Governing Law. In the event that any litigation arises out of this Agreement, or results from any services provided or products sold to Client hereunder, jurisdiction for such action shall be in the County of Placer, State of California, if under state law, or in the Eastern District of California, if under federal law. This Agreement shall be deemed to have been entered into in the State of California and governed by and construed in accordance with the law of the State of California.

13. Attorney's Fees. In the event that any litigation arises to interpret or enforce any provision of this Agreement, the prevailing party in such action shall be entitled to costs and reasonable attorney's fees.

14. Entire Agreement. This instrument, taken in conjunction with the WRS Bid, constitutes the sole and only agreement of the parties to this Agreement relating to any services to be provided to Client by WRS. In the event of any conflict between this Agreement and the WRS Bid, the terms of this Agreement shall prevail. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect.

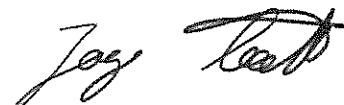
15. Severability. If any term or provision of this Agreement is declared invalid for any reason, the other parts of the Agreement shall remain in full force and effect.

16. Successors and Assigns. This Agreement shall be binding on and inure to the benefit of the successors and assigns of the parties of any entity party, and to the benefit of the heirs, executors, administrators, successors, and assigns of any individual party.

17. Authorization. The parties each respectively represent to the other that the undersigned signators are authorized to enter into this Agreement and the entity for whom such person signs agrees to be bound hereby.

18. Facsimile Signature(s). Either party may execute this Agreement with a facsimile signature (i.e., scanned signature), which shall carry full force and effect.

WIRE ROPE SERVICE, INC.:



By.....
Its President



Project Summary

Project Number:	3462HE1712
Title:	Red Fox Ski Lift Maintenance and Improvements
Project Type:	E - Capital Maintenance
Division:	62 - Lift Operations
Budget Year:	2023
Finance Option:	
Asset Type:	HE - Heavy Duty Service Equipment
Active:	Yes

Project Description	The District owns 6 aerial ski lifts at Diamond Peak Ski Resort. The lifts were generally constructed between 1969, 1979, 1995 and 2003 consisting of a fixed grip double chair, fixed grip quad chair and a detachable quad chair. Each lift contains many of the same operating components such as motors, gear reducers, auxiliary engines, fuel tanks, haul ropes, counterweight ropes, line machinery, tensioning systems, braking systems, bull wheels, carriers and haul rope grips, communication lines, safety control systems, drive control systems, switches, conveying systems and loading systems		
Project Internal Staff	Mountain and Lift operations staff will perform the procurement and installation of the equipment		
Project Justification	This Project Funds the replacement and maintenance of equipment listed above within the chair lift system. Staff performs inspections and maintenance on the lift system and plans future major upgrades as equipment reaches the end of its useful life. The age of the equipment, the number of hours operating the equipment and other equipment analyses, such manufacturer recommendations, ANSI B-77 standards, inspections and non destructive testing, dictate replacement or rehabilitation of the equipment to maintain a reliable ski lift system to our customers.		
Forecast			
Budget Year	Total Expense	Total Revenue	Difference
2023	75,000	0	75,000
	Year Total	0	75,000
2024	54,000	0	54,000
Replace Carrier Haul Rope Grips	10,000	0	10,000
Replace Counter Weight Rope	Year Total	0	64,000
	139,000	0	139,000
Year Identified	Start Date	Est. Completion Date	Manager
2017	Jul 1, 2021	Jun 30, 2028	Ski Resort General Manager
			Project Partner