

Information Gathering and Resource Identification

- Falmouth Rink (1 ½ sheets)
 - We have received their input on our operating expense assumptions
 - We have met with their construction project manager (Rick Southgate) and have information regarding their construction costs, contracting approach, and design and engineering consultant recommendations
 - Rick Southgate is an able and willing resource to assist us with construction cost estimate once our site plan and rink plan are further refined
 - Obtain copy of Falmouth fund raising package
- Braintree Rink (likely 2 sheets)
 - Newspaper reports that they received two proposals – developer names not mentioned
- Newton Country Day (Daly) Rink Meeting
 - Hans has met with them
- Revere Rink Meeting
 - Hans attempting to schedule
- Bedford Rink (www.theedgesportscenter.com)
 - We have met with Scott Fusco who has led the development of that complex and manages the operation
 - Developed single sheet and indoor turf field, plus sitework and parking, a few years ago for \$6mm
 - Funded with \$3.4mm loan from TD Bank, \$2.6mm equity from private investors (total of 10 investors); investors currently receiving 4% yield
 - We have requested input from Scott regarding our preliminary operating proforma but no response to date
- FMC Ice Sports
 - FMC is a private company that was formed to manage rinks owned by the state but they also manage rinks owned by towns and others, including the Natick rink
 - Their typical deal is a long term management contract where they take responsibility for management and capital improvements, and pay the owner a fee or profit sharing and keep the balance of the profits
 - They are not in the business of developing new rinks as a principal but would be eager to perform a consulting role and would be very interested in managing the rink once complete
 - They have given us input on our operating expense assumptions
 - Said that they did not know identity of developers interested in Braintree rink

Business Model Alternatives

- Wellesley Youth Hockey Developed, Owned and Operated (Falmouth model)
 - Pro's: Control over product quality and ice time scheduling and cost, preferred model if significant private funds required
 - Con's: No experience in business, need to identify/hire expertise in design, construction, marketing, operations; significant administrative burden; financial risk
- Wellesley Youth Hockey Developed, Owned and Operated by 3rd Party
 - Same as above except burden of marketing and operations responsibility is outsourced

- Town Owned and Operated by 3rd Party (Revere model?)
- Private Developer Owned and Operated (Braintree model)
 - Pro's: Minimal administrative burden, eliminates fund raising requirement, financial risk is substantially mitigated (only exposure is if Developer fails to perform or otherwise defaults on ground lease obligations), burden of responsibility for development and operations is outsourced, likely fastest execution of all the alternatives
 - Con's: Control over quality of product and rink management is compromised, control over ice time cost is compromised and subject to potential dispute
- Hans to advise on municipal procurement regulations implications for each option

Financial Model

- We need to develop a financial model that can be used for communication with the Selectmen and for prospecting with lenders and potential donors
 - Bill has developed a preliminary financial operating proforma
 - Next step is to develop it to a level appropriate for purposes described above
 - Need to lay out hypothetical schedule of ice time demand and associated revenue from WYH, Wellesley school teams, Dana Hall, public skating and any other highly likely customers (ie figure skating?)
 - Estimate revenues and expenses associated with Pro Shop, concessions and billboard advertising
 - Need to determine if we prepare a one sheet model or a sheet and half model or both – will start with a one sheet model until site planning confirms potential for adding additional half sheet
 - Development Cost Budget
 - Assuming municipal procurement restrictions can be avoided, Rick Southgate estimate (at today's cost) is \$110psf, all-in including A&E, legal, etc. (implies a \$4-4.5 mm project cost for one sheet)
 - We need to create conceptual plans further before it's worthwhile to study the cost any further
 - Need to determine whether rink budget needs to include scope and costs associated with parking and other shared infrastructure (ie storm water management system, traffic mitigation, etc.)
 - Project Scope
 - Wetlands delineation needs to be completed to confirm developable area
 - Once developable area confirmed, we need to work with planner to locate the rink on the site and see if we can fit the additional half sheet on the site without eliminating the pool and maintaining required parking (Hans to coordinate)
 - Should also consult solar energy expert at this point as roof location and orientation critical to maximizing solar energy potential
 - Once next version of site plan complete, we should retain an architect and civil engineer to confirm the rink scope and layout
 - Project Schedule
 - Need to confirm for purposes of financial modeling (Rick Southgate is a good resource for this)
- We should consider putting out an RFI along the lines of the Braintree model to ascertain rink developer level of interest in this project and as a means to obtain additional information to help inform our financial model

- Learning more about Braintree proposals will inform this decision
- If we agree on merits, need to address timing of doing so and create RFI form