

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

March 6, 2013

CALL TO ORDER

The Regular Meeting of the Los Angeles Memorial Coliseum Commission was convened in the Commission Board Room on Wednesday, March 6, 2013, and called to order at 2:35 p.m. by President Don KNABE.

PRESENT: Commissioner Don Knabe, President
Commissioner Johnathan Williams, Vice President
Commissioner William Chadwick, Secretary
Commissioner Bernard Parks (arrived at 3:10pm)
Commissioner Mark Ridley-Thomas
Commissioner Barry Sanders
Commissioner Glenn Sonnenberg
Alternate Zev Yaroslavsky (arrived at 2:45pm)

ALSO PRESENT: Ex-officio member Senator Rod Wright
Ex-officio member Assemblymember Reginald Jones-Sawyer
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

PRESIDENT'S COMMENTS

President KNABE announced that Assemblymember Reginald JONES-SAWYER had been appointed on February 14 by Assembly Speaker John Perez to serve as the State Assembly's ex-officio member to the Coliseum Commission. Mr. KNABE welcomed Mr. JONES-SAWYER to the Coliseum Commission.

PUBLIC COMMENT

President KNABE announced that, as indicated on the agenda posted on March 1, the Commission would, following Public Comment, begin its business activities in Closed Session at today's meeting due to the time constraints of Commission's outside counsel and then proceed to Open Session. As indicated on the posted agenda, President KNABE asked if any individuals wished to speak to the Commission as part of Public Comment. Receiving no requests, President KNABE concluded Public Comment and asked Commission counsel to announce the start of Closed Session.

CLOSED SESSION

Attorney Thomas FAUGHNAN announced that the Commission would meet in Closed Session regarding the matters listed on the printed agenda. Closed Session commenced at 2:40p.m.

RETURN TO OPEN SESSION

Following the conclusion of Closed Session, the Commission returned to Open Session at 3:45pm.

REPORT OF ACTIONS TAKENS DURING CLOSED SESSION

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

PUBLIC COMMENT

President KNABE announced that a request had been received by one individual to speak in Public Comment at the start of Open Session due to the individual's misinterpretation of the agenda and the time for Public Comment.

Ms. Linda PAUL, Executive Vice President, U.S. Capital, LLC, spoke to the Commission and distributed a printed statement regarding the business interest of that company regarding the Coliseum.

PRESENTATION OF MINUTES

President KNABE presented the minutes of the meeting of the Commission held on February 6, 2013 for consideration. Approval was moved by Commissioner YAROSLAVSKY and seconded by Commissioner KNABE. Hearing no objections, Mr. KNABE stated that the minutes of the meeting of February 6, 2013 were adopted.

REGULAR BUSINESS SESSION -- 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) The appointment of Assemblymember Reginald Jones-Sawyer by Assembly Speaker John Perez as the ex-officio member from the State Assembly to the Coliseum Commission
- b) The deadline for submittal of FPPC Form 700 Statements of Financial Interests for January 1-December 2012 is Tuesday, April 2, 2013.
- c) The effort of the Office of the City Attorney to obtain federal registration of the trademarks of the Coliseum and Sports Arena is continuing and that publication of certain applications for the mandated 30-day public comment period is expected in Spring 2013.
- d) The comments submitted by Mr. SANDBROOK to the City of Los Angeles Department of Transportation regarding the Figueroa Corridor Streetscape Improvement project.
- e) The use of the Coliseum during the week of March 4-8 by personnel of the U.S. Secret Service for training purposes.
- f) Administrative Holiday on March 25, 2013 (Cesar Chavez Holiday)

Commissioner KNABE also noted the various news reports that had been published since the last meeting of the Commission on February 6 regarding the repair of the Coliseum temperature gauge in the south tower of the Coliseum peristyle.

2. Agenda Item OPEN-2: Financial Report

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

- For the month of January 2013, actual net income/(loss) was (\$627,180), compared to the budgeted net income/(loss) of (\$764,513) for the month, a positive variance of \$137,333, or +18%. Mr. HELLMOLD explained that expenses for legal services had been less in January 2013 than had been anticipated.

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-January 31), actual net income/(loss) was (\$1,758,041), compared to the budgeted net income/(loss) of (\$1,913,976), a positive variance of \$155,976, or +8%.
- The Commission's cash balance as of January 31 was \$271,755 and that Agenda Item Open-3 at today's meeting of March 6 would present to the Commission for discussion and possible action the approval of revised terms of the USC Loan Agreement initially approved by the Commission on May 14, 2012 but not yet executed.

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 stated to the Commission that he was presenting to the Commission for consideration two options for Directors and Officers (D&O)

policy coverage should the Amended and Restated USC Lease become effective: one option at a level of \$1.0 million, and a second option at \$5.0 million. Following a description of the annual premium costs for the two options, Mr. HELLMOLD indicated that, at a future meeting of the Commission, he would seek direction from the Commission as to which option should be pursued for such D&O coverage.

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 March 31, 2013, in advance of the deadline extension deadline of May 15, 2013 which had been customarily granted by the IRS.

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 death in the family in the preceding 24 hours.

Mr. SANDBROOK and Commissioner CHADWICK reported that, at the meeting of the Board of Directors of the California Science Center/Exposition Park earlier on March 6, Board of Directors Chair Fabian WESSON had announced that: (a) she and President Rudolph had held a very positive and constructive meeting with USC officials following the February 6 meeting of the Board of Directors; and (b) Board members Ms. Irene Romero and Ms. Renata Simril had been appointed as the Negotiating Committee on Coliseum agreements. Mr. SANDBROOK stated that Ms. Romero had announced the intention to continue with discussions with USC and to commence discussions with Coliseum Commission President KNABE during the month of March so that the Negotiating Committee could present to Board of Directors at its next meeting of April 3 a general outline of the agreements with USC and, separately, with the Coliseum Commission. Mr.

SANDBROOK indicated that Ms. Romero had stated that the intent was to provide for public comment during April and then present the proposed agreements for final discussion and possible action at the Board of Directors meeting on May 1, 2013.

Mr. SANDBROOK then presented to the Commission the proposed action to approve the revised terms for the USC Loan Agreement initially approved by the Commission at the special meeting of May 14, 2012. Mr. SANDBROOK referred the Commission to the Agenda Book for the red-lined version showing the proposed changes.

Approval of the revised terms was moved by Commissioner SONNENBERG and seconded by Commissioner CHADWICK. President KNABE asked if there were any objections to the revised terms of the USC Loan Agreement. Hearing no objections, Mr. KNABE announced that the revised USC Loan Agreement was approved and instructed Mr. Sandbrook to work with counsel to proceed with execution of the loan agreement.

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

Authority

Commissioner CHADWICK delivered the report of the Task Force on behalf of Task Force Chair RIDLEY-THOMAS.

Mr. CHADWICK reported that the Task Force of Commissioners RIDLEY-THOMAS, CHADWICK and SANDERS had now met four times and that the Task Force had reviewed a list prepared by Mr. SANDBROOK and Mr. HELLMOLD of immediate and continuing functions of the Commission after the anticipated transfer to USC of management responsibility for the Coliseum and Sports Arena. Mr. CHADWICK referred the Commission to this list in the Agenda Book.

Mr. CHADWICK then stated that a preliminary concept, with three parts, was being submitted by the Task Force to the Commission at today's meeting:

- a. Reduce the number of members of the Commission from nine to three, with one appointee to be named by each constituent agency;
- b. Reduce the number of required meetings from one per month to one per quarter, with a major objective for the Commission to be the agency for members of the community to provide comments and input as to the Coliseum and Sports Arena.
- c. Allow the Commission to have flexibility in contracting or appointing administrative staff to support Commission functions, including appointment of fiscal officers or other staff from one of the member agencies; and

Commissioner SONNEBERG asked if the appointments of Alternate Members for the Commission would still be considered since he felt that having such Alternate Members available could be instrumental on future occasions to ensure quorum for a meeting to be held. Mr. Chadwick responded that the Task Force would consider this and other membership issues as part of its final report.

Commissioner SANDERS emphasized that whatever recommendations from the Task Force that might be adopted by the Commission would then need to be submitted to: (a) the Chair of the Board of Directors of the California Science Center; (b) the President of the City Council; and (c) the Chair of the /County Board of Supervisors for consideration and possible action by the relevant approval bodies of the three constituent entities.

Commissioner CHADWICK announced that the Task Force would meet for a fifth time and consider any feedback or comments from other Commissioners on these initial suggestions, with a final report from the Task Force expected to be presented to the Commission board not later than the Commission meeting of May 1, 2013. Mr. CHADWICK also stated that the Task Force had

also focused a substantial amount of its time on the Commission's financial position, including evaluating alternatives to the need for a bankruptcy filing, which he said he and the other Task Force members wished to avoid

President KNABE stated his appreciation for the continued diligence of the Task Force,

5. Agenda Item OPEN-5: Possible Extension of Employment Contract for John R. Sandbrook Honor.

President KNABE announced that the Commission had taken action on five previous occasions to extend Mr. SANDBROOK's contract beyond the original 20-week term from March 7, 2011 through July 22, 2011. Mr. KNABE also noted that today's meeting on March 6 marked the completion of two years of service by Mr. SANDBROOK to the Commission and that his current employment contract ended on March 9, 2013.

Mr. KNABE then proposed a modification of the proposed action in the printed agenda item. Mr. KNABE proposed that the action regarding an extension be for a 60-day period, through May 4, 2013.

Commissioner YAROSLAVSKY moved and Commissioner SONNENBERG seconded that the Commission approve the action as modified by President KNABE. Hearing no objections, Mr. KNABE announced that the action had been approved for extension no. 6 of Mr. SANDBROOK's employment contract through May 4, 2013.

6. . Agenda Item OPEN-6: Update on Possible Los Angeles Proposal to the U.S. Olympic Committee regarding the 2024 Olympics.

Mr. SANDBROOK and Commissioner SANDERS provided an update to the Commission regarding the efforts of the Southern California Committee for the Olympic Games regarding a

possible Los Angeles proposal to the U.S. Olympic Committee (USOC) to serve as the U.S. candidate city for the host city competition for the 2024 Olympic Games to be conducted by the International Olympic Committee from 2015 through 2017, as requested by the Los Angeles City Council Resolution no. 12-1328 adopted on August 24, 2013..

Mr. SANDERS reported that, with respect to the Coliseum, positive statements of support had been received from: (a) Secretary Anna Caballero, State and Consumer Services Agency; (b) USC Senior Vice President Todd Dickey; and (c) California Science Center President Jeff Rudolph. Mr. SANDERS also reported on the letter sent on January 25, 2013 by various individuals supporting the Los Angeles candidacy.

Mr. SANDERS discussed the letter of February 19, 2013 that had been issued by the U.S. Olympic Committee to the mayors of 35 different U.S. cities asking for an indication of which cities wish to be considered by the USOC. Mr. SANDERS reported that, on Monday, March 4, Mayor Antonio Villaraigosa had sent a positive response to the USOC in support of a Los Angeles proposal.

7. . Agenda Item OPEN-7: Update on 2015 Special Olympics World Games

Commissioner KNABE, Commissioner SANDERS, and Mr. SANDBROOK updated the Commission as to the continuing planning efforts of the Organizing Committee for the 2015 Special Olympics World Games, including the Opening Ceremonies event scheduled for the Coliseum on July 24, 2015, with expected attendance of 50,000.

Commissioner KNABE also referred the Commission to the Economic Impact Report for the 2015 World Games that had been released in January 2013, a copy of which was included in the Agenda Book, noting that projected identifiable benefits of approximately \$400 million had been included in the report.

8. Agenda Item OPEN-8: 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.

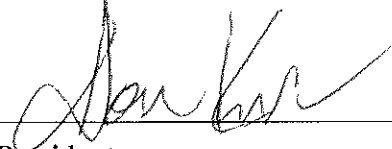
Mr. SANDBROOK informed the Commission that neither of the two events scheduled for Saturday, March 9 would conflict with that evening's annual fundraising gala dinner, The Discovery Ball, at the California Science Center.

ADJOURNMENT

Announcing the completion of the business set forth on the printed agenda, President KNABE declared the meeting to be adjourned at 4:10pm.



Secretary



President