

Ice Ice Baby 3



KLA Class of 2019

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The Purpose

In 2008, the Kosciusko Leadership Academy, began laying the groundwork for bringing Winter recreation to Kosciusko County. This idea was furthered in 2016, again by a project from the Kosciusko Leadership Academy. Both of these projects centered on an ice rink in Warsaw, Indiana. The rink idea entailed a multi-use facility in a central location where the community could come together and enjoy Winter activities such as open skating, curling, and ice shows/dancing. Since both papers were written in 2008 and 2016, there has been interest by local community leaders and residents to explore the idea; however, to date, the idea has not come to fruition.

After reviewing the white papers from both classes, the 2018 Kosciusko Leadership Academy class decided to investigate the current status of the ice rink. It has since been determined that the rink is on the Master Plan for the Center of Warsaw to be placed near Center Park. After meeting with the Mayor's office and K21, both asked for a detailed operational study for the rink. The primary question asked was, 'What does it take to run, and maintain a rink?' Given this request, the Kosciusko Leadership Academy 2018 Ice Rink Team went to work to answer this question. The actual cost of building the rink was not researched, as the 2016 paper focused on that topic. Building from past white paper projects, interviews with community leaders, and field trips, this paper will present the teams findings. Furthermore, the team dove deep into the different rink options, as either the new technology of synthetic options, or the more traditional ice rink options.

Synthetic option

The team explored the potential utilization of synthetic ice as an option in the building of the skating surface for the rink. This option was investigated by the group in 2016. The 2016 team decided while a synthetic rink may be a novelty, due to poor performances issues it would be unstable. Even so, two years later the 2018 team discovered that the startup and operational costs of a synthetic rink were dramatically less than a traditional ice rink. Also many articles

and reviews indicated that the technology of synthetic was radically improved over the last two years.

The team had two separate site visits at two separate sites to evaluate synthetic ice as a possible option. The product tested on both occasions was developed by Xtraice. There were numerous emails and phone calls exchanged with a representative from Xtraice that totaled several hours of communication. Xtraice is recognized as one of the leaders in this technology. They are endorsed by the Detroit Red Wings, the Washington Capitals, and Disneyland as well as many other organizations.

Cost

The cost of installation is very attractive in comparison to traditionally refrigerated ice rinks. Below are two options for installation of synthetic ice rinks with cost and included items.

Option 1: Full National Hockey League (NHL) Size Synthetic Ice Rink (200 feet by 85 feet)

Price: \$500,000 Turnkey price and product
Marketed as “everything needed to operate the rink”

Includes:

- Xtraice self-lubricating panels
- A 4-foot transparent aluminum barrier system
- Skate racks
- 200 pairs of skates (approx. \$58 per)
- Skate sharpener machine (2 passes)
- Cleaning machine (rotary floor scrubber – used once monthly)
- Rubber flooring for skate area changing
- Shipping

- 12-year warranty
- Staff training
- Installation supervision - this can be done in one day

Option 2: Hamilton Town Center Size (60 feet by 30 feet)

Price: \$72,900 For Pro Panels (12 year warranty)

\$62,900 For Lite Panels (6 year warranty)

Includes:

- Xtraice self-lubricating panels
- A 4-foot transparent aluminum barrier system
- Skate racks
- 80-100 pairs of skates
- Skate sharpener machine
- Cleaning machine
- Rubber flooring for skate area changing
- Shipping
- 12-year warranty
- Staff training

Installation supervision - this can be done in one day

Experience

The team had high hopes of synthetic ice being a product that we could promote for utilization in the rink project. While we believe that the synthetic ice has great potential under ideal circumstances, our experiences were less than ideal and resulted in, not only a poor experience, but also a relatively unsafe event. We were unable to “get an edge” with the

skates on the synthetic ice surface. As a result we could not push off, glide in a consistent direction, or stop safely without assistance from the boards around the rink. We captured video of our experience and submitted it to the representative from Xtraice. The response was, “Thanks for taking this video for me. No, that is not what you should expect on Xtraice. We contacted the client at Hamilton Town Center to make sure that they are sharpening the skates properly. We determined that either their grinding wheel is worn out and needs replacing or the grinding wheel was not centered when they sharpened those skates”

Conclusion of Synthetic Option

It is evident by the organizations that endorse synthetic ice and the numerous online videos of people effectively using synthetic ice that this is a great product. The product has over a dozen generations of advancement with many more likely to come. It is possible the technology will advance into a better product, however at this time it is the conclusion of this group that to achieve a positive skating experience using synthetic ice, it is essential to have ideal circumstances. Those circumstances appear to have a much narrower window of tolerances than that of traditional refrigerated ice. It appears as though skates may need sharpening much more frequently and by persons particularly skilled at the specific edge requirements for synthetic ice. The ice surface requires ongoing attention much like traditional ice but appears to be more susceptible to environmental debris. While both surfaces require persons that are trained to manage the surface and skates, the synthetic is new enough that those people are in short supply.

The 2018 team had their skates sharpened prior to use by the rink attendant, by request. One team member even had theirs sharpened a second time in an attempt to promote some attempt at a positive skating experience. In summary, the product appears to have current potential under highly attentive staff, but may need to have further development to be staffed by persons that may not have as much attention to the highest level of detail. It should be

noted that the team had the same experience at both of the sites we visited and the Hamilton Town Center site was one that was promoted by Xtraice to the team as a test site.

Traditional Ice Rink Option

Our team traveled to Headwaters Park in Fort Wayne to try out the traditional ice rink. We also were eager to meet with Mike Holley, who runs the rink when it is operational, from November through March each year. Mr. Holley was very helpful in providing critical information and details needed to successfully operate an authentic or traditional ice rink. It very important to remember that the traditional ice rink at Headwaters Park is profitable, in fact it is very profitable.

Mike Holley said the reason the Headwaters Park ice rink is profitable every year is due to sponsorship. Along with asking for donations, he sells advertising space at the ice rink. To have a company's name and logo on the side of the Zamboni machine is \$5,000 for the season. The boards that surround the ice are \$1,500 for the season. Mr. Holley impressed upon us that without sponsors, the Headwaters Park ice rink would be in the same financial situation as the rink in South Bend which loses approximately \$50,000 to \$70,000 each season. At one point in our visit to Headwaters Park, Mike Holley said that *his* ice rink paid for all the seasonal summer staff for the Fort Wayne Parks Department.

The 2018 Kosciusko Leadership Academy Team observed smiling, enthusiastic employees operating admissions, the snack bar and the skate rental booth. The 14 member staff is a mixture of retirees, college students and employees from the Canlan Ice Center. There is no doubt that the staff is to be given much credit for the 2018-2019 season being a record-breaking season with over 32,000 skaters enjoying the ice rink. The success of the ice rink is evident given that 2018 was the 16th season of operation. Along with having a passionate

Director and staff, Headwaters Park Ice Rink enjoys the benefit of having committed donors that provide needed capital that has ensured the ice rink has been profitable each of the 16 years of its existence. Lincoln Financial Group has been a long-term sponsor and was the primary corporate sponsor of the 2018-2019 season.

Along with seeking donations from sponsors, the ice rink generates revenue from skate rental. The admission fees are \$3.00 for children under the age of 14. The admission fee for all skaters over the age of 14 is \$5.00. The cost of skate rental is the same for all ages and is set at \$2.00. Our team was impressed with the relatively low cost of associated with skating at the ice rink. Mr. Holley pointed out that by their estimates, most of their patrons will skate for one hour. Another source of revenue for the ice rink is the snack bar. They sell hot chocolate and soft pretzels during the hours of operation.

Lastly, the staff at the rink offered advice on buying skates, equipment, Zamboni's and chillers. They highly recommends that the skates be purchased from Jackson Ice Skates. The skates are priced at \$75.00 per pair and Headwaters Park purchased 600 pair of skates in a variety of sizes. Mr. Holley recommended that a used blade sharpener be purchased as it is easy to find them for sale and at a much lower price than if one was bought new. He also recommended buying a used Zamboni. A used Zamboni can be purchased for approximately \$15,000, by contrast a new Zamboni is priced at approximately \$80,000 to \$100,000.

Floor matting is necessary to have around all areas surrounding the ice rink as skaters leave the rink to go to the snack bar or restroom areas. He bought their matting from the YMCA that was replacing all of their matting from the weight room and were thrilled he could use it at the ice rink. Mr. Holley closed by stating that purchasing a used chiller is not a wise decision. To operate an ice rink with the dimensions of 60 feet by 120 feet requires a 130-ton chiller. He purchased a used chiller years ago and discovered that after all of the service and repairs, the sounder financial decision was to buy a new chiller and it has proven over the years to be the correct purchase.

Conclusion of Traditional Option

Our team’s experience at Headwaters Park ice rink was very positive. From the moment we were warmly greeted at the admissions counter to our conversations with Mr. Holley and several of his staff members; we couldn’t muster a single criticism of our experience. It is our team’s recommendation that an authentic ice rink much like Headwaters Park ice rink should be built in Kosciusko County. The operational plan has been proven to be successful in Fort Wayne and we are convinced that a similar ice rink in Kosciusko County would also be successful and fills the need of having a Winter season attraction in our community.

Startup Costs (not including rink)

Skates (400 @ \$80)	\$32,000
Chillier and chemical	\$110,000
Used Zamboni	\$15,000
Skate Sharpener (2)	\$2,000
Mats	\$2,500
Benches	\$2,500

Buildings

Warming house	\$8,000
Skate Shop	\$6,000

\$178,000

Yearly Expenses

Warming House	\$1,150
Zamboni Maintenance	\$5,000
Non Staffing Cost	\$125,000

Staffing options (Hourly) \$25,245

\$156,395

Staff Positions

Shift manager - Covers rentals and ice fees,
 Rink Monitors - Safety on Ice

Hourly rate	Weekly Cost
\$10	\$1,275

Seasonal Cost (18 weeks)	Total for grant
\$22,950	\$25,245 <i>Administration Cost of 10%</i>

	Hours open	Staffing Hours	Number of Staff	Staff hours	Total Staff hours	Total Costs
Monday	5 pm - 8 pm	4 pm -830 pm	2	4.5	9	\$90
Tuesday	5 pm - 8 pm	4 pm-830 pm	2	4.5	9	\$90
Wednesday	5 pm - 8 pm	5 pm -830 pm	2	4.5	9	\$90
Thursday	5 pm - 8 pm	5 pm-830 pm	2	4.5	9	\$90
Friday	noon - 9 pm	11 am -930 pm	3	10.5	31.5	\$315
Saturday	10 am - 9 pm	9 am-930 pm	3	12.5	37.5	\$375
Sunday	12 pm - 6pm	11 am - 630 pm	3	7.5	22.5	\$225

Revenue Streams

Based on 18 week season

Proposed Fees

Rental Skates	\$2.00	-per
Admission	\$5.00	-per
Ice Rental time (leagues)	\$200	-an hour

Marketing

Board Sponsorship	\$1,000	-per board
Zamboni Sponsor	\$5,000	

Scenario #1		Totals per Season
Weekday Day Average Attendance	20	\$1,800
Friday through Sunday Day Average	75	\$4,050
Skate Rentals (95% of Attendance)	309	\$618
Board Sponsors	5	\$5,000
Zamboni Sponsor	0	\$0
Ice Rental Time per season	18	\$3,600
		\$15,068

Scenario #2		Totals per Season
Weekday Day Average Attendance	30	\$2,700
Friday through Sunday Day Average	100	\$5,400
Skate Rentals (95% of Attendance)	428	\$855
Board Sponsors	10	\$10,000
Zamboni Sponsor	0	\$0
Ice Rental Time per season	36	\$7,200
		\$26,155

Scenario #3		Totals per Season
Weekday Day Average Attendance	25	\$2,250
Friday through Sunday Day Average	130	\$7,020
Skate Rentals (95% of Attendance)	489	\$979
Board Sponsors	20	\$20,000
Zamboni Sponsor	1	\$5,000
Ice Rental Time per season	54	\$10,800
		\$46,049

Revenue through Marketing

Revenue opportunities exist with sale of advertising on the boards surrounding the rink and on the Zamboni. Examples of advertising on the boards surrounding the rink and on the Zamboni

can be seen in image 1 and image 2. Suggested pricing from those that currently run profitable rink facilities are \$1000 for a space on the boards for the season and \$5000 for season long Zamboni advertising.



Image 1



Image 2

Wabash County has a population of around 32,000. In November of 2018 the Rotary Club held an event that brought a synthetic ice rink to Wabash for a weekend. On Friday and Saturday there was a draw of over 1000 skaters. The manager of a local coffee shop reports that the business experienced a record breaking sales day on Friday. They report an increase of at least 35% in sales over any previous day of sales in the business history. They report that nearby businesses boasted similar increases in sales due to the draw of families and friend groups over single customer visits.

Additional Buildings

Warming House

The cost to build warming house would be approximately \$5,800 for a 10 foot by 20 foot, gas heated enclosure. An industrial grade gas heater makes up \$1,500 of this cost. A cheaper alternative could be achieved by building an open faced enclosure with stand-alone propane heater units. This option would cost \$2,500 and also would have lower annual costs. Annual costs for the enclosed warming house would be \$700 while the open faced option with stand-alone propane heater units would cost \$450 annually. The enclosed warming house would

retain heat more efficiently and provide a location for folks to gather to warm up. While cheaper, the stand-alone heater option would be more geared to people getting a quick warm up and then to get back on the ice.

Skate shop

The skate shop building would include admissions and skate rental. The cost to build the skate shop would be approximately \$6,000 if it were attached to the warming house/enclosure.

Conclusion

Based on the 2 previous KLA Rink Projects and this paper, an ice rink would work well in this county. An ideal, thriving community and business interest is present and would be an excellent complement to the draw of an ice rink. A rink would add a great Winter option in the area and would also be a draw for commercial business in the immediate area. Even with the cost and maintenance difference our team would recommend the traditional rink option, rather than the synthetic option. A traditional rink would cost approximately \$32,000 to operate annually and would have a revenue stream range of \$18,000 to \$46,000. Outside of building the rink, it would cost approximately \$180,000 in startup one-time costs.

Bios of Authors

Scott Allison is an Insurance Agent at Hall & Marose Silveus. He was born and raised in Warsaw having graduated from Warsaw Community High School in 1990. Scott is a Veteran of the United States Air Force and holds a Bachelor of Science degree from Indiana University. His interest in seeing the ice rink vision come to fruition stems from his belief that a community that offers outdoor activities, in particular Winter month activities, will assist in attracting new businesses to the community.

Matthew Graham MA, LMHC, LCAC, NCC Licensed Counselor and Director of the Kosciusko County Bowen Center. "Having origins in Canada I came to value outdoor Winter time events and activities. They provided opportunity for community and activity. I value the possibility of bringing that opportunity to the community I now call home."

Matt Goebel is the Christian Emphasis Director at the Kosciusko YMCA in Warsaw, Indiana. He was previously a Teaching Pastor and Youth Pastors at Warsaw Community Church. Matt has called Kosciusko County home for nearly 15 years. He has a passion to be outside and sees the Rink the best option for Winter sports in county. He is married, and has 3 children, two of which are in 1st grade at Eisenhower Elementary.

Brandon Stewart is a Financial Advisor at SYM Financial Advisors in Winona Lake, Indiana. "Growing up in Kosciusko county, I have been fortunate enough to see years of progress, innovation, and advancement within this wonderful community. That experience has also shed light on how crucial it is that Kosciusko continue to find new interests and activities to attract top talent to ensure that the progress we have made as a community is not only maintained, but advanced upon."