



455 Mountain Village Blvd. Mountain Village, CO 81435  
(970) 729-2654

TO: Town Council  
FROM: J.D. Wise, Economic Development Director  
DATE: March 14, 2024  
RE: Work Session to Discuss Managed Load & Delivery Program

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### Summary

At the October 17, 2024 regular Town Council Meeting, Staff received direction from Council to explore development of a comprehensive food and beverage logistics and delivery program for the Village Center. On October 30, 2024, the Town issued a Request for Qualifications (RFQ) to identify qualified firms capable of providing such services and soliciting proposals for developing such a program. 106 West Logistics (106W) was selected through the RFQ process and is well qualified to provide such services. They have developed a comprehensive three-year program proposal which is included in Exhibit A.

Staff anticipated approaching TMVOA for their support in funding this program, however, at this juncture there is little certainty that a funding request would be approved by the TMVOA board.

Due to the important nature of this program, staff is seeking direction from council on their desire to move forward under a different funding structure.

### Attachments:

- **Exhibit A:** Program proposal and budget (this material is addressed to TMVOA as it was originally planned to be submitted to TMVOA board)

### Background

The need for a comprehensive managed load and delivery program is two-fold. As discussed in previous meetings, there is currently no coordination of the delivery of goods in Mountain Village, resulting in a disjointed and inefficient delivery process. Under the current system, each distributor is responsible for delivering their goods to their individual customers. This results in the large distributors each utilizing their own utility vehicle to move goods throughout the plazas, causes congestion in designated Town loading areas, and leads to a less than desirable experience for pedestrians in the Village Center.

Furthermore, with planned future development, particularly the Four Seasons and Six Senses hotel projects, these impacts will certainly be exacerbated. A managed load and delivery program would not only improve upon current impacts in the Village Center but would allow the Town to be proactive in relieving some of the pressures that will come with large scale development, resulting in a better overall experience for the public.

As outlined above, 106 West Logistics (106W) was selected through and RFQ process to develop a proposal for a managed and comprehensive delivery logistics program in the Village Center. They have been working behind the scenes to evaluate current loading dock infrastructure, work with community partners, including the Madeline Hotel, and understand the desire of distributors to participate in a comprehensive program.



While there are many details to work through in the pre-program planning phase, 106W is confident that they can deliver on providing a program that will greatly improve the way in which goods are being moved throughout the community by managing and scheduling distributor delivery times, offloading goods onto small, electric utility vehicles, and ensuring that public loading facilities are being used in the manner they were designed. Additionally, this program proposal includes the necessary equipment and staffing to manage the transfer of trash and recycling material to the Town's transfer building, currently managed by Bruin Waste Management.

### **Program Implementation and Budget**

106W is proposing a 3-year not-to-exceed program budget which is included in Exhibit A and assumes the following considerations:

- This budget anticipates up to 5-months of pre-pilot planning with a program rollout of late summer 2025.
- It is assumed that the first year of the program would be considered a "pilot phase" with voluntary participation of distributors. 106W has received strong interest and verbal commitment from several distributors that they would participate in the pilot phase of the program, as indicated in their proposal.
- Assuming the pilot program goes well, it's anticipated that the Town would support full implementation by evaluating any necessary ordinances and enforcement mechanisms that would encourage participation by all distributors doing business in the Village Center. This has been a key to program success in peer communities.
- While this budget outlines the full program cost, peer communities have imposed various fee mechanisms that offset program costs and recognize the savings being realized by the distributors. The Town could consider a "dock fee" or similar that could be implemented in a tiered manner based on the size/volume of goods being delivered.
- It's worth noting that the Town does not anticipate a fee structure that would include local businesses participating in the funding of the program.

### **TMVOA Participation**

In development of the program proposal, the Town and 106W jointly presented a program overview to the TMVOA Board of Directors at their February meeting, which was received positively. The Town planned to formally request TMVOA funding for the implementation of a three-year program at their March Board of Directors meeting, anticipating that this program could help TMVOA in their mission to support the business community and enhance the resident and visitor experience. TMVOA staff informed the Town that they are working with the board to develop a more comprehensive approach to funding community projects and are not ready to consider funding for this program at this time.

### **Program Timing and Staff Direction**

In considering the needs for an improved load and delivery program outlined above, Staff feels that time is of the essence in moving forward with a pilot program. As such, Staff is seeking direction from council on their desire to consider alternative funding mechanisms, including the potential of a supplemental appropriation to the 2025 budget. Additionally, Town could continue to work with TMVOA to either align on the need and desire to fund this program, or collaborate on other capital projects that have joint support, potentially freeing up funds that could be reallocated to this program.



March 5, 2025

TMVOA:

Please consider this as a supplement to the Town of Mountain Village’s Request for Qualifications for a Food and Beverage Logistics and Delivery Pilot Program (“RFQ”).

The Town of Mountain Village (“TMV”) believes 106West Logistics is uniquely qualified to perform the desired scope of work set forth in the RFQ and is confident they can meet the project deliverables, assist TMV and TMVOA with our immediate, short-term, and long-term goals regarding food and beverage logistics and delivery and materials management within the Village Center, and provide a world-class experience.

**Exhibit 1** is a 36-month not to exceed budget outlined in 12-month increments.

Using the relationships 106West earned and established through their ongoing Town of Vail (“TOV”) and the Town of Breckenridge (“TOB”) programs, several distributors have provided written interest and acceptance to join the TMV Load and Delivery Pilot program. Please see **Exhibit 2**.

Finally, **Exhibit 3** contains testimonials from local business owners in TOV and TOB, highlighting the various benefits 106West’s programs and services bring to their respective communities.

We would also like to note that the Teton Village Association (“TVA”) in Jackson Hole, WY recently partnered with 106West to provide its services to Teton Village starting in 2025. This is particularly relevant to TMVOA due to the similarity in size and scope, as Teton Village is a direct market comparable.

On behalf of TMV, we request that TMVOA fund the entirety of the pilot program and an additional two years per the attached 36-month budget.

Thank you for the opportunity, and we look forward to hearing from you.

Kind Regards,

Paul Wisor  
Town Manager  
Town of Mountain Village

Signed by:  
*Paul Wisor*  
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Kolby Ward  
VP Business Development - Telluride  
106West Logistics

Signed by:  
*Kolby Ward*  
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EXHIBIT 1

36-Month Not To Exceed Budget

Description	4/1/25-3/31/26	4/1/26-3/31/27	4/1/27-3/31/28	NOT TO EXCEED 36-Month Budget	Notes/Comments
<b>PAYROLL</b>	8-Months of payroll	12-Months of payroll	12-Months of payroll	36-Months	
Payroll (Full-Time, M-F)	\$ 195,242.67	\$ 302,016.00	\$ 311,168.00	\$ 808,426.67	4 Employees + 10% (FICA, Unemployment, etc.)
Payroll (Saturday)	\$ 19,524.27	\$ 30,201.60	\$ 31,116.80	\$ 80,842.67	2 Employees + 10% (FICA, Unemployment, etc.)
Holiday Labor	\$ 16,896.00	\$ 17,424.00	\$ 17,952.00	\$ 52,272.00	2 Employees + 10% (FICA, Unemployment, etc.)
Dock Manager Salary	\$ 62,333.33	\$ 93,500.00	\$ 96,800.00	\$ 252,633.33	1 Salary + 10% (FICA, Unemployment, etc.)
Pre-Pilot Administration (5 months)	\$ 60,666.67	\$ -	\$ -	\$ 60,666.67	Pre-Pilot Administration (5 months)
Pilot Administration (Initiates Upon Live Date)	\$ 84,933.33	\$ 145,600.00	\$ 145,600.00	\$ 376,133.33	Administration for Load & Delivery and Materials Management Program
Employee Benefits (Ski Pass)	\$ 7,300.00	\$ 7,300.00	\$ 7,300.00	\$ 21,900.00	Full-Time Employees Only - 5 Ski Passes or Cash Equivalent - \$1300/each + \$800 merchant fee
Employee Health Benefits	\$ 10,400.00	\$ 15,600.00	\$ 15,600.00	\$ 41,600.00	Dock Manager @ \$500/month, 4 Employees @ \$200/month
<b>PAYROLL TOTALS</b>	<b>\$ 457,296.27</b>	<b>\$ 611,641.60</b>	<b>\$ 625,536.80</b>	<b>\$ 1,694,474.67</b>	
<b>INSURANCE</b>					
General/Excess Liability Policy	\$ 4,600.00	\$ 4,600.00	\$ 4,600.00	\$ 13,800.00	Estimate Based on Payroll (\$1,000 of payroll at Rate = \$5.753) Acuity
Workers Comp Insurance	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 105,000.00	Estimate Based on Payroll (\$100 of payroll at Rate = \$4.387) Pinnacle
Vehicle Insurance	\$ 5,200.00	\$ 5,200.00	\$ 5,200.00	\$ 15,600.00	Estimate Based on 5 Vehicles (Cost per \$1,000 of Value at Rate = \$32.3825) Acuity Inland Marine
Cargo Insurance (Liquor Inclusion)	\$ 9,950.00	\$ 9,950.00	\$ 9,950.00	\$ 29,850.00	Estimate Base on Contract (\$100 per Gross Revenue of Contract at Rate = \$0.4971) Liberty Mutual
Property of Others	\$ 3,900.00	\$ 3,900.00	\$ 3,900.00	\$ 11,700.00	Estimate (\$100,000 Limit w/ \$2,500 Deductible) Acuity
Employee Dishonesty Bond	\$ 200.00	\$ 200.00	\$ 200.00	\$ 600.00	Estimate - Total Annual Premium (RLI)
Environmental Policy	\$ 2,900.00	\$ 2,900.00	\$ 2,900.00	\$ 8,700.00	Estimate - Based on Contract Value
Umbrella Policy	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 6,000.00	Estimate - \$1M Policy - Acuity
Warranty	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 18,000.00	Estimate - \$500/month
<b>INSURANCE TOTALS</b>	<b>\$ 69,750.00</b>	<b>\$ 69,750.00</b>	<b>\$ 69,750.00</b>	<b>\$ 209,250.00</b>	
<b>DOCK IMPROVEMENTS</b>					
Public Works Relocation	\$ 40,000.00	\$ -	\$ -	\$ 40,000.00	Public Works Equipment Relocation to P1 of Gondola Parking Garage
Loading Dock Modifications	\$ 100,000.00	\$ -	\$ -	\$ 100,000.00	Estimate: Ramps, Automatic Levelers, Adjusting Railings, Raise Ceiling Pipe, etc.
<b>DOCK IMPROVEMENTS</b>	<b>\$ 140,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 140,000.00</b>	
<b>OPERATION EXPENSES</b>					
Accounting / Bookkeeping	\$ 6,240.00	\$ 6,240.00	\$ 6,240.00	\$ 18,720.00	Estimate - \$65/hr @ 8hrs/month
Advertising / Marketing / Branding	\$ 6,000.00	\$ -	\$ -	\$ 6,000.00	Estimate - 6 Vehicle Wraps, etc.
Electrical Bill	-	-	-	\$ -	In-Kind
Uniforms	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 10,500.00	Estimate - Winter/Summer - Coats, Hats, Shirts, Caps, etc. (\$700/employee)
LSEV Delivery / Trash Truck	\$ 57,600.00	\$ 86,400.00	\$ 86,400.00	\$ 230,400.00	Estimate - Lease 6 Carts - \$1,200/month
LSEV Delivery Cart Registration	\$ 6,600.00	\$ 5,400.00	\$ 4,200.00	\$ 16,200.00	Estimate - 6 Carts Registrations
New Poly Dumpsters	\$ 30,000.00	\$ 6,000.00	\$ 6,000.00	\$ 42,000.00	Estimate - New Poly Dumpsters to Replace Current Dumpsters - \$1,200/dumpster
Flatbed Hand Carts	\$ 12,500.00	\$ 2,500.00	\$ 2,500.00	\$ 17,500.00	Estimate - Flatbed Hand Carts for Transferring Dumpsters - \$500/cart
Electric Pallet Jack	\$ 4,000.00	-	-	\$ 4,000.00	Estimate - \$4,000/unit
Electric Pallet Lift	\$ 7,500.00	-	-	\$ 7,500.00	Estimate - 76" Lift Powered Electric Fork Stacker - \$7,500/unit
Vehicle Maintenance	\$ 4,800.00	\$ 7,200.00	\$ 7,200.00	\$ 19,200.00	Estimate - \$100/month/cart - Tires, General Maintenance/Repair
Vehicle - Winter Preparation	\$ 3,000.00	-	-	\$ 3,000.00	Estimate - Chains, Winter Tires, Cargo Netting/Covers, Shovels - \$500/cart
Scheduling App / IT Support	\$ 2,800.00	\$ 4,200.00	\$ 4,200.00	\$ 11,200.00	Estimate - \$250/month Open Dock, Plus Support \$100/month
Legal	\$ 5,000.00	-	-	\$ 5,000.00	Estimate
Licenses / Other	\$ 150.00	\$ 150.00	\$ 150.00	\$ 450.00	Mountain Village Business License etc.
Operating / Office Supplies	\$ 3,000.00	\$ 1,000.00	\$ 1,000.00	\$ 5,000.00	Estimate - Work Gloves, Office Printer, Break Room Supplies, etc.
Loading Dock Labels / Signage	\$ 500.00	-	-	\$ 500.00	Estimate
Reach-In Refrigerator	\$ 4,000.00	-	-	\$ 4,000.00	If Necessary
Equipment (Other)	\$ 5,000.00	-	-	\$ 5,000.00	Estimate - Hand Trucks, Keg Dollies, Othe Equipment, etc.
Caging / Security	\$ 2,500.00	-	-	\$ 2,500.00	Estimate - Security Cameras, Cloud Storage, Enclosures, etc.
Racking	\$ 8,000.00	-	-	\$ 8,000.00	Estimate - Returns, Staging, etc.
Hand Held Radios	\$ 3,500.00	-	-	\$ 3,500.00	Estimate - \$500/unit, One Per Vehicle, One for Dock
<b>OPERATION EXPENSES TOTALS</b>	<b>\$ 176,190.00</b>	<b>\$ 122,590.00</b>	<b>\$ 121,390.00</b>	<b>\$ 420,170.00</b>	
Contingency	\$ 14,064.73	\$ 16,079.63	\$ 16,333.54	\$ 46,477.89	Estimate - 2%
Logistics Professional Fixed Fee	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 450,000.00	Annual Fixed Fee
<b>TOTAL</b>	<b>\$ 1,007,300.99</b>	<b>\$ 970,061.23</b>	<b>\$ 983,010.34</b>	<b>\$ 2,960,372.56</b>	<b>36 Months Not To Exceed Total</b>

## EXHIBIT 2

### Food and Beverage Distributor Letters of Acceptance

“Shamrock Foods is on board to partner with 106West Logistics for the Mountain Village pilot program. We prefer to be added to the pilot program at the onset.”

- Mike Hammon Jahn, Regional Sales Manager of Mountain Region, **Shamrock Foods**

“The 106West Teams are helpful and always easy to work with. Southern Glazer’s Wine and Spirits is looking forward to working with 106West in Telluride Mountain Village.”

- Ian Schoepp, Director of Logistics, **Southern Glazer’s Wine and Spirit**

“Republic National Distributing Company will participate in the load and delivery program in Telluride Mountain Village. Our partnership with the 106West Team in Vail, Colorado, has been outstanding.

Not only has this program allowed us to reduce the number of vehicles we send up I-70 from Denver each week, but it has also improved the experiences of both the people who live in Vail and visitors from across the country, with fewer diesel emissions and delivery trucks on city streets. A true win for everyone!”

- Jeremy Davis, Transportation Director, **Republic National Distributing Company**

“After speaking with another distributor who has been working with the 106West Team, High Country Beverage is excited about the opportunity to join the Telluride Mountain Village pilot program. The other distributor had nothing but good things to say about 106West”

- Cody Carlson, General Manager, **High Country Beverage**

### EXHIBIT 3

#### Local Business Owner Testimonials

“I am writing to elaborate on the effectiveness, efficiency, and professionalism of 106West Logistics. As the Business Administrator for Sweet Basil and Mountain Standard restaurants, two very busy restaurants with a high volume of business, I would strongly recommend the services of 106West to any community that wishes to reduce the footprint of large trucks entering the village and increase the efficiency of product delivery.

- Cathy Roach, Business Administrator, **Sweet Basil/Mountain Standard, Vail, CO**

“As a longtime local, business owner, and former Mayor of Breckenridge, and on behalf of the entire team at Downstairs at Eric’s, I am thrilled to have 106West provide its services in our community. In just a few short months, we are seeing that their team is delivering on their promise of consistency and efficiency. Not to mention, our community loves seeing fewer delivery trucks in town.”

- Eric Mamula, Owner & Restaurateur, **Downstairs at Eric’s, Breckenridge, CO**

“As a local restaurateur in Breckenridge, I was excited when 106West services started here. The program has had a tremendous impact on the overall experience for locals and visitors in Vail Village, and I look forward to seeing the same thing happen again in Breckenridge.

- Dick Carleton, Owner & Restaurateur, **Hearthstone, Breckenridge, CO**

“I am the owner of Vendetta's restaurant and pizza bar in Vail Village and I am writing to express my support for 106West Logistics. At the onset of their program, I was very skeptical that they could handle the volumes my location demands. They have proven me wrong in every respect and I am more than impressed with their efficiency, their communication, and their attentive, trained, and responsive staff.

If your town is thinking about using 106West for a food and beverage load and delivery program, I would encourage it!”

- John “Popeye” Brennan, Owner, **Vendettas, Vail, CO**