

**MINUTES OF REGULAR MEETING OF  
THE LOS ANGELES MEMORIAL COLISEUM COMMISSION**

April 3, 2013

CALL TO ORDER

The Regular Meeting of the Los Angeles Memorial Coliseum Commission was convened in the Commission Board Room on Wednesday, April 3, 2013, and called to order at 2:40 p.m. by President Don KNABE.

PRESENT: Commissioner Don Knabe, President  
Commissioner Johnathan Williams, Vice President  
Commissioner William Chadwick, Secretary  
Commissioner Bernard Parks  
Commissioner Mark Ridley-Thomas (arrived at 3:00pm)  
Commissioner Barry Sanders  
Alternate Zev Yaroslavsky (arrived at 3:05 pm)

ALSO PRESENT:

Mr. John R. Sandbrook, interim General Manager  
Attorney Thomas Faughnan  
Attorney Donovan Main  
Attorney Noreen Vincent  
Mr. Greg Hellmold, interim Director of Finance  
Mr. Joe Furin, Senior Director-Operations

ABSENT: Commissioner Michael Antonovich  
Commissioner Glenn Sonnenberg  
Ex-officio member Senator Rod Wright  
Ex-officio member Assemblymember Reginald Jones-Sawyer

PUBLIC COMMENT

President KNABE invited Public Comment, to which one individual responded. Mr. Joe Essy commented on the importance of the pending bid from Los Angeles for the possible hosting of the 2024 Olympics. Commissioner SANDERS, who serves as President of the Southern California Committee for the Olympic Games (SCCOG), thanked Mr. Essy for his comments and provided the Commission

with a further update of the SCCOG's communications with the U.S. Olympic Committee (USOC), supplementing the reports provided at the previous three meetings of the Commission on this topic.

#### APPROVAL OF MINUTES

Approval of the minutes of the meeting of March 6 was moved by Commissioner WILLIAMS, seconded by Commissioner SANDERS. Commission President KNABE asked if there were any objections. Hearing none, Mr. KNABE declared the minutes of the meeting of March 6 to be approved.

#### PRESIDENT'S COMMENTS

President KNABE announced that the performance evaluation of the interim General Manager was being prepared by Dr. Susan Stang of Performance Solutions, Ltd. of Westlake, OH and that all members of the Commission had been invited to provide comments to Dr. Stang. Mr. KNABE indicated that the report was in the final stages and would be presented to the Commission for discussion at a future meeting.

#### GENERAL MANAGER'S REPORT

##### 1. Agenda Item OPEN-1: Report by General Manager – General Announcements

Interim General Manager SANDBROOK commented on the following items which required no action:

- a. FPPC Form 700 Statements of Economic Interests for the January 1-December 31, 2012 period had been submitted by all ten designated staff members in compliance with the April 2 deadline and these documents were now available as a public record in the office of the General Manager. The similar Statements filed by Commissioners are submitted and retained by the County of Los Angeles Board Executive Office/Conflict-of-Interest Division.

- b. Commissioner RIDLEY-THOMAS had informed Mr. SANDBROOK that the planning for the induction of Mr. Nelson Mandela and the Tribute to Mandela Event of 1990 into the Coliseum Memorial Court of Honor, as approved by the Commission at its meeting of February 6, 2013, would be delayed until after the anticipated transfer of Coliseum management to USC under the Amended and Restated USC-Coliseum Commission Lease is effective.
- c. The LAPD had requested use of the exterior areas around the Sports Arena on various dates through Fall 2013 for the conduct of various training exercises. Mr. SANDBROOK emphasized that the LAPD had stated that no weapons simulation exercise would be planned.
- d. The Los Angeles *Business Journal* had published in its March 18 edition an article about the gift-in-kind donation that had been received in Fall 2012 from LEDtronics, Inc. of Torrance, CA for the Coliseum Freeway Sign at 3843 Grand Avenue. Mr. SANDBROOK noted that the article included "Before" and "After" photographs of the illumination of the sign tower. President KNABE asked that a letter be prepared for him to send to the President of LEDtronics, Inc.
- e. Mr. SANDBROOK reminded the Commission that he would be on the East Coast from Wednesday, April 24 to Friday, May 3 and not in attendance at the May 1 meeting of the Commission. Mr. SANDBROOK indicated that the presentation of the agenda book at the May 1 meeting would be led by interim Director of Finance Greg HELLMOLD, assisted by Senior Director-Operations Joe FURIN.

## 2. Agenda Item OPEN-2: Financial Report

Interim Director of Finance Greg HELLMOLD presented the monthly consolidated financial report for the month of February 2013, as provided in the Agenda Book. Mr. HELLMOLD informed the Commission that the net income report showed:

- For the month of February 2013, actual net income/(loss) was (\$512,695), compared to the budgeted net income/(loss) of (\$738,257) for the month, a positive variance of \$225,562.

Mr. HELLMOLD referred the Commission to the printed report in the Agenda Book for the other information. The report stated that:

- For YTD (July 1-February 28), actual net income/(loss) was (\$2,266,563), compared to the budgeted net income/(loss) of (\$2,652,233), a positive variance of \$385,670.

- The Commission's cash balance as of February 28 was \$469,554, compared to \$271,755 as of January 31, due to the receipt of payments associated with various accounts receivable from the Fall 2012 USC football season that are, pursuant to the current USC Lease of May 14, 2008, due to be paid by February 15 each year.

Mr. HELLMOLD then summarized for the Commission the materials in the Agenda Book for: (a) the various insurance policies that had been renewed for the Coliseum Commission as of February 28, 2012 for as long as the Commission continues to have management responsibility for the Coliseum and Sports Arena; and (b) the insurance policy coverage that is proposed for the Coliseum Commission following the anticipated transfer of management responsibility for the Coliseum and Sports Arena to USC. Mr. HELLMOLD announced that a preliminary indication from the current insurance carrier for the Coliseum Commission's general liability coverage was that coverage may be continued from the previous expiration date of April 26, 2013 to a new expiration date of June 30, 2013. Mr. HELLMOLD indicated that, working with the Commission's broker, he would ensure that the Commission continued to have appropriate insurance coverage in Spring 2013, pending the yet-to-be-determined date for the anticipated transfer of Coliseum/Sports Arena operations to USC.

Mr. HELLMOLD then reported that the submittal of the IRS Form 990 for the Coliseum Association, Inc. for the fiscal year ending June 30, 2012 was expected to be completed by McGladrey LLP and filed with the IRS before April 15, 2013 rather than the original target date of March 31, 2015, but that the filing would occur well in advance of the deadline extension deadline of May 15, 2013 which had been customarily granted by the IRS.

In response to a question from President KNABE, Mr. SANDBROOK announced that the USC Loan Agreement approved by the Commission at its meeting of March 6, 2013 had been

executed on March 14, 2013 and that Mr. HELLMOLD was now able to begin the process of draw down, as need for Coliseum/Sports Arena operations, on the \$1,500,000 Line of Credit. Mr. HELLMOLD stated that no draw down had been needed in March.

3. Agenda Item OPEN-3: Update regarding Special Meeting of May 14, 2012

Mr. SANDBROOK announced that USC Vice President Kristina RASPE was unable to participate in today's Commission meeting because of a planned family vacation this week. He informed the Commission that he had three matters to report under this agenda item:

First, Mr. SANDBROOK and Commissioner CHADWICK reported that, at the meeting of the Board of Directors of the California Science Center/Exposition Park earlier on April 3, Board of Directors Chair Fabian WESSON had announced that the Negotiating Committee she had appointed on March 6 (Board members Renata Simril and Irene Romero) had completed multiple meetings in the last four weeks with various stakeholders in Exposition Park and with the office of the Governor.

Mr. SANDBROOK reported that Ms. Simril and Ms. Romero had met with President KNABE on March 27 to discuss the various parking lot issues and rent issues between the Commission and the Board of Directors, including the default letter of January 14, 2013 received by the Commission from President Jeff RUDOLPH. Mr. SANDBROOK indicated that President KNABE would discuss with the Commission in Closed Session at today's meeting, pursuant to Agenda Item 3-X, the items discussed at the March 27 meeting.

Mr. SANDBROOK reported that Ms. SIMRIL had stated at the Board of Directors meeting that the Governor's Office was now responsible for the scheduling of meetings with USC leadership on the Parking Lot Transaction Contingency Agreement identified in the Amended and Restated USC-Coliseum Lease and that those meetings would be scheduled soon. Mr. SANDBROOK also

stated that Ms. SIMRIL had announced that Ms. WESSON had agreed to convene special meetings of the Board of Directors as needed with the goal of having all of the matters under discussion considered by the Board of Directors in May 2013. Mr. SANDBROOK stated that the next regular business meeting of the Board of Directors is scheduled for May 1 and that, after that meeting, the next regular business meeting of the Board of Directors is scheduled for June 5. Both of those meeting dates coincide with the regular business meeting dates for the Commission.

Second, Mr. SANDBROOK reported to the Commission that USC officials and he had conducted an all-hands staff meeting of the approximately 35 members of the Coliseum/Sports Arena staff on March 27 in the Board Room. Mr. SANDBROOK reported to the Commission that, at that March 27 meeting, he had informed the Coliseum/Sports Arena staff that USC Senior Vice President Dickey had authorized: (a) the distribution to each member of the Coliseum/Sports Arena staff a draft version of the offer letter for six-month contract employment with USC that would be provided to member of the staff once the date of the transfer can be determined (accompanied by the layoff notice to be issued by Mr. Sandbrook to be effective on that same date); and (b) the scheduling of 1-1 meetings during the weeks of April 8-12 and April 15-19 for each member of the Coliseum/Sports Arena staff to have a confidential counseling session with a member of the USC Human Resources department.

Mr. SANDBROOK reported to the Commission that he had also reminded each member of the Coliseum/Sports Arena staff as to their individual responsibility to contact CalPERS and decide as to the disposition of their retirement account balances that each of them have at CalPERS pursuant to the Commission's contract with CalPERS. Mr. Sandbrook informed the Commission that: (a) approximately 12 of the 35 members of the Coliseum/Sports Arena staff currently meet the minimum age and years of credit requirements specified in the Commission's contract with CalPERS to be able to submit an application to begin retirement benefits; and (b) a session had been

conducted for all staff a year ago with CalPERS representatives to inform the staff about their options for either retirement from CalPERS or withdrawal of their balances from CalPERS. Mr. SANDBROOK informed the Commission that USC does not have a contract with CalPERS and does not have a defined benefit plan for retirement benefits for its employees; USC contributes to a defined contribution plan for each employee.

Third, Mr. SANDBROOK reported that State Senate Bill 695, which had been introduced by State Senator Rod Wright on February 22, 2013 and which had been reported to the Commission at the March 6 meeting, had been referred to both the Senate Committee on Government Organization, chaired by Senator Wright, and the Senate Committee on Natural Resources, chaired by Senator Fran Pavley. Mr. SANDBROOK reported that the Senate Committee on Government Organization was scheduled to consider the bill at its next meeting in Sacramento scheduled for Tuesday, April 9.

4. Agenda Item OPEN-4: Update – Ad Hoc Task Force to Review the 1976 Joint Powers Authority Agreement

Interim General Manager SANDBROOK reported that scheduling conflicts had prevented Meeting no. 5 of the Ad Hoc Task Force to Review the Joint Powers Authority (JPA) Agreement from being held prior to the April 3 meeting of the Commission. Thus, the final report from the Task Force had not yet been prepared and was not being submitted to the Commission at the April 3 meeting.

Mr. SANDBROOK indicated that meeting no. 5 was scheduled for an April date so that, if approved by the Task Force, the Task Force final report and recommendations may be submitted to the Commission at its meeting of May 1, 2013 or, later, its meeting of June 5, 2013. Mr. SANDBROOK stated that he was working with Commission legal counsel Thomas FAUGHNAN to prepare a “marked-up” version of the Joint Powers Authority Agreement for the Task Force’s

consideration, indicating the specific changes in the JPA document that might be suggested based on the Task Force's preliminary recommendations. Mr. SANDBROOK indicated that he anticipated that a similar "marked-up" version of the JPA Agreement would then be submitted to the Commission at the time that the Task Force submits its final report.

#### 5. Agenda Item OPEN-5: Event Report

Mr. SANDBROOK presented the standard Event Report on: (a) completed events; (b) scheduled events; and (c) status of other events previously approved by the Commission. Mr. Sandbrook also presented the six-month advance booking calendar through July 31, 2013.

Mr. SANDBROOK stated that four major public events are scheduled in the Coliseum/Sports Arena facilities during the next four weeks:

- Coliseum – Saturday, April 13 – USC Football Spring Game

This 1:00pm event is the annual concluding event for USC spring football practice. Based on past experience, attendance is estimated to be 10,000-15,000.

- Sports Arena – Thursday, April 18 – Rock Concert

This evening event features the band "Green Day". Approximately 14,000 tickets have already been sold for this concert.

- Coliseum – Saturday, April 27 – Stadium Super Truck National Series

This afternoon/evening event organized by Mr. Robby Gordon marks a return to the Coliseum of the similar "off-road" super truck events first held at the Coliseum by the late Mickey Thompson in 1979 but which have not been held for nearly 20 years. Promotion has been focused to date on the inaugural series event on April 6 at the University of Phoenix Stadium in Glendale, AZ. It is hoped that attendance at the April 27 event at the Coliseum will be 20,000-30,000. Mr. SANDBROOK stated that any damage to the Coliseum turf will be the responsibility of the



promoter.

- Sports Arena – Thursday, May 2 – Rock Concert

This evening event features the band “The Killers.” To date, approximately 12,000 tickets have been sold for this event.

Mr. SANDBROOK commented on the significant concession revenue (to the Coliseum Association) and parking revenue (to the State of California) expected from these four events.

Mr. SANDBROOK also reported on changes in specific events previously discussed with the Commission:

1. The Teen Mania Ministries event proposed for the Sports Arena on May 24-25, 2013 had been cancelled by the promoter.
2. The graduation ceremonies of Manual Arts High School, previously scheduled for May 29, will not be held in the Sports Arena since the high school requested a new date during the following week but the Sports Arena is committed to the Sony Corp. during that week for the setup for the June 10 Sony Corp. corporate presentation event.
3. The 5K run known as “Color Me Rad” scheduled for the Sports Arena exterior area and other areas in Exposition Park for June 15 had been cancelled by the Office of Exposition Park Management due to concerns over the impact on the park resulting from the use of the colored starch thrown on the participants during the run by volunteers.
4. The promoter for the “Messi and Friends” All-Star Soccer Game, scheduled for Wednesday, July 3, had agreed to a contract stipulation to permit the use of the Coliseum peristyle on July 2-3 by the fireworks vendor for the City of Los Angeles Fourth of July Fireworks Event on July 4.

Mr. SANDBROOK stated that this concluded the Open Session report of the General Manager and invited questions or new topics. Hearing none, Commission President KNABE requested Commission legal counsel to announce the start of Closed Session.

CLOSED SESSION

Attorney FAUGHNAN announced that the Commission would meet in Closed Session regarding the matters listed on the printed agenda. Closed Session commenced at 3:05p.m.

RETURN TO OPEN SESSION

Following the conclusion of Closed Session, the Commission returned to Open Session at 4:00pm.

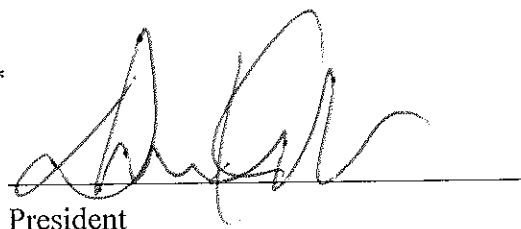
REPORT OF ACTIONS TAKENS DURING CLOSED SESSION


Attorney FAUGHNAN announced that that there were no reportable actions taken by the Commission during Closed Session.

ADJOURNMENT

Announcing the completion of the business set forth on the printed agenda, President KNABE declared the meeting to be adjourned at 4:03pm.

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President

  
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Secretary