



The Rose Bowl ~ the Next Hundred Years Rose Bowl Renovation Roundup December 2011

The Rose Bowl Roundup is back with updates on the activities and people involved in this massive project. Be sure to check out the detailed information in the November Status Report at <http://www.rosebowl-renovation.com/updates-information/>

MASSIVE CHANGES

Stadium Staff, Project Manager and A/E teams hustle ...

The press box renovation is a massive undertaking. Work is progressing while planning for this year's Rose Bowl Game on Monday, January 2. In addition to the Rose Bowl Game activities and construction another Flea Market was held December 10. As always, Bernards|Barton Malow was instrumental in assuring the concourse was cleaned and re-paved where necessary.

Right now exterior portions of the press box are being peeled away and the ongoing construction includes the huge steel infrastructure being added to widen it. Also contractors placed concrete on the exterior of the press box, forming walls and columns for the new Press Box.

As soon as the game is over, crews will move in to clean up and construction will begin to build the new press box. It will be demolished leaving only the center core; the work will be done in a single phase in 2012 so it will be ready for the start of the UCLA season in September.

FINANCIALS

The total cost of the three-year project has risen from \$152 million to \$160 million in large part because bids have come in at higher amounts than budgeted. The latest example was the bids submitted to complete the rest of the press box work. Estimated at \$34.7 million, the lowest bid was \$38.9 million from Clark Construction. On December 14 the Rose Bowl Operating Company board of directors awarded the bid to Costa Mesa-based Clark Construction. The company has a successful record with the City of Pasadena having remodeled City Hall and also built the Pasadena Convention Center expansion.

WHY THE GROWING GAP?

The bonds used to finance the project were Build America Bonds (BABs,) chosen because the city wanted to take advantage of lower financing costs associated with them. BABs mandate that those dollars be spent within three years after the bonds are issued. That was November of 2010. So the clock was ticking when the project began in January 2011. Also, at the time the project was to be launched it was hoped that there would be savings in commodities and construction bids; however, these savings did not materialize because it turned out that 2010 was the bottom of a business cycle and those prices began to rise.

Preparing estimates for this project was challenging due to the phased construction. Construction was phased in so that construction could proceed while keeping the stadium open for business for the tenants. Also, the timing of the bond sale and conditions of use required that drawing, bidding, and construction played out simultaneously. Build America bonds had to be sold before December 31, 2010. Further, work had to commence within three years of the bond sale and work completed in time for the 100th Rose Bowl Game in 2014.

This is a daunting timeframe for work that has to proceed in bleak economic times. The good news is that currently the project is on schedule and meeting its pre-set milestone construction dates to achieve the final completion date of December 31, 2013.

To review costs go to the November Status report, pages 17 through 19 at <http://www.rosebowl-renovation.com/updates-information/>

PLUGGING THE GAP

A portion of the funding gap will be plugged with \$4 million in projected revenue from the 2014 Bowl Championship Series title game.

The project also has about \$8.7 million in contingency funds available, but that money will remain in the budget for now, according to General Manager Darryl Dunn.

There are elements of the renovation that could be deferred and they would account for \$11 million. However while these improvements could be delayed - widening four tunnels and building 11 concession stands – this would happen only after discussions and concurrence with stadium tenants UCLA and the Tournament of Roses. And, Darryl Dunn said that while this is “the last thing we want to do... we need to have a plan just in case” in order to not tap into the General Fund.

There is the private philanthropic group Legacy Connections that was formed not quite one year ago. They are in the quiet phase of a campaign to raise \$25 million. They are completing the formation of a board of directors and have raised \$3 million so far. They are making progress and hope to have some positive announcements in the year ahead. Be on the lookout for some opportunities for the public portion of this campaign during 2012.

PARSONS: Owner’s Advocate / Owner’s Representative

During November Parsons worked closely with Bernards to review and analyze the estimate for the Press Box Completion Package. Parsons did not perform a detailed estimate of this work since there was not enough time for this activity, but used their experience to review the estimate, focus on critical cost items and provide insight as well as feedback to Bernards on the overall estimate.

Parsons is continuing with a review of the project budget and the construction schedule following receipt of the bids for the Press Box Completion Package. The objectives of these reviews are to: 1) familiarize with the budget and schedule; 2) recommend activities that could improve schedule performance, and; 3) reduce cost. Parsons is also performing a design review of all remaining elements of the project, with the objective to tighten up the design and provide the best bid documents possible to the construction community.

LOCAL HIRING

Parsons and Clarence J. Broussard & Associates, Inc.

The Certified payrolls compiled in LCP represent 47 Pasadena residents hired by the contractors and receiving \$233,169 in wages which is 6.7% of the total certified payroll. The estimated number of Pasadena residents for the entire project is 75 to 100 – to date 46 Pasadenans have been hired through certified payroll, and an additional 21 people who are part of the consultants associated with the project reside in Pasadena.

To review the many actions taking place go to pages 2 through 4 of the November Status Report at <http://www.rosebowl-renovation.com/updates-information/>

NFL IN THE ROSE BOWL?

There has been rampant speculation about the possibility of the Rose Bowl temporarily hosting a NFL team if one comes to Los Angeles. Pasadena officials are exploring that possibility. However, Victor Gordo, president of the RBOC Board of Directors, warns that this is a very complex issue and that the board and the renovation team are not looking to that to solve the project's budgetary shortfalls. If the City and RBOC decide to pursue the NFL on an interim basis, an Environmental Impact Report (EIR) would need to be undertaken, and would take approximately nine months to complete.

Anschutz Entertainment Group and Majestic Realty have spent dollars and developed plans in the last few years hoping to bring a team back to Southern California. Meanwhile NFL Commissioner Roger Goodell announced recently it's unlikely the league would move a team in time for next season (2012).

WINDS

Good news is that while there were trees lost and much debris cast about by the winds, there was no major damage to life or limb.

WANT MORE INFORMATION ON THE ROSE BOWL CONSTRUCTION?

Check out construction schedule, bidding information, the latest project progress report and lots of pictures of the ongoing Rose Bowl Renovation construction <http://www.rosebowl-renovation.com/> If you have questions about the renovation email us: aokelley@rosebowllegacy.com

Happy Holidays from the entire Rose Bowl Renovation Team!

**Rose Bowl Renovation Roundup
Honoring the Past...Preparing for the Future**