



Rotarun – The Little Mountain that time forgot



Topics

- 80 years of history in 2 minutes
- Industry Insights... Why community ski hills matter
- Value Proposition – focus on the ecosystem
- Lessons from the Ice Rink – updated approach towards a less traditional business model
- The arc towards sustainability – branding, partners, and inspiring demand
- Capital investment summary and horizon projects
- The Economics



Rotarun – 80 years young



- Established in winter of 1940-1941 by ski pioneers Jim Hurst, Bob Jackson and Bill Mallory.
 - Built the first tractor pully rope tow.
- 1948 Swiss Olympic skier Janett Ann Winn when she started to teach local kids how to ski
- 1958 – ski hill coined 'Rotarun' after the Hailey Rotary Club
- 1964 – Arkoosh Family established Rotarun Ski Club 501 © 3.
 - First top to bottom J Bar installed and warming hut built.
- 1966 – Arkoosh family donates Rotarun land to Blaine County with a 99 year lease.
- 2001 - Replaced JBar with Dopplymayer Poma Lift taken from Austrian town hill.
- 2017 SVSEF takes over ski area management. Maintains ski area as a separate non-profit organization.
- 2019/20 – snowmaking and grooming infrastructure installed
- 2020 – Rotarun presents at annual SVED conference

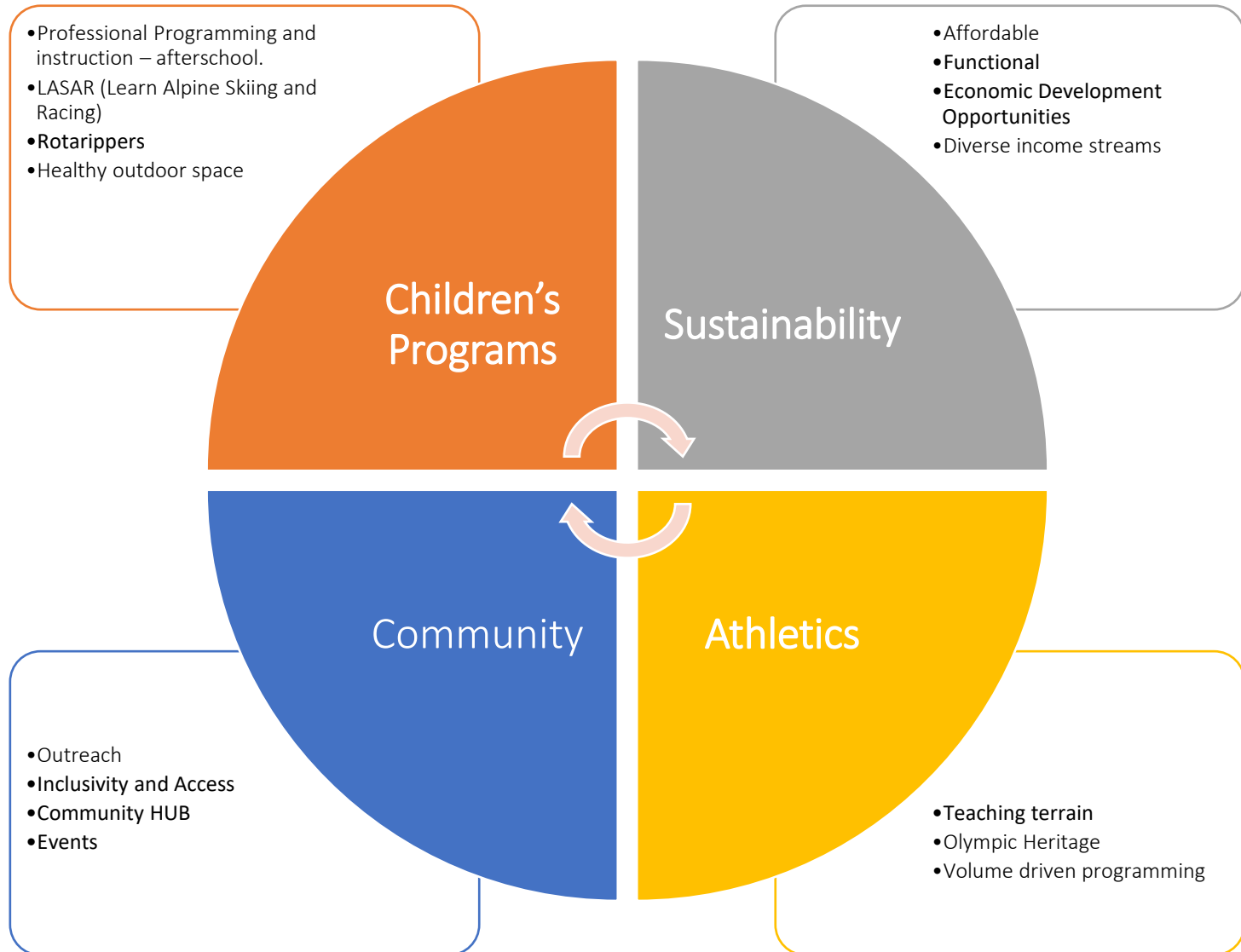
of US Ski Areas (courtesy of NSAA)



Industry Insight

- In the United States, up to 150 ski areas are failing to thrive and may not survive more than 5 seasons. That represents over 30% of the current industry. Top reasons include minimal investments, no destination traffic, and a reliance on natural snow. (Curbed)
- 4 of 5 beginner skier and riders do not continue with the sport. (20% conversion rate for the Industry)
- Millennial and Gen Z participants ski and ride less than prior generations. "It takes two millennials to replace a baby boomer"
- As daily ticket prices go up, and revenue yields go down, beginners are losing footing.

Our Value Proposition – Focus on the Ecosystem



Lessons from the Ice Rink – a fresh look at management strategies for a community ski hill

- Established operating times based on user groups.
- Approved hours targeted to best meet community need and opportunities.
- Minimize expenses while maximizing impact and accessibility.
- Nimble operations with ability to adapt.
- COVID primed. "the only thing we offer is a singles line"



Re-Building the Ecosystem

- Grassroots and tradition as a core value.
 - Eliminate barriers to entry.
 - Keeping old school cool
- PR and community building
 - Punctuate opportunities and build community good will.
 - Free community skiing and events
- Robust and well subscribed youth learn to ski programs
 - Emphasis on inclusivity, first generation skiers and community partners.
 - Emphasize lifelong participation
 - Address larger socioeconomic issues with opportunity
- Leverage night skiing and tail gating as our hedgehog community activity.



B.



C.



Relationships are the Foundation

- Blaine County
 - Recreational Master Planning
- Sage Springs Homeowners
 - Strive to Bring value.
 - Fire mitigation, improved trail head parking. Landscaping and site improvements. Tidy operations.
- Building a broad Partner base
 - SVSEF
 - Kids Mountain Fund
 - Local Business owners and Ski Shops
 - Wood River Fire and Rescue
 - Galena Backcountry Patrol
 - Hunger Coalition
 - South Valley hotels
 - Blaine County schools
 - St. Lukes Foundation
 - Sharewinter Foundation
 - Sun Valley Company





Capital Projects – Update
and impact |



Year 1 - Plan

- Engineering and due diligence
- Permitting and Public comment
- design and installation of phase 1

2018-19

Year 2 - Establish

- Snowmaking phase 2 construction
- infrastructure updates and platter chair upgrade.
- proof of concept

2019-20

Year 3 - Shine

- increased community and programming impact
- March towards sustainability

2020-21

Year 4 - Standardize

- Improve operations
- Phase 3 construction and facilities upgrade

2021-22

Year 5 - Sustain

- Deploy sustainability plan
- evaluate success

2022-23

The arc towards sustainability –
infrastructure matters



Phase 1 - Infrastructure

- **Phase 1 – Water Delivery and Civil infrastructure.**
- This was an essential phase in the project that allowed Rotarun to execute current water rights independent from residential infrastructure. This is the culmination of negotiated a perpetual lease agreement, community relationship building, and coordination with Blaine County.
- Overall Budget - \$200,000
 - \$30,000 Well design and construction
 - \$90,000 Infrastructure and waterway
 - \$20,000 Pond lining and refinement
 - \$60,000 Pump and motor acquisition and installation
- Accounts for 3600 ft of water delivery, pump and infrastructure, pond lining and associated expenses.



Phase 2 – System completion, uphill capacity, and grooming investments

- Finalizing \$550,000 Phase 2 Campaign
- Full snowmaking system installation
- Installation of the original rope tow line
- Winch cat acquisition
- Lodge improvements
- Landscaping improvements and parking lot re-grade.

Project Summary and Horizon Funding Needs

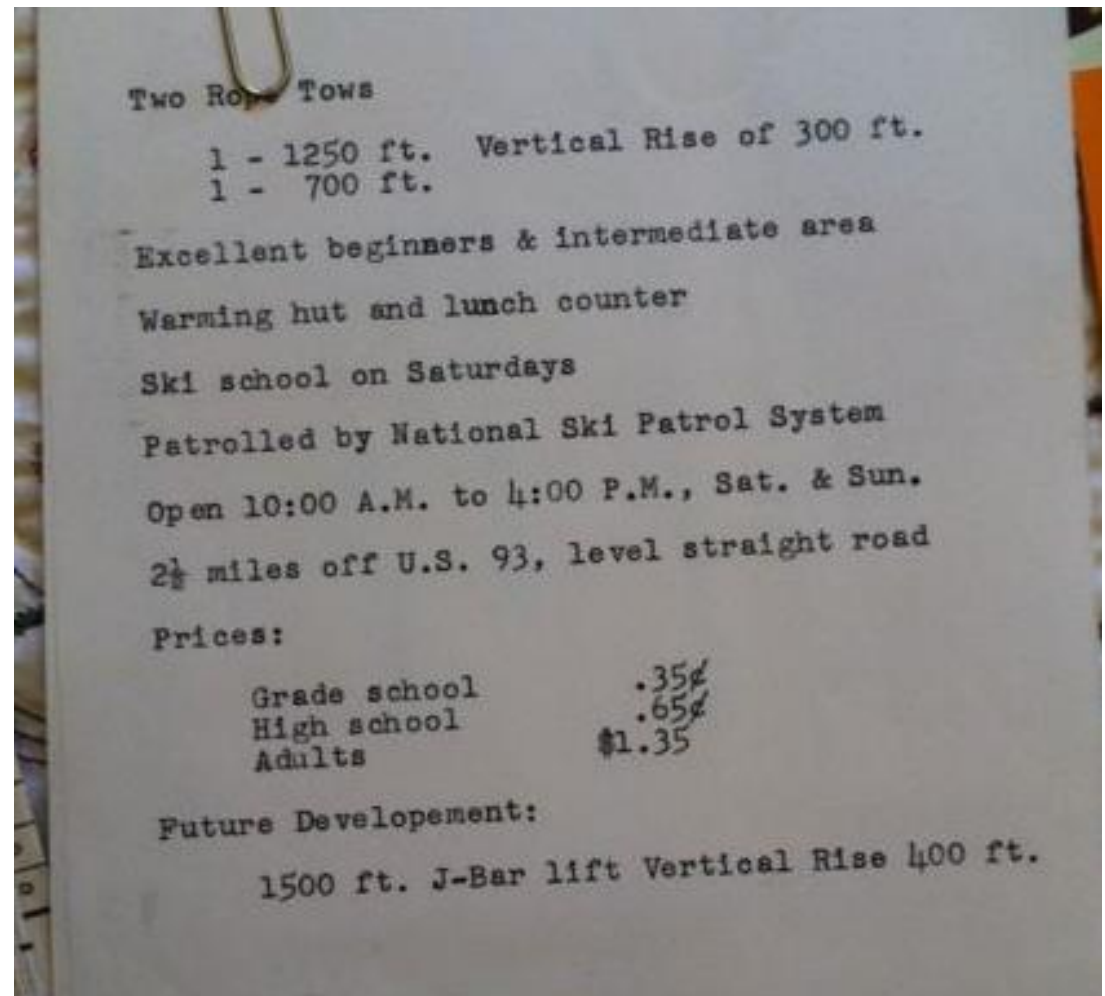
Project Summary - Complete Snowmaking and Grooming	Cost
Phase 1 – Infrastructure. Well, waterworks, planning and engineering	\$200,000
Phase 2 – Initiate system. Pump and motor installation.	70,000
Phase 3 – Install total system. Electrical, hydrants, waterworks, pumphouse	\$235,000
Snow gun purchase (x1) <u>Snowgun</u> – lease to own (x2)	\$45,000
2016 <u>Prinoth</u> Snow Groomer	\$100,000
Total Cost for Core Snow making Project	\$650,000

Snowmaking and Grooming - Remaining Capital Needs	Cost
Snow Gun - Standard SMI Pole Cat (x2)	\$35,000
2016 <u>Prinoth</u> Snow Groomer with Winch - balance due	\$100,000
Total Future Capital Funding Need	\$135,000

Horizon Funding	Cost
Grooming equipment and maintenance Garage	\$60,000
Lighting Upgrade Metal Halide to dark sky and energy friendly LED technology	\$30,000
Lodge Renovation and Commercial Kitchen	\$150,000
Total Horizon Capital Funding Need	\$240,000

A focus on economic impact – multipliers at work

- Local traffic. Creating compelling reasons to get out.
- Employment opportunities
 - 15 employees in 19/20 winter season
- A focus on local companies and contractors for capital improvements.
- Developing partnerships with hotels in the south valley.
- Event production and execution.
- COVID proofing – continued operations with a focus on limiting density and keeping our community safe.
 - Rotarun is uniquely qualified to hit the marks.
- Mental health matters



Thank you

