

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

February 6, 2013

CALL TO ORDER

The Regular Meeting of the Los Angeles Memorial Coliseum Commission was convened in the Commission Board Room on Wednesday, February 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 2:55pm)
Commissioner Mark Ridley-Thomas (arrived at 3:02pm)
Commissioner Barry Sanders
Commissioner Glenn Sonnenberg (arrived at 2:45pm)
Alternate Zev Yaroslavsky

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

PRESENTATION OF MINUTES

President KNABE presented the minutes of the meeting of the Commission held on January 9, 2013 for consideration. Approval was moved by Commissioner CHADWICK and seconded by Commissioner WILLIAMS. Hearing no objections, Mr. KNABE stated that the minutes of the meeting of January 9, 2013 were adopted.

PUBLIC COMMENT

President KNABE opened the meeting to public comment at approximately 2:38 p.m.

Ms. Linda PAUL, Executive Vice President, U.S. Capital, LLC, requested a meeting with representatives of the Commission to discuss the proposal from her company for the management and redevelopment of the Coliseum and for the management of the Sports Arena.

PRESIDENT'S COMMENTS

President KNABE announced that Ms. Fabian Wesson had submitted on February 5 a letter to Governor Jerry Brown resigning her position as Commission Alternate to which Governor Brown had appointed her in March 2011. President KNABE also announced that Ms. Wesson had been elected as the chair of the Board of Directors of the California Science Center/Exposition Park at its meeting earlier on February 6.

REGULAR BUSINESS SESSION -- GENERAL MANAGER'S REPORT1. Agenda Item OPEN-1: Report by General Manager – General Announcements

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

- a) 90th Anniversary Milestone dates in 2013
 - i. May 1 – completion of construction of the Coliseum on May 1, 1923
 - ii. October 6 – first USC football game at Coliseum vs. Pomona (USC-23, Pomona-7)
- b) Update on efforts by the City Attorney to register the Coliseum and Sports Arena marks with the U.S. Patent and Trademark Office.
- c) Administrative Holiday on February 18, 2013 (Presidents Day Holiday)

2. Agenda Item OPEN-2: Update regarding Special Meeting of May 14, 2012

Mr. SANDBROOK reminded the Commission that, at the January 9 meeting and in the absence of Commissioner SANDERS, he had reported on the letter sent on January 2 by Mr. SANDERS, in his capacity as President of the Southern California Committee for the Olympic Games. That letter had asked USC President Max Nikias, Secretary Anna Caballero (State and Consumer Services Agency) and the Board of Directors of the California Science Center for clarification by March 31 as to the anticipated physical condition and administrative management of the Coliseum in 2024 that would be relevant to a possible Los Angeles bid for the 2024 Olympics. Commissioner SANDERS reported to the Commission that he had received responses from both Secretary Caballero and from USC and that he had been informed that a response would be forthcoming soon from the Board of Directors. He noted that the response from USC Senior Vice President Todd Dickey had affirmed USC's support for a 2024 Olympics bid and for the use of the Coliseum in that regard but that the university's responsibility for the physical condition and management of the building was conditional upon the implementation of the agreements being negotiated between USC and the State of California.

Mr. SANDBROOK stated that he had attended the meeting of the Board of Directors of the California Science Center earlier that morning but no questions had been provided him about the USC-Coliseum lease agreement. Commissioner CHADWICK reported that he had introduced a motion, adopted by the Board, that called for all future agendas of the Board of Directors to include: (a) a discussion item regarding the Amended and Restated USC-Coliseum lease, adopted by the Commission on May 14, 2012, recognizing that the Board of Directors has no authority with respect to that agreement; and (b) a separate item for discussion and possible action regarding the three draft USC-State agreements released by Secretary Caballero on December 17, 2012.

Mr. SANDBROOK referred the Commission board to the other information in the agenda item regarding the schedule of dates for the 2013 home football season at the Coliseum, including the Thursday night game on October 10, 2013.

Mr. SANDBROOK then invited USC Vice President RASPE to inform the Commission as to the update of the discussions between USC and the State of California identified as Transaction Contingencies in Section 17.12 of the Amended and Restated USC-Coliseum lease.

Ms. RASPE stated that USC was still collecting comment from the public and from the stakeholders in Exposition Park about the proposed USC-State agreements and that she was hopeful that a meeting would be scheduled in the next few weeks for all comments to be received.

3. Agenda Item OPEN-3: Update – Ad Hoc Task Force to Review the 1976 Joint Powers Authority (JPA) Agreement *(Note: the Discussion of Agenda Item Open-3 occurred later in the meeting but is included here for ease of reference in the sequential list of the agenda items.)*

Commissioner RIDLEY-THOMAS reported that the Task Force was being diligent about discussing alternatives for the possible reorganization and restructuring of the Commission and had met for a third time on January 31, with a fourth meeting scheduled prior to the March 6 meeting of the Commission. Commissioner RIDLEY-THOMAS indicated that the final resolution of the USC-State agreements and the implementation of the Amended and Restated USC-Coliseum lease were factors that the Task Force were considering, along with the short-term issue of the Commission's financial position. Commissioner RIDLEY-THOMAS stated that the overall objective of the Task Force was to discuss and recommend a structure that would move the Commission forward, respecting both the historic roles of all three entities (City, County, State) and also developing appropriate provisions for accountability going forward. Commissioner RIDLEY-THOMAS stated that the structure also would need to reflect today's reality and that he felt that, with the continuing assistance of Commissioner

CHADWICK and Commissioner SANDERS, the Task Force should be able to present its recommendations to the Commission in the spring quarter.

Commissioner KNABE stated his appreciation for the continued diligence of the Task Force, recognizing that such important discussions do not produce recommendations overnight.

4. Agenda Item OPEN-4: Financial Report

Interim Director of Finance Greg HELLMOLD presented the monthly consolidated financial report for the months of December 2012, as provided in the Agenda Book. Mr. HELLMOLD informed the Commission that the net income report showed:

- For the month of December 2012, actual net income/(loss) was (\$715,854), compared to the budgeted net income/(loss) of (\$767,729) for the month, a positive variance of \$51,875, or +7%.
- For YTD (July 1-December 31), actual net income/(loss) was (\$1,100,730), compared to the budgeted net income/(loss) of (\$1,944,423), a positive variance of \$843,693, or +43%. Mr. Hellmold ascribed the positive variance to: (a) improved attendance (both ticket sales and food and beverage sales) for the 2012 USC football games; (b) the two boxing events in November-December which had not been anticipated at the time of the adoption of the 2012-2013 budget in June-July 2012; and (c) significantly higher filming activities, coordinated by Mr. Jon Lee of the Coliseum staff.

Mr. HELLMOLD then summarized for the Commission the various insurance policies in effect for the Coliseum Commission, which require, in the aggregate, an annual premium of \$658,000. Mr. HELLMOLD indicated that February 28, 2013 is the anniversary date for these policies and that he will provide an update to the Commission at its next meeting on March 6 as to the continuation of these policies. In response to a question from Commissioner KNABE, Mr. HELLMOLD explained that the Coliseum's insurance policies do not provide coverage for

electronic music/dance events (aka "raves") and that, should the Coliseum/Sports Arena ever be the site of such an event, event-specific insurance coverage would need to be purchased for such an event(s). Mr. HELLMOLD also indicated that he understood that this was not unique to the Coliseum/Sports Arena and that is now a common practice for many facilities in the U.S.

For the third part of Agenda Item OPEN-4, Mr. HELLMOLD summarized the eight outstanding receivables held by the Commission dating as far back as 2009, totaling \$40,302 and ranging from a low of \$400 to a high of \$15,000. Commissioner CHADWICK asked that a list of the specific receivables be distributed to the Commission at the next meeting.

Mr. HELLMOLD asked for authorization to proceed with a contract, in consultation with the office of the Los Angeles County Treasurer and Tax Collector, with a collection agency. Upon the motion of Commissioner CHADWICK, seconded by Commissioner YAROSLAVSKY, the Commission approved authorization. Mr. SANDBROOK indicated that the two outstanding bills to the City of Los Angeles regarding the 2004 and 2012 Fourth of July fireworks events at the Coliseum remain unpaid but that he was not recommending that these be submitted to a collection agency.

For the fourth part of Agenda Item OPEN-4., Mr. HELLMOLD presented the revised mid-year operating budget for the Commission, based on actual July 1-December 31, 2012 results and January 1-June 30 bookings. Mr. HELLMOLD explained this revised mid-year budget no longer included several major events for the second half of the year that had been anticipated in the original budget approved at the Commission meeting of June 6, 2012 and amended at its meeting of July 18, 2012 but for which no bookings or contracts between now and June 30 currently exist. Should any of these events actually materialize, the revenue and expenses of these events would modify the projections included in the revised mid-year budget. Mr. HELLMOLD subsequently noted that, while the Commission has approved the terms of a major soccer game on June 29, 2013, no deposit

has yet been received from the organizer, so that the revised mid-year budget does not anticipate this event actually occurring.

Mr. HELLMOLD also reminded the Commission that, should the Amended and Restated USC-Coliseum lease become effective prior to June 30, 2012, such action would result in positive modifications to the budget.

Following a motion by Commissioner CHADWICK, seconded by Commissioner KNABE, the Commission voted to adopt the revised mid-year budget for Fiscal Year 2012-2013, as presented.

5. Agenda Item OPEN-5: Nomination of Mr. Nelson Mandela and the Tribute to Mandela Event of June 29, 1990 for Induction into the Coliseum Court of Honor.

Mr. SANDBROOK presented the nomination letter of January 31, 2013 from Commissioner RIDLEY-THOMAS to Commission President KNABE asking that Mr. Nelson Mandela and the Tribute to Mandela Event of June 29, 1990 be inducted into the Coliseum Court of Honor, similar to actions taken previously by the Commission with respect to: (a) the 1960 acceptance speech by John F. Kennedy of the Democratic nomination for U.S. President; (b) the 1963 Billy Graham Crusade; and (c) the 1987 Papal Mass celebrated by Pope John Paul II.

Commissioner CHADWICK asked if this nomination was consistent with the Commission Policy on the Court of Honor which had been revised on June 1, 2005. Mr. SANDBROOK affirmed that it was consistent.

Commissioner SANDERS stated that this nomination was being presented to the full Commission without the benefit of review by the Commission Committee on the Court of Honor, but he had no objections in having the Commission take action today on the nomination.

Following a motion by Commissioner YAROSLAVSKY, seconded by Commissioner CHADWICK, the Commission approved the recommended nomination.

Commissioner RIDLEY-THOMAS extended his appreciation to the Commission for their action on his nomination, stating the Commission was distinguishing itself by recognition of this historic event and its inclusion in the Court of Honor.

6. . Agenda Item OPEN-6: Approval of Collective Bargaining Agreement – Services Employees International Union

Mr. SANDBROOK reminded the Commission that a report had been provided at the last meeting of the Commission on January 9 that the next negotiation session with the Services Employees International Union regarding a collective bargaining agreement for those employees providing custodial services and general maintenance duties had been scheduled for January 10.

Mr. SANDBROOK stated that the negotiation session had been successful in that Coliseum management and SEIU representatives had reached tentative agreement, subject to the approval of the Commission.

Mr. HELLMOLD provided a short overview of the key elements of the agreement, which would be retroactive to January 1, 2013 and extend to December 31, 2013.

Mr. SANDBROOK also stated that the agreement includes a provision that, in the event that the Amended and Restated USC-Coliseum lease is implemented prior to December 31, 2013 and the change in management control of the Coliseum/Sports Arena occurs, the agreement is not binding on USC.

Following a motion by Commissioner CHADWICK, seconded by Commissioner SONNENBERG, the Commission approved the 2013 collective bargaining agreement with SEIU.

7. . Agenda Item OPEN-7: Approval of Use of Coliseum Mark by City of Los Angeles Department of Public Works/Conflict Waiver for Office of City Attorney

Mr. SANDBROOK and Mr. FAUGHNAN requested Commission approval for the use of the Coliseum mark, without the use of any USC marks, in a permanent educational exhibit at the Hyperion Treatment Plant. Approval was also requested for a conflict waiver for the Office of the City Attorney to represent the City of Los Angeles Department of Public Works, with the Office of County Counsel to represent the Coliseum Commission.

Following a motion by Commissioner SONNENBERG, seconded by Commissioner WILLIAMS, the Commission approved both requested actions.

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.

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 3:15p.m.

RETURN TO OPEN SESSION

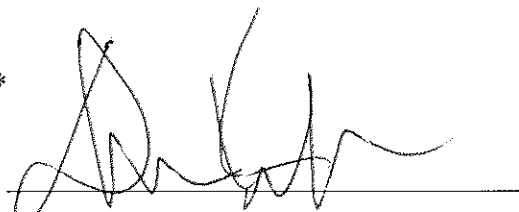
Following the conclusion of Closed Session, the Commission returned to Open Session at 5:00pm.

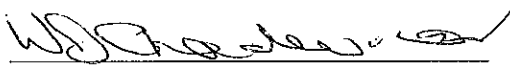
REPORT OF ACTIONS TAKENS DURING CLOSED SESSION

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

ADJOURNMENT

The meeting was adjourned at 5:05pm.



President

Secretary