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2010/2011 RESORT IMPROVEMENTS EXPAND GUEST EXPERIENCE IN SKI TOWN, U.S.A.®

Steamboat/Hayden Airport & Public Enhancements Accent On-Mountain Momentum

STEAMBOAT SPRINGS, CO-August 25, 2010-Steamboat Ski Resort unveiled a number of on-mountain improvements designed to enhance the overall resort experience for the upcoming 2010/2011 winter season. The highlight will be the new Terrace and Umbrella Bar at the Bear River Bar & Grill which is anticipated to transform the gondola base area. Significant snowmaking enhancements round out the summer's program.

"Steamboat is synonymous with a warm, friendly western welcome and providing the best guest experience along with heaps of signature Champagne Powder[®] snow," said Chris Diamond, president and chief operating officer for the Steamboat Ski & Resort Corporation. "This season, the resort continues the momentum built over the past several years to enhance the on-mountain experience and continue the revitalization of the base area."

Significant investments to the resort's infrastructure over the past five years have complemented the array of recent private developments that have swept the mountain village. The following outlines the on-mountain improvements that have solidified the resort mountain experience for guests of all ages. Combined with numerous public projects in the mountain village, at the Steamboat/Hayden Airport and downtown, these projects represent the most significant enhancements to the community in decades.

2010/2011 Season	2009/2010 Season	2008/2009 Season	2007/2008 Season	2006/2007 Season
Terrace & Umbrella Bar at	Kids' Vacation Center	Snowmaking/Grooming	Christie Peak Express	Sunshine Express Chairlift
Bear River	Ski School Ticket Office	Meadows Parking	Headwall Re-Grade	Sunshine Bowl Trail
Snowmaking Pump House	Meadows Parking Lot	Expansion	Snowmaking Expansion	Thunderhead Food Court
Hike & Bike Master Plan	Snowmaking Expansion	Master Planning	Mountain Trail Signage	Rendezvous Food Court
Pine Beetle Mitigation	First Aid Facility	Steamboat Ski & Sport	Thunderhead Kids' Cafeteria	Zaugg Pipe Cutter
Terrain Park Rails	Zero Waste Initiative	Information Technology	AEDs	Snowmaking Expansion

"In today's economy, the community of Steamboat Springs, including the resort, continues to move forward by investing in infrastructure projects," commented Diamond. "The new base area promenade construction, plus downtown and airport improvements, represents a strong commitment to provide the best experience for our guests. We look forward to sharing the enhanced experience, along with a boat load of snow, with Steamboat powderhounds this season."

For the upcoming 2010/11 winter season, a number of projects are currently underway across several resort departments including snowmaking, lift maintenance, hiking & biking master plan, food & beverage, terrain park and information technology.

2010/2011 ON-MOUNTAIN IMPROVEMENTS

Terrace & Umbrella Bar: In conjunction with phased construction of the new Promenade, the existing Bear River deck will be removed and replaced with a new Terrace and Umbrella Bar. This will be a fully-heated, glass-enclosed facility just steps off the Promenade. The all-season, European-inspired Umbrella Bar features floor to ceiling windows for year-round enjoyment. In addition, a new outdoor fire pit will add to the fun at the ski area base. Rough grading for the base area promenade is being competed this summer, with the final hardscape and daylighting of Burgess Creek scheduled to finish next summer.

Snowmaking: Snowmaking pump changes will result in a 27% increase in water flow as the 12-inch pipe under Highway 40 is replaced with a 14-inch line and three 52-horsepower pumps are upgraded to two, 200-horsepower ones, moving the gallons per minute from 3300 to 4200. Couple the increased flow with the purchase of 40 high-efficiency, low-energy tower guns, and early season snow production will augment the number of trails available at the beginning of the season. The HKD tower guns, which use 30% less energy than conventional guns while producing the same amount of snow, are now strategically located across the mountain on Heavenly Daze, Rudi's Run, Lightning, Upper Vagabond, Ego, Sitz as well as Stampede, Lil' Rodeo, Preview, Right-O-Way, See Ya, See Me, Voo Doo, Vogue, Lower Vagabond, Tornado Lane and Buddy's Run.

"The early season on-snow product will be significantly improved this winter due to ongoing snowmaking improvements, technological advancement and additional hardware," said Doug Allen, vice president-mountain operations for the Steamboat Ski & Resort Corporation. "With this technology, crews take advantage of shorter cold weather windows; cover more of the trail; and, treat guests to a drastically better early season skiing and riding product in the process."

Furthering efforts to use less electrical energy and water in the production process, heavy compressor modifications in addition to flow meters and hose will also improve efficiency of the system. Hydrants will be added to accommodate the new tower guns, reducing the spacing from roughly 225 to every 75 feet along many trails. Increased system water pressure will amplify production by 25% with the ability to run up to 100 tower guns simultaneously. In addition, the new pumping capacity will greatly speed up snowmaking production in Mavericks Superpipe. The resort's system covers nearly 360 acres of top-to-bottom terrain (3,668 vertical feet) and includes a network of over 600 available hydrants, 4 pump houses across the mountain, 150 high-efficiency guns and a state-of-the-art digital operating system.

Pine Beetle Mitigation: A dramatic change has taken place across the lower mountain as a result of extensive pine beetle mitigation. For the better part of a decade, the resort has been dealing with this epidemic moving from individual tree treatment to mass removal of dead trees. The ski area enjoys a diverse forest where Steamboat is fortunate that the forest cover on the mountain is comprised primarily of Engelmann Spruce, Subalpine Fir, Lodgepole and Aspen as well as a few Douglas fir. Fifty acres of trees have been removed below Rough Rider Basin and another 30 acres on the Thunderhead Express and Burgess Creek lift lines are currently being removed.

New Rails/Features in Terrain Parks: Ranging from small to large, 30 new and refurbished rails/features will pop up this season across the resort's four progressive terrain parks. With input from pro riders, a variety of small, 8' to 12', low-to-the-ground and shaped boxes will provide the opportunity for learning the basics in transitions and kinked sensations. In the medium park, a new 16' picnic table and several 24' shaped boxes will be unveiled for a variety of Down/Up and Double Kinked riding opportunities. A new Wall Ride, several additional large features as well as a new entrance in the advance park complete the full spectrum of progression from beginner to advance.

KVC Magic Carpet Relocation & Corridor: Last winter, the newly renovated Kids' Vacation Center opened to rave reviews and further solidified Steamboat's position as the #1 Family Resort in North America. The relocation and realignment of the Buckaroo magic carpet lift ensures a better learning environment in the new One Steamboat Place snow area. A magic carpet is a state-of-the-art conveyor lift that has revolutionized kids' programs by quadrupling the number of runs kids take per hour.

Hike & Bike Master Plan: The first two freeride mountain bike trails for what will become a bike park in the central part of Mt. Werner have been mapped, walked and flagged by renowned trail-building company Gravity Logic, and the proposed paths are being studied by the U.S. Forest Service to ensure they meet all the right safety and environmental guidelines. Pending public comment and USFS approval, construction of these two new trails and other trail improvements could start as early as next spring.

Miscellaneous: The resort will build a two-story maintenance bay for Sunshine Express as well as make upgrades to the Preview and Gondola gear boxes, Morningside control system and Christie Peak Express awning. Additionally, the company will continue to expand key environmental strategies including its comprehensive Zero-Waste initiative (recipient of the 2010 NSAA Silver Eagle Award); snowmobile eco-conversion program; Energy Star Food & Beverage appliance plan; and Information Technology fiber management campaign.

STEAMBOAT/HAYDEN AIRPORT (HDN):

Building upon five years of facility improvements (\$18+ million) along with becoming the first airport in the continental United States to utilize a new next-generation electronic surveillance tracking system for commercial and general aviation, the Steamboat/Hayden Airport embarks on the final phase of its multi-year improvement plan with the start of the \$7.8 million Phase III project.

"Steamboat/Hayden is the premier regional airport facility across the Rocky Mountains," said David Ruppel, Yampa Valley Regional Airport manager. "Over the next two years, the facility will get even better as we continue to improve with an eye on taking guest service to the next level."

Phase III will include a new passenger arrival area, a second baggage carousel, main level restaurant, walkway linking ticketing and bag claim, expanded TSA passenger security entry, improved concessions and passenger amenities. Overall, Phase III creates an addition 8,436 sq. ft. of terminal space and replaces or remodels another 18,000 sq. ft. in the existing terminal in the coming years. The work is expected to be completed by fall of 2011.



With the next generation of air surveillance, getting to Steamboat-*Ski Town*, *U.S.A.* [®] has never been easier. Featuring the only 10,000-foot commercial runway in the Colorado Rocky Mountains and able to handle some of the largest commercial jets, including 757, A319/320 & 737-800 aircraft, Steamboat is the most conveniently accessed ski resort community in Colorado. And once passengers touch down, they'll set foot in an ultra-spacious multi-million dollar airport terminal facility. Over the past five years, the airport facility has evolved with an array of improvements that touched every element of guest service from check-in counters to departure terminals; food & beverage to retail amenities; and curb-side services to security screening.

This winter, Frontier joins the airlines servicing Steamboat/Hayden with a new nonstop flight from Denver. Currently, the winter nonstop flight program offers convenient nonstop jet air service from seven major airports on five key U.S. carriers – American, Continental, Delta, Frontier and United Airlines, direct into Steamboat/Hayden Airport for the 2010/2011 season.

STEAMBOAT UNBRIDLED: THROUGHOUT THE MOUNTAIN VILLAGE

This summer, the focus of the Steamboat Springs Redevelopment Authority's \$21 million investment centers on deep utilities through the base area, which pave the way for the completion of Promenade hardscape, the daylighting of Burgess Creek and associated landscaping in 2012. The highly anticipated base area promenade, a large public plaza connecting the Gondola Plaza to Ski Time Square, and the daylighting of Burgess Creek will provide a year-round pedestrian walkway around the base of the ski mountain, connecting Steamboat's distinctive resort amenities: shopping, dining, accommodations and transportation.

The City of Steamboat Springs established a redevelopment authority five years ago to incentivize redevelopment of the resort's base area. *Steamboat Unbridled* represents a renaissance to the mountain area, downtown and Steamboat/Hayden airport that holds true to the heart and soul of *Ski Town, U.S.A.* To date, public amenities delivered include a bus and shuttle stop at Ski Time Square; a dynamic way-finding system of signs and banners; roundabout traffic feature at Après-Ski Way & Ski Time Square; pedestrian connectivity; a redesigned Gondola Square Transit Center; and, the first stages of the Promenade on the south end at One Steamboat Place and north end at Ski Time Square.

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