



Agenda Item 20

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## Town of Mountain Village Update

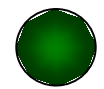
**October 21, 2021**

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- 0 Re-engaged since the delay caused by Covid
  - 1 Objectives
  - 2 Background (Reminder)
  - 3 Framing - Engineering & Product Development Consultant
  - 4 Meeting Schedule for 2021 & 2022

# 1

# Objectives

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Provide high-level overview of:

- Subcommittee work & progress over last 6-years
- Key next steps: Leadership Committee (**Nov. 9th meeting**)

# 2

## Gondola Background

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### Basics

- Community has enjoyed the gondola for **25 years** (started Dec 1996)
- Serves as transportation connection b/w Town of Telluride and Mountain Village, as well as b/w MV Center to Town Hall Subarea

● Town of Mountain Village owns and operates

● Majority of funding contractually provided by TMVOA through 3% MV real estate transfer assessment

- Operating and capital grants (**+\$10M**), 1% of lift ticket sales by TSG (**~\$200K/yr**), ToT extended hours contributions, & event operation funding

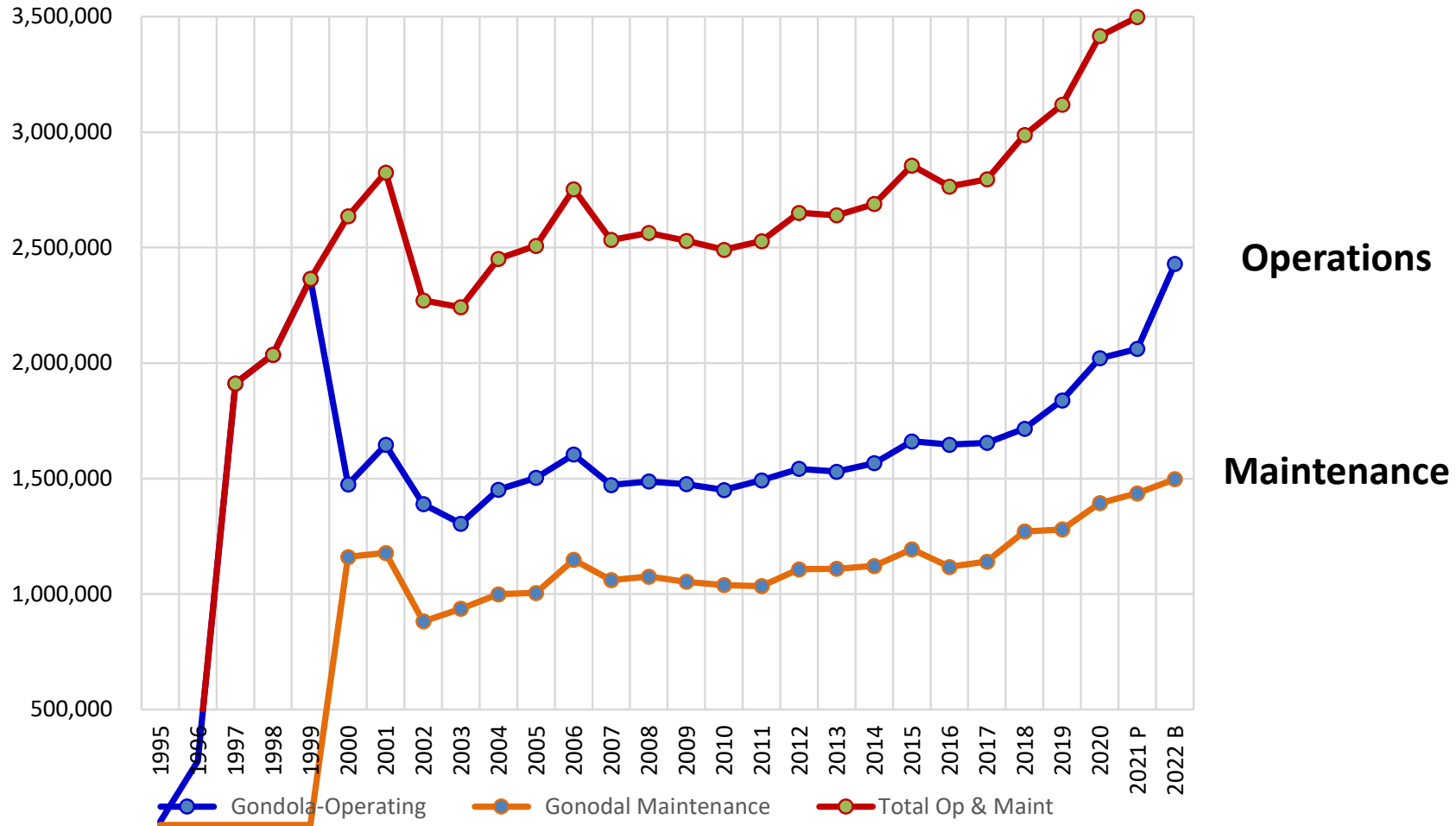
● Operating Agreement expires 12/31/27, with following no longer required

- Operate & maintain Gondola system; provide buses during gondola shutdown (TMV)
- Pay for operations, maintenance, capital (TMVOA)
- Pay 1% of lift ticket (TSG)

# 2 Gondola Background

## Annual Costs

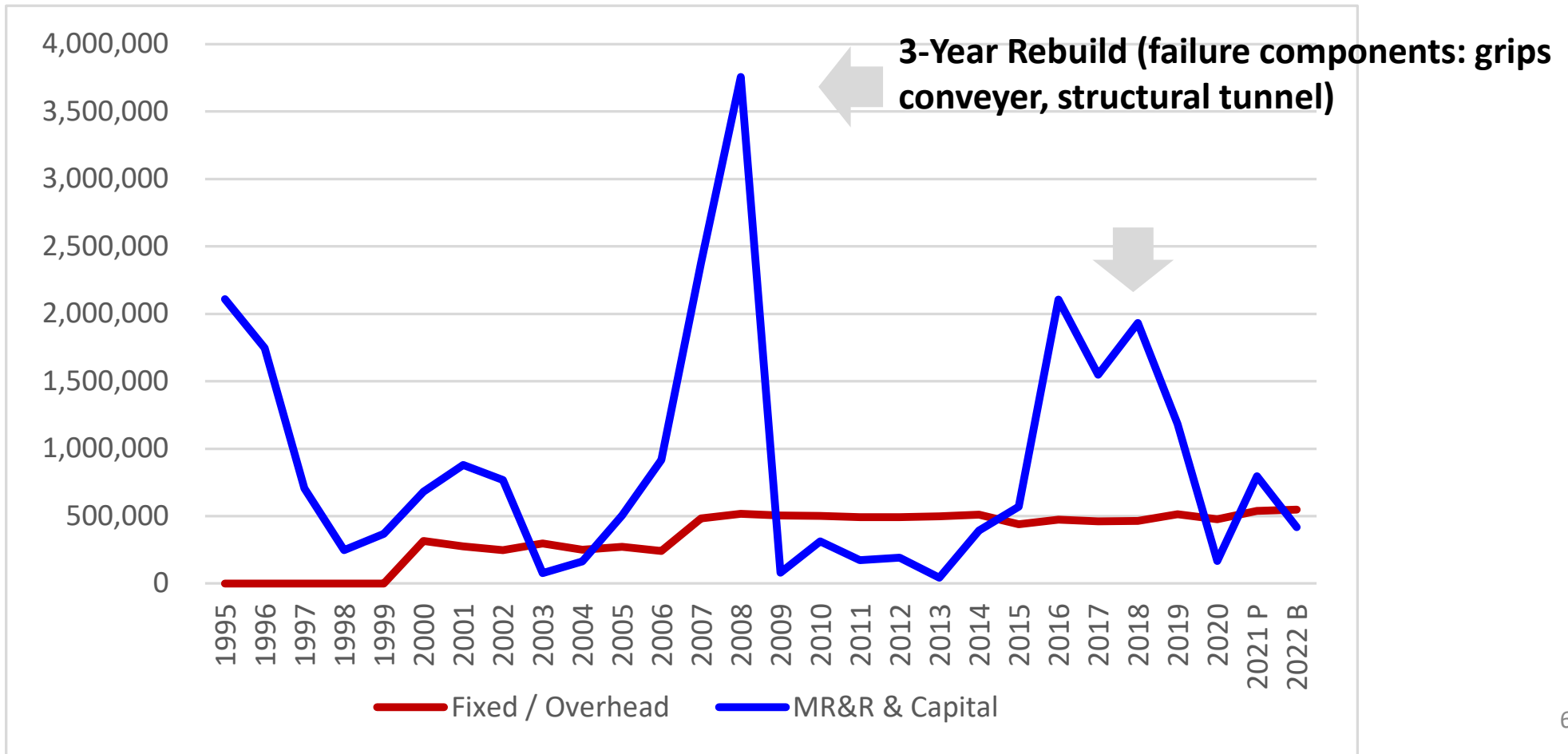
● Operations & Maint. (~\$3.5M)

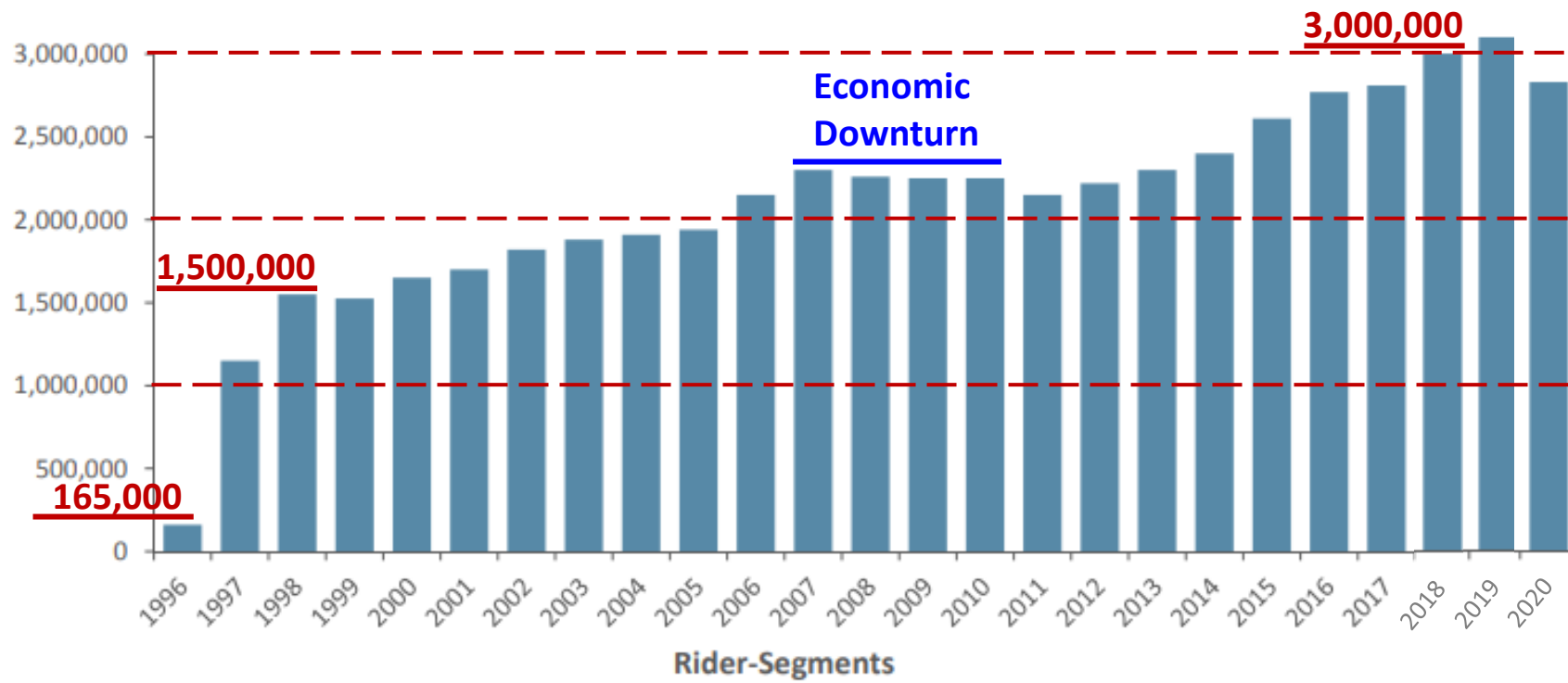


# 2 Gondola Background

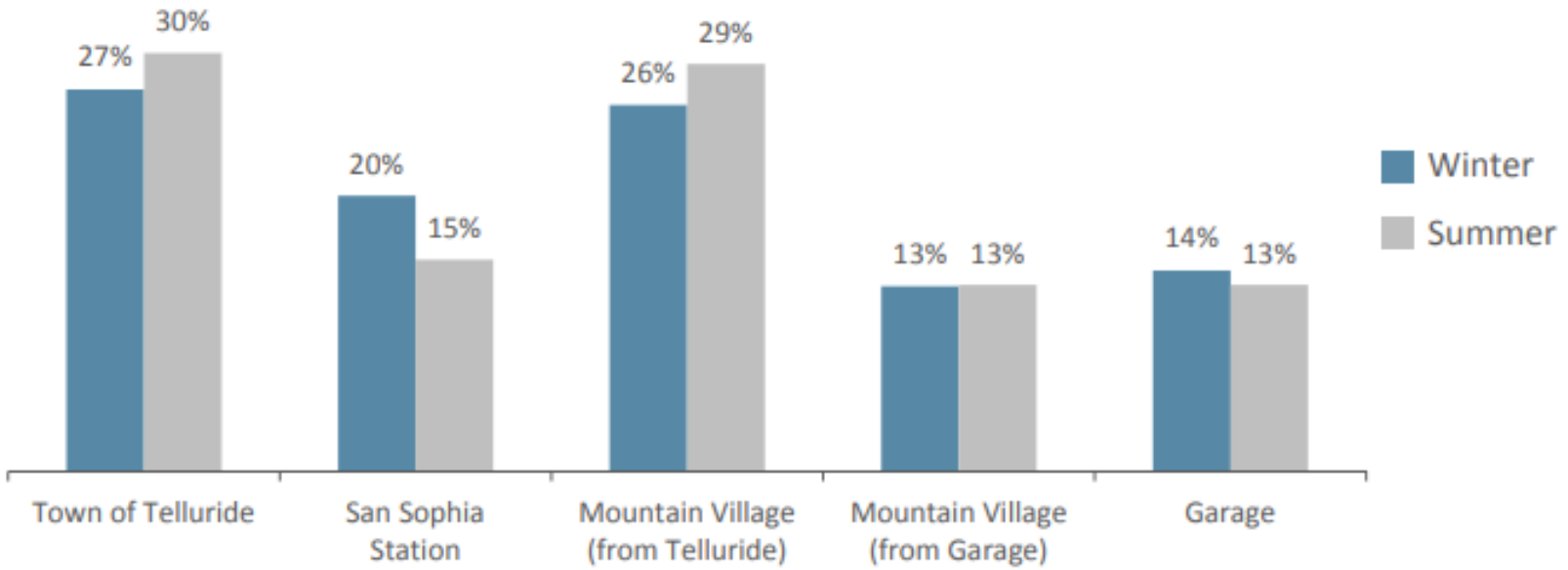
## Annual Costs

● Capital & major repairs





2011 - 2017

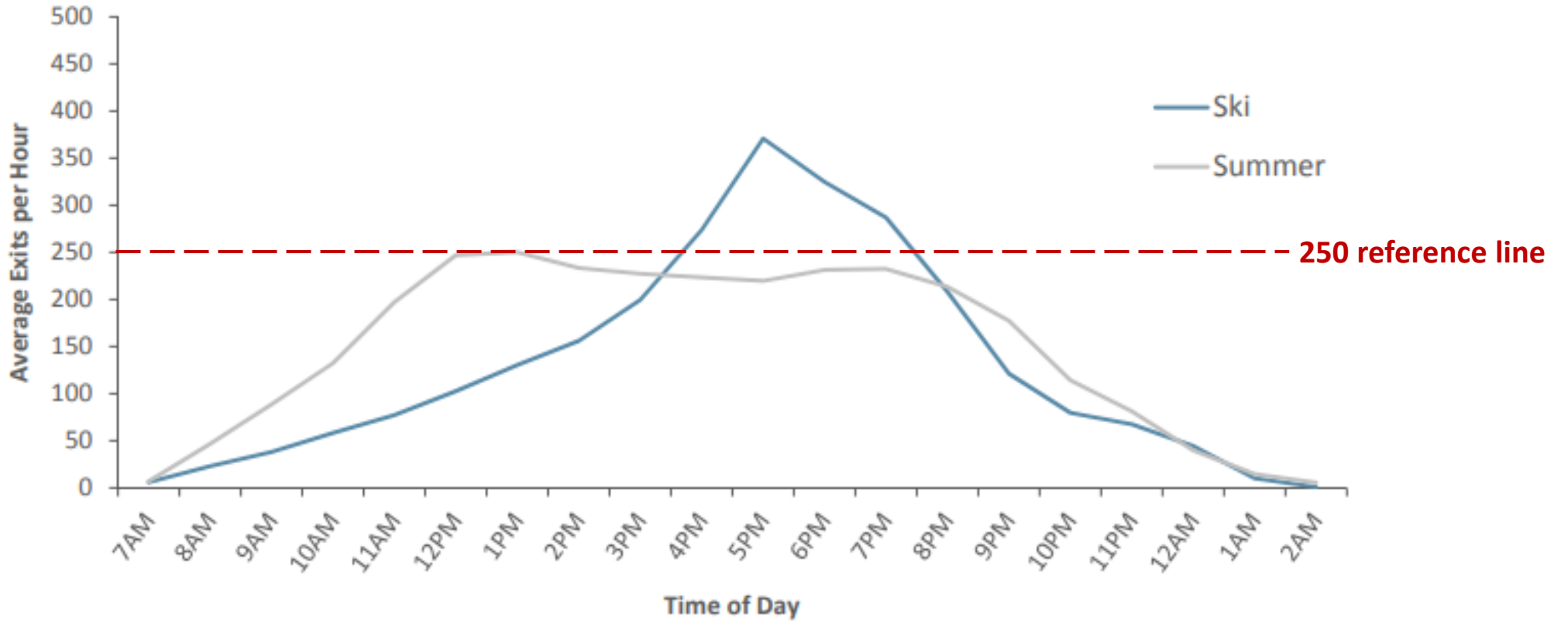






### 2016 - 2017

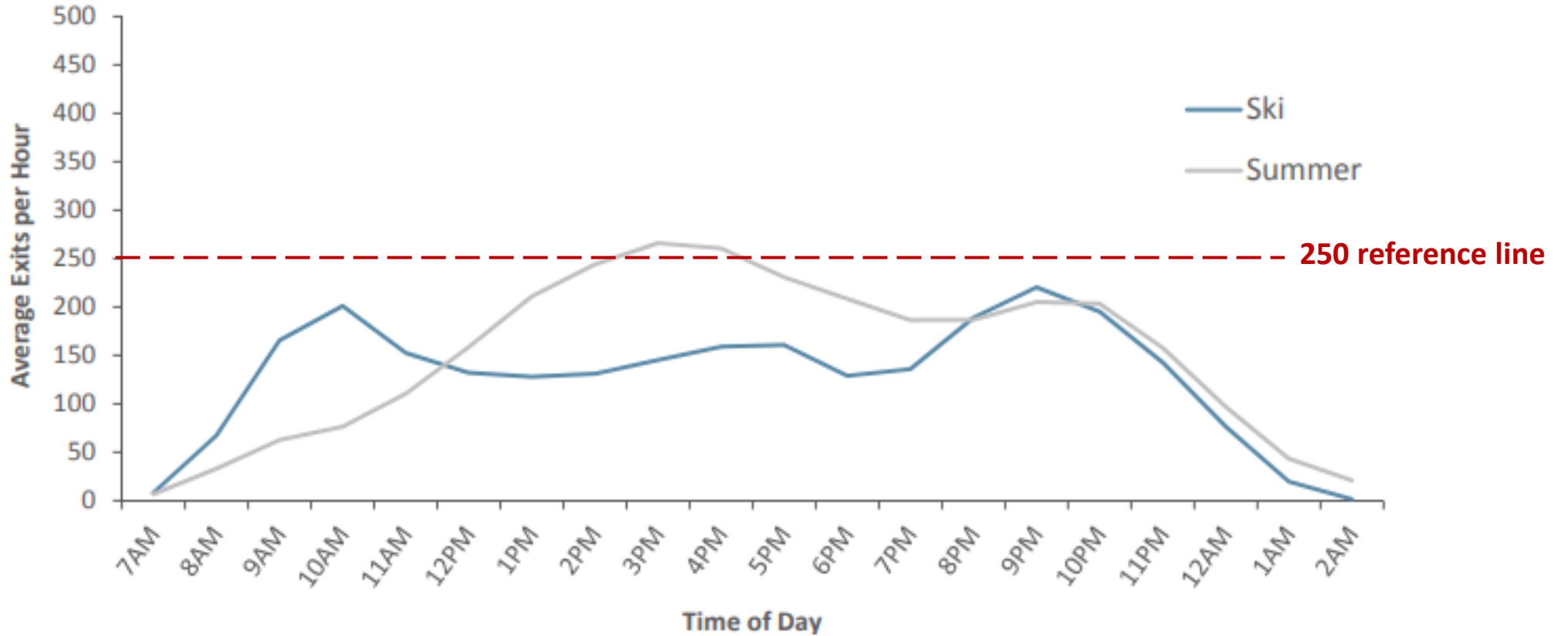
(Average hourly exits by season)



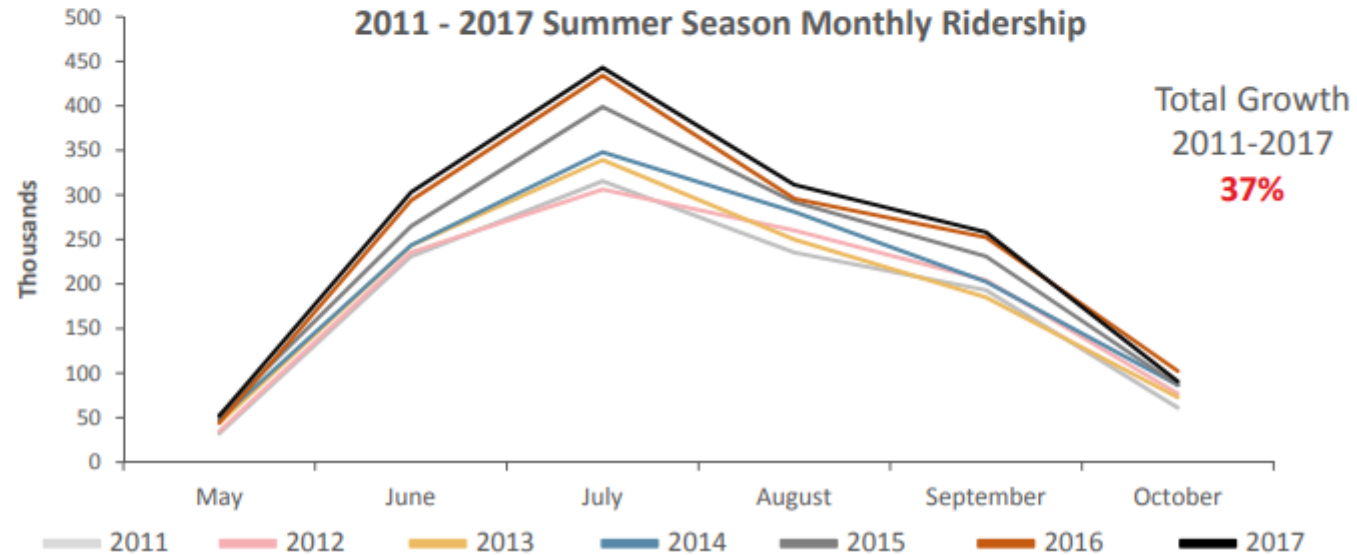
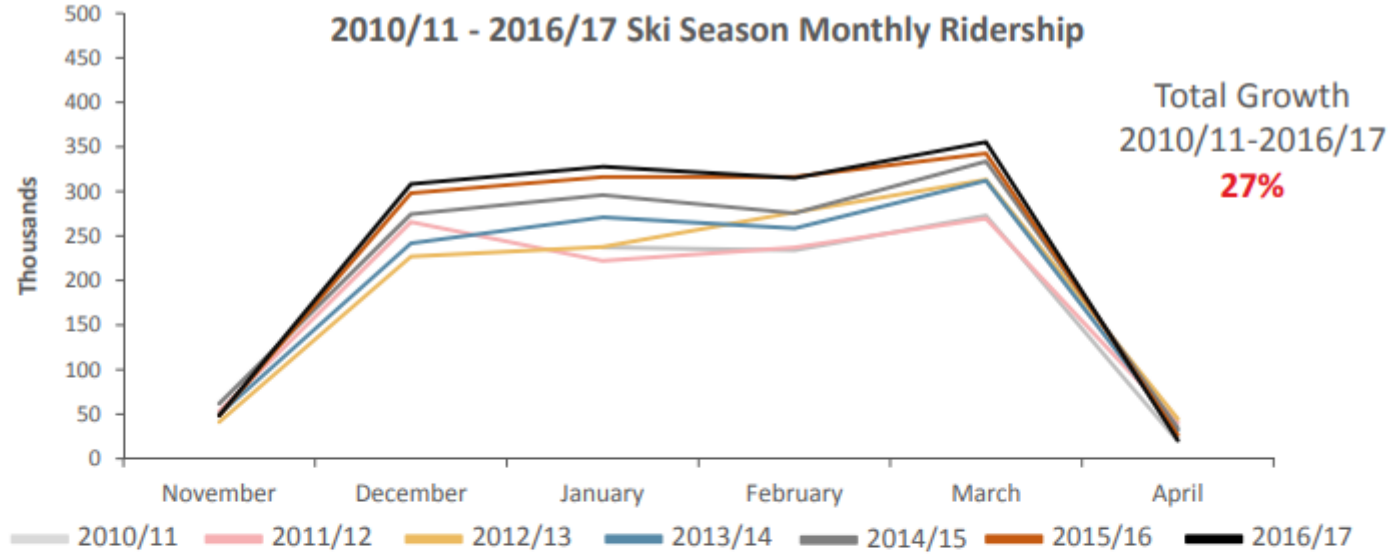


## 2016 - 2017

(Average hourly exits by season)

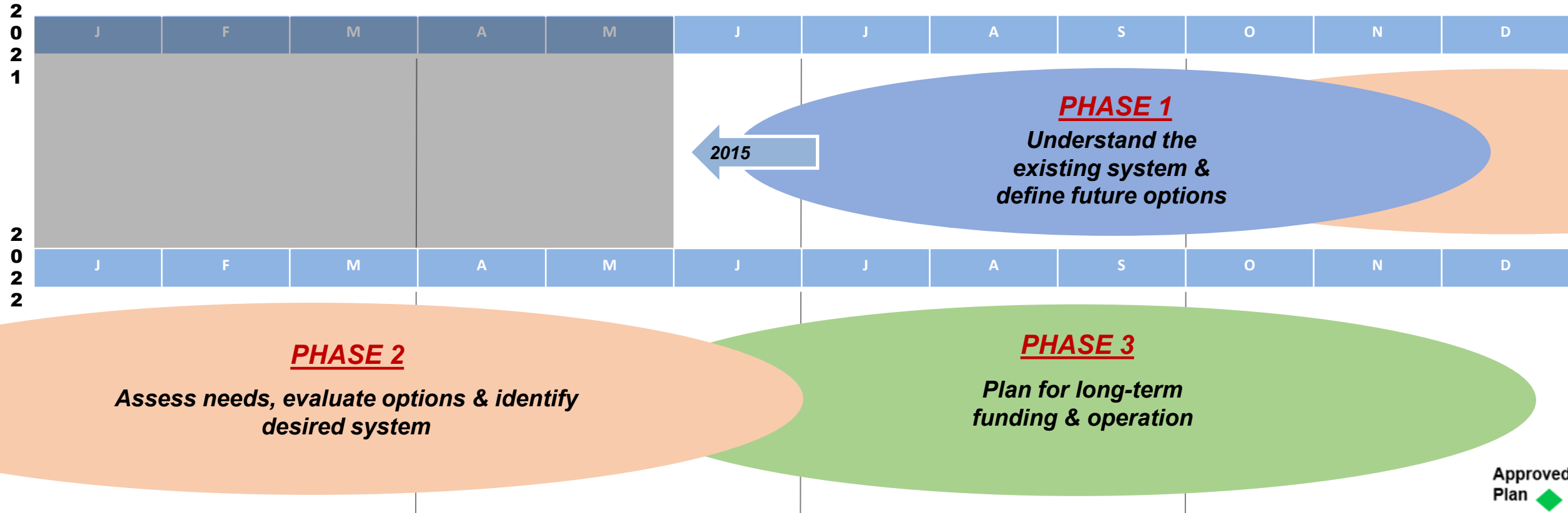


**Consistency in Trends**  
 - by season  
 - by month



# 3

## Long-Term Roadmap: FRAMEWORK



# Gondola Long Term Planning – Phase II

## Framing Workshop – Results



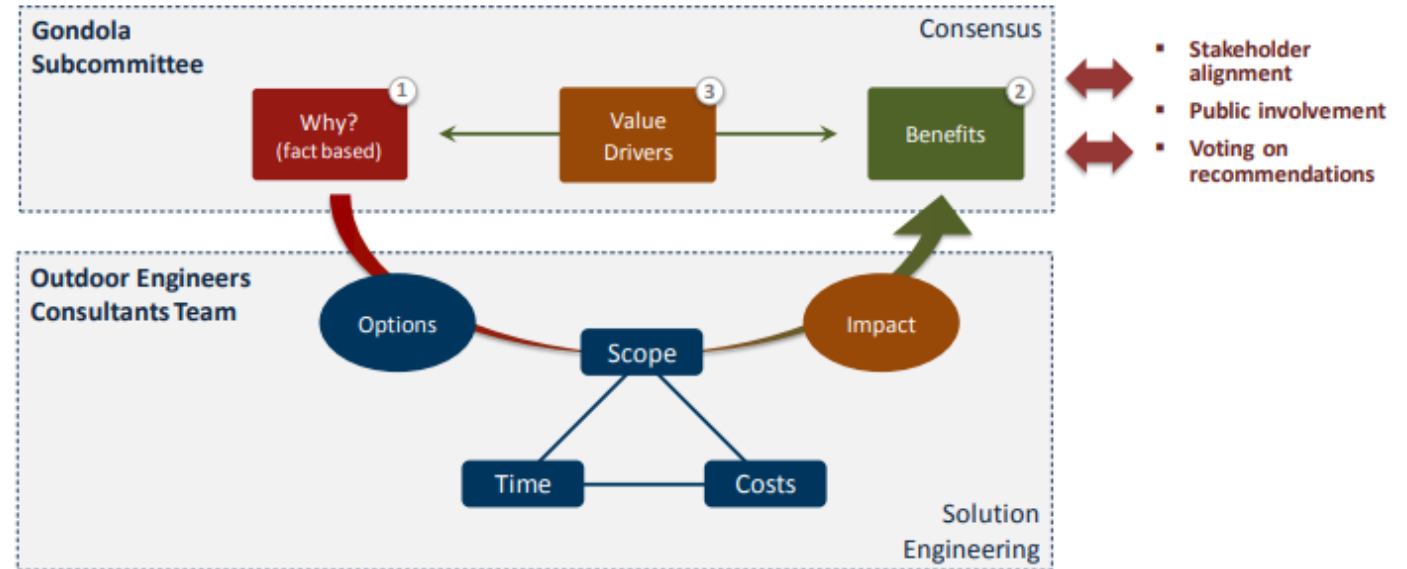
### Morning Session

- Presentation of Phase 1 study
- Working on facts as a common ground to start from

### Afternoon Session

- Definition of desired benefits ("Opportunity Statement")
- Measures of success
- Roadmap-definition and next steps

### Underlying approach



Key element of Solution Framing is the quest for consensus. Thus all results of the workshop, as reflected in this report, were concluded unanimously within the Gondola Subcommittee.

Only exceptions are the concept of the holistic business case and its exemplary components, which are external input for further discussion.

# WHY are we talking about this now?

## Underlying facts, assumptions and decisions

### FACTS

- The existing operating agreement expires 2027.
- The gondola is the central transportation facility between the Town of Telluride and Mountain Village.
- From a technical perspective the gondola can be operated approximately another 10 years at the current capacity.
- If we increase weight on the towers/foundations or become higher, we need to rebuild them.
- Replacing the gondola system would lead to a downtime of one summer season (even for option 3 as described in the phase I study)
- Our customer experience starts to decrease. Examples are:
  - Waiting lines at peak times
  - Missing or outdated features because of the age of the system
  - Inconvenient gondola access (step, door clearance)

### SUBCOMMITTEE FINDINGS

- 1. We want to have a gondola between the Town of Telluride and Mountain Village after 2027.**
- 2. We continue planning and optimizing the future gondola system and giving it as a frame condition to the people responsible for regional planning.**
3. For growth projection we rely on the figures as presented in the bbc-report, but will update them based on actual data (2018 passenger figures).
- 4. Doing nothing is not our answer to potential future growth.**

### ASSUMPTIONS about growth

- Growth will happen, independent from the gondola.
- Mountain Village and the Town of Telluride will grow to their limits, as defined in existing regulations (e.g. zoning plan)
- The gondola itself does not determine growth. The gondola capacity rather correlates with growth, than causing it. But if we do nothing, this might have a negative impact on growth.
- The gondola project will not solve the tension between people who want growth and those who want to stay at the status quo.
- Downsides of growth are (exemplary):
  - Crowding
  - Increased cost of living
  - Decreased customer experience
  - Traffic overload
  - Utilities (esp. waste water) are at their limit

### We see the chance to...

- create the required gondola capacity to meet the demand and expectations of visitors, locals and commuters
- provide a stable planning foundation for connected systems (ToT, MV, Ski resort, Traffic, Parking,...)
- create an optimal post-2027 funding agreement
- provide an efficient and reliable public transportation system to support local businesses and reduce congestions

BENEFITS

### by

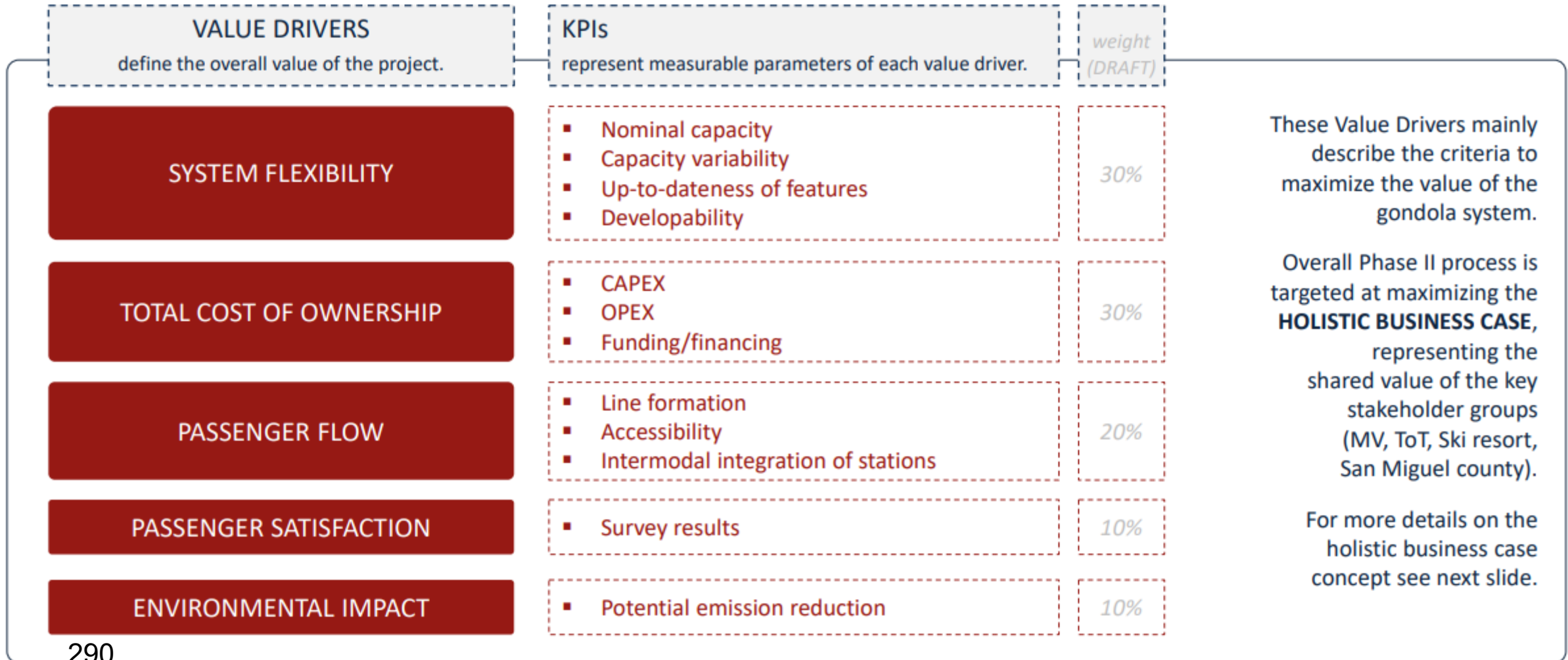
1. learning more about passenger expectations
2. checking state-of-the-art system features
3. defining acceptable waiting times and conditions
4. making the next move in the overall planning process
5. optimizing the holistic business case
6. defining the post-2027 funding, financing and operation agreement.

TASKS



# By which criteria do we decide/optimize?

## Value Drivers



# OPTION DEVELOPMENT

## Range of Options

■ DECISION  
■ ADVISORY  
■ GROUP



Indicative Option Assessment		System flexibility (30%)				Total cost of ownership (30%)		Passenger Flow (20%)			Passenger Satisfaction (10%)	Environmental Impact (10%)
		Nominal capacity	Capacity variability	up-to-date features	Developability	CAPEX	OPEX	Line formation	Accessibility	Intermodal integration of stations	Survey results	Potential emission reduction
1	Do <b>nothing</b> special, continue operation as is and do ongoing maintenance and system repairs as they come up.	Red	Red	Red	Red	Green	Yellow	Red	Red	Red	Red	Yellow
2	Do <b>continuous smaller upgrades</b> to raise system reliability without getting into the “Major Modification” classification (which requires meeting current code).	Red	Red	Red	Red	Yellow	Yellow	Red	Red	Red	Yellow	Yellow
3	Make a <b>major upgrade</b> to a more state-of-the-art technology in order to raise comfort, capacity and reliability.	Yellow	Yellow	Green	Yellow	Red	Yellow	Green	Green	Red	Yellow	Yellow
4	<b>Replace</b> the current system <b>with a complete new one.</b>	Green	Green	Green	Green	Red	Green	Green	Green	Green	Green	Green

# OPTION ASSESSMENT

## Revised Range of Options

■ DECISION  
■ ADVISORY  
■ GROUP



		System flexibility (30%)			Total cost of ownership (30%)		Passenger Flow (20%)			Passenger Satisfaction (10%)	Environmental Impact (10%)	Downtime	
		Nominal capacity	Capacity variability	up-to-date features	Developability	CAPEX	OPEX	Line formation	Accessibility	Intermodal integration of stations	Survey results	Potential emission reduction	Required system shutdown
1-2	Do continuous smaller upgrades to raise system reliability without getting into the "Major Modification" classification.	Red	Red	Red	Red	Yellow	Yellow	Red	Red	Red	Yellow	Yellow	Green
3	Make a major upgrade to a more state-of-the-art technology in order to raise comfort, capacity and reliability.	Yellow	Yellow	Green	Yellow	Red	Yellow	Green	Green	Red	Yellow	Yellow	Red
4	Replace the current system with a complete new one.	Green	Green	Green	Green	Red	Green	Green	Green	Green	Green	Green	Yellow

# 4

# Long-Term Roadmap: DETAILED SCHEDULE

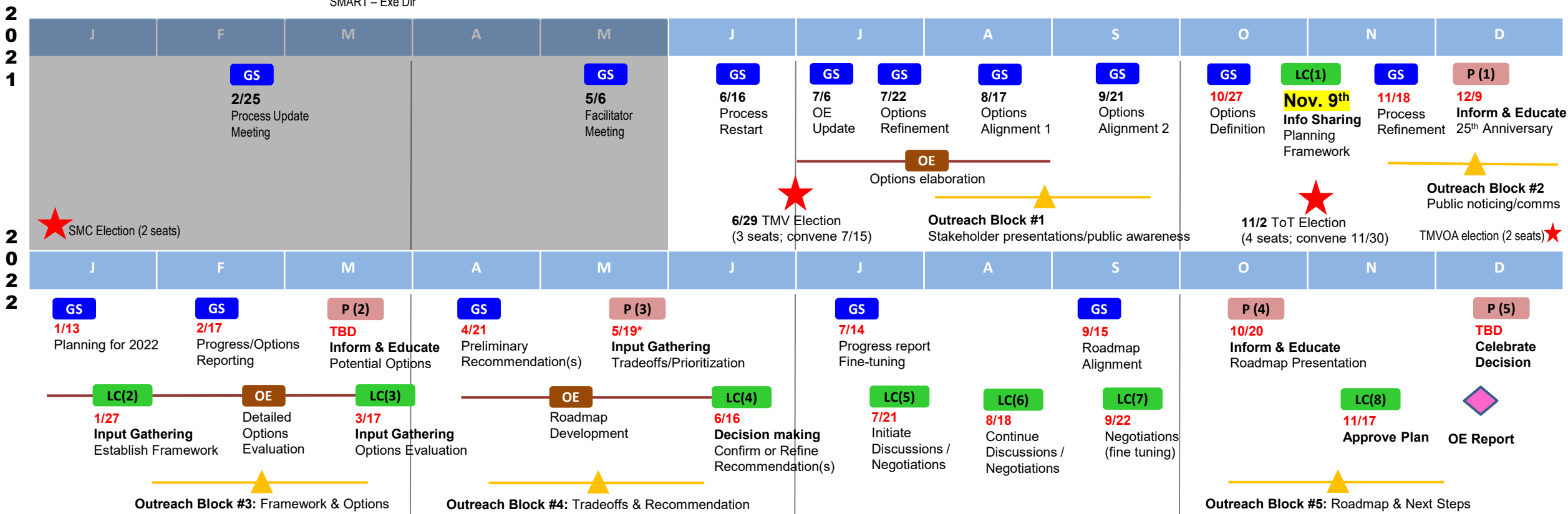
**GS Gondola Subcommittee**  
 Updated July 2021 – 10 members  
 TMVOA (2) SMC (2)  
 TMV (3) TSG (1)  
 ToT (2) SMART (1)

**LC Leadership Committee**  
 All members of following governments & organizations  
 TMVOA Board, CEO  
 TMV Town Council  
 ToT Town Council  
 SMC Commissioners  
 TSG – Mgt, Mtn Ops  
 SMART – Exe Dir

**OE**

**P Public Presentations**  
 \*first originally proposed

Dates in red are proposed



**Notes:**  
 1. Meeting agendas / subjects are flexible; may be changed based on stakeholder needs.  
 2. Agendas to be published and available prior to meeting date.  
 3. Additional public sessions can be added, if needed.

TMVOA election (2 seats) ★

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**Thank You**

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