

# Agenda Report

MARCH 23, 1998

**TO: CITY COUNCIL**

**FROM: THE ROSE BOWL OPERATING COMPANY**

**SUBJECT: AUTHORIZATION TO SELL SALVAGED ROSE BOWL STADIUM SEATS**

## RECOMMENDATION

On the advice of the Rose Bowl General Manager and the Director of Finance, it is recommended that the City Council authorize the sale of salvaged Rose Bowl Stadium seats. It is further recommended that the City Council find that based upon the information contained herein, and any additional information which may be presented to the City Council at its March 30th meeting, a public purpose is served by exempting this sale from the provisions of the Surplus Equipment and Goods Ordinance P.M.C. 4.04, pursuant to section 4.04.080.

## BACKGROUND

On September 25, 1995, the City Council approved the Rose Bowl Improvement Project. As part of the project, existing bench seating is being replaced with thin-profile seats. The Rose Bowl Operating Company, recognizing the world-wide popularity of the Rose Bowl Stadium, desires to sell the old seats rather than discard them.

The Salvage Equipment and Goods Ordinance establishes the procedure for disposing of surplus and scrap items such as the Rose Bowl Stadium seats. Specifically, the Ordinance requires disposition through public auction or sealed bid.

Were the City to conduct an auction or bid process for the sale of Rose Bowl Stadium seats, the most likely participants would be scrap dealers. However, the RBOC believes greater revenue could be realized by selling the seats to a college stadium as functional seating, or sold as memorabilia. In either case, potential buyers are more likely to participate in a negotiated sale rather than

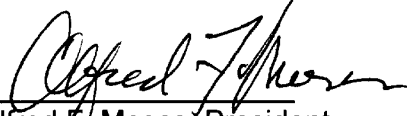
participate in a bid or auction. Prior to the consummation of any deal, the full RBOC will be advised of all deal points of such proposed sale.

Pursuant to the Salvage Equipment and Goods Ordinance, City Council may authorize methods of disposal other than auction or sealed bids provided, such authorization contains a finding that a valid public purpose is served in doing so. Securing maximum value for the public in the disposition of surplus property, through the application of a negotiated sale process, constitutes a valid purpose for which exemption from the provisions of the Salvage Equipment and Goods Ordinance is appropriate.

**FISCAL IMPACT**

Pursuant to the Surplus Equipment and Goods Ordinance, any proceeds from the sale of salvage stadium seats will be credited to the Rose Bowl Fund.

Respectfully submitted,



Alfred F. Moses, President  
Rose Bowl Operating Company

Approved by:



David Jacobs  
Rose Bowl General Manager



Jay M. Goldstone  
Director of Finance