

Request for Decision

Request for a Sole Source Purchase of a Replacement Lift for Adanac Ski Hill

Presented To: Community Services Committee

Presented: Monday, May 05, 2014

Report Date: Friday, Apr 25, 2014

Type: Managers' Reports

Recommendation

WHEREAS the Adanac Ski Hill chairlift is currently the oldest above surface ropeway in Ontario;

AND WHEREAS the next aging Technical Safety and Standards Authority lift assessment is required prior to the 2016-2017 ski season;

AND WHEREAS capital funds have been identified for the replacement of the Adanac Ski Hill chairlift in the amount of \$1,000,000, budgeted in the Community Development capital envelope (2014-2017);

AND WHEREAS the purchase and installation of a used replacement lift meets the conditions for a non-competitive purchase as per City of Greater Sudbury purchasing policies;

AND WHEREAS a used chairlift suited for Adanac Ski Hill is available for purchase from Mont-Carmel;

THEREFORE BE IT RESOLVED THAT the City of Greater Sudbury approve a Sole Source Purchase for a used chairlift from Mont-Carmel, subject to inspection and the negotiation of a best and final offer, as well as the advancement of scheduled capital dollars as required to secure the purchase and transportation of the used chairlift.

Finance Implications

As part of the 2014 Community Development Department capital budget, staff identified the need to budget \$1,210,000 for upgrades to the Adanac and Lively ski hills. In 2014, Council approved \$302,500 towards the capital upgrades. The balance will be funded from the 2015, 2016 and 2017 capital envelopes as required.

Background

As per the Aging Ski-Lift Periodic Engineering Review and Assessment Schedule distributed by the Technical Safety and Standards Authority (TSSA), the 1955 Poma Double Chair Lift at Adanac Ski Hill is the

Signed By

Report Prepared By

Jeff Pafford
Community Development Coordinator
Digitally Signed Apr 25, 14

Division Review

Real Carre
Director of Leisure Services
Digitally Signed Apr 25, 14

Recommended by the Department

Catherine Matheson
General Manager of Community Development
Digitally Signed Apr 25, 14

Recommended by the C.A.O.

Doug Nadorozny
Chief Administrative Officer
Digitally Signed Apr 29, 14

oldest above surface ropeway in Ontario. The next aging lift assessment is due in 2016, at which point the base elements of the lift will be 61 years old, including the drive gear and structural elements.

A previous engineering assessment advised that \$250,000 to \$300,000 of work would be required for the 2016 audit. Work at minimum would include a new motor, motor control system, gearbox, upgrades to braking systems and operator interfaces. Due to the age of the lift and infrastructure, costs associated with the refurbishment could increase. If this work was done, another aging lift assessment would be required in 2021 and every 5 years afterwards.

Ski hill capital upgrades were included as part of the 2014 capital budget deliberations. The ski hill capital needs replacement was estimated at \$1,210,000. The capital estimates included:

- \$1,000,000 – Adanac Ski Hill lift replacement
- \$210,000 – Lively Ski Hill upgrades

The engineering assessment of the existing Adanac chair lift recommended that the capital funds be allocated within a 4 year period (2014-2017) as a replacement lift would need to be installed and operational for the 2016 TSSA assessment. This would require a replacement lift to be ready prior to the 2016-2017 ski season. In order to ensure that capital funds are available to meet this deadline, \$302,500 has been identified in the capital envelope for the years 2014, 2015, 2016 and 2017.

Used Lift Opportunity

A 1989 Doppelmayr quad seat passenger ropeway lift has recently come on the market. The chairlift was originally installed at Ski Chantacler located in Ste Adele, QC. Mont-Carmel purchased the lift in 2010 and completed a number of upgrades, installing the lift for the 2011-2012 ski season.

Mont-Carmel has not operated since the installation of the chairlift was completed in December 2011. In 2013, the assets of Mont-Carmel were auctioned off with the exception of the 1989 Doppelmayr chairlift which remains largely as it was in December 2011. The asking price for the chairlift requested by Mont-Carmel is \$325,000. Costs associated with removal and transportation of the chairlift are not included. Staff will negotiate a best and final offer.

A preliminary engineering report of the Mont-Carmel chairlift indicates that the 1989 Doppelmayr quad seat lift is suitable for Adanac Ski Hill, as the alignment of the two hills are similar. A comparison of the existing Adanac chairlift and the Mont-Carmel chairlift is below:

Description	Existing 1955 Poma (Adanac)	1989 Doppelmayr (Mont-Carmel)
Year of Manufacture	1955	1989
# of Chairs	38	48
Passengers per Chair	2	4
# of Towers	8	6
Tensioning System	Counter-weight	Hydraulic
Haul Rope Cable Size (in)	1-1/4	1-1/4

Capacity		1,600
Horizontal Length (m)	325	440
Vertical Rise (m)	73.1	80
Inclined Length (m)	337.3	450

The preliminary engineering report of the Mont-Carmel lift notes that it has a much greater carrying capacity than the existing Adanac Ski Hill lift. Although the Mont-Carmel lift is comparable in length of the Adanac Ski Hill lift, there are two fewer towers, freeing up on hill space. The hydraulic tensioning system is an upgrade over the existing counter weight system.

If the Mont-Carmel chairlift were to be purchased and moved, there would be additional costs associated with engineering services to have the lift reinstalled at Adanac Ski Hill. This engineering would address tower locations, foundations, tower heights, chair spacing, system tensioning, controls, and integrated safety systems. In addition to the purchase cost of the new lift, estimated costs associated with the used lift are as follows:

Removal and transport of used lift	\$50,000
Upgrades to elevating device to meet CSA Z98-07 code	\$150,000
Removal of existing Adanac lift	\$50,000
Installation of refurbished elevating device and license testing	\$200,000

With the purchase and installation of the used replacement lift, the next mandatory audit after 2016, and any associated costs, would take place in 15 years time.

New Lift Purchase Comparison

Staff obtained two estimates for the purchase of a new chairlift, comparable to the capacity and specifications of the Mont-Carmel lift. The estimated cost of a new lift is \$1,350,000 which does not include costs associated with removal of existing infrastructure.

With a purchase of a new chairlift, the next mandatory audit after 2016, and any associated costs, would take place in 30 years time.

Sole Source Purchase of a Used Chairlift

The purchase and installation of a chairlift is a highly technical process. A replacement lift must meet CSA Z98-07 requirements, the code governing elevated lift devices. A replacement lift must also fit the topography of the ski hill with considerations for horizontal length, vertical rise and inclined length. Other considerations include capacity of the chairlift and tensioning systems.

By-Law 2014-1, a By-Law governing procurement policies and procedures effective July 1, 2014, states that non-competitive purchases may be considered where the following factors are present:

- The standardization or compatibility of a Purchase with existing equipment, product standards,

facilities or service is a paramount consideration.

- There is an absence of competition for technical reasons and the Goods, Services and/or Construction Services can only be supplied by a particular Supplier.

The purchase and installation of a replacement lift meets the conditions for a non-competitive purchase as per City of Greater Sudbury purchasing policies. Additionally, the purchase and installation of the Mont-Carmel 1989 Doppelmayr quad lift is within scheduled capital dollars in the Community Development capital envelope (2014-2017).

Upon Council's approval of a Sole Source Purchase, staff would conduct a comprehensive inspection and review of the Mont-Carmel chairlift and negotiate a best and final offer for the purchase of the used lift.