

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

January 9, 2013

CALL TO ORDER

The Regular Meeting of the Los Angeles Memorial Coliseum Commission was convened in the Commission Board Room on Wednesday, January 9, 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 2:39pm)
Commissioner Mark Ridley-Thomas (arrived at 2:44pm)
Commissioner Glenn Sonnenberg
Alternate Tom LaBonge
Alternate Zev Yaroslavsky

ALSO PRESENT: Senator Roderick Wright, ex-officio member
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 Barry Sanders

PRESENTATION OF MINUTES

President KNABE presented the minutes of the meeting of the Commission held on December 5, 2012 for consideration and asked for comments or objections. Hearing none, Mr. KNABE stated that the minutes of the meeting of December 5, 2012 were adopted by acclamation.

PUBLIC COMMENT

President KNABE opened the meeting to public comment at approximately 2:40 p.m.

Mr. Jeffrey FROEHLICH, of the Services Employees International Union (SEIU), stated that he was hopeful that the SEIU and the Commission could conclude tomorrow its collective bargaining negotiations -- which had been underway for two years -- with a mutually satisfactory result.

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 indicated that he had no comments and that the meeting should proceed with the General Manager's Report.

REGULAR BUSINESS SESSION -- GENERAL MANAGER'S REPORT

Interim General Manager SANDBROOK informed the Commission that each Agenda Book included, at the request of Commission Alternate LABONGE, a 2013 calendar that Mr. LABONGE had published, including -- for the month of September 2013 -- a photograph of the USC-Hawaii game of September 1, 2012 which Mr. LaBONGE had taken from the Coliseum press box.

Mr. SANDBROOK also informed the Commission that each Commissioner and Alternate in attendance at today's meeting had received an envelope with each individual's personalized 2013 Coliseum ID badge, with photograph, and 2013 Coliseum parking permit.

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) Membership Changes
 - i. Conclusion of former Assemblymember Mike Davis' term as ex-officio member to the Commission from the State Assembly as of December 3, 2012
 - ii. Appointment of Supervisor Michael D. Antonovich as Commissioner from the County Board of Supervisors, replacing Supervisor Zev Yaroslavsky, who would serve as the Alternate from the Board of Supervisors
- b) Administrative Holidays on January 21, 2013 (Martin Luther King, Jr. Holiday)
- c) LAPD Gun Buyback Event on December 26, 2012 in Lot 6 outside the Sports Arena
- d) LAPD Use of the Sports Arena for staging purposes on January 19, 2013 for the Kingdom Day Parade
- e) Utility usage reduction statistics for Freeway Sign due to the new LED lights contributed by LEDtronics, Inc.
- f) Update on the FM Global report on loss prevention measures
- g) Update on the City Attorney's efforts for the registration of certain Coliseum and Sports Arena trademarks with the U.S. Patent and Trademark Office.

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

In view of the absence of Commissioner SANDERS at today's meeting, Mr. SANDBROOK reviewed the letter dated January 2, 2013 from Commissioner Barry Sanders, in his capacity as President of the Southern California Committee for the Olympic Games (SCCOG), sent to USC President Max Nikias, Secretary Anna Caballero, and to California Science Center leadership asking for clarification of the future administrative organization and physical condition of the Coliseum within the next 90 days in view of the pending discussions between the SCCOG and the U.S. Olympic Committee about the possibility of Los Angeles being the U.S. nominee in 2015 to the International Olympic Committee for the competition and selection in 2017 of the host city for the 2024 Olympic Games. Mr. SANDBROOK stated to the Commission that the City Council of Los Angeles in August 2012 had adopted a resolution urging the SCCOG to have such discussions with the USOC.

Mr. SANDBROOK reported that Secretary Anna Caballero, State and Consumer Services Agency, had released to the public on December 17 the draft versions of the various agreements between the State of California and USC which were identified in Section 17.12 of the Amended and Restated USC-Coliseum Lease as "Transaction Contingency" agreements: (a) the non-disturbance agreement to the USC-Coliseum Commission lease approved on May 14, 2012; (b) the continuation of USC's lease for the Coliseum and Sports Arena from January 1, 2055 through December 31, 2111; and (c) the operation by USC of the Exposition Park parking lots, nos. 1-6.

USC Vice President Kristina RASPE informed the Commission that USC had posted these agreements on its website for public comments. Ms. RASPE stated that the comments received to date had not been many, but that the comments which had been received were positive.

Mr. SANDBROOK reported to the Commission that the nine members of the State Legislative Black Caucus had sent a letter dated January 7, 2013, to the leadership of the California Science Center commenting on the proposed USC-State agreements. A copy of this letter was distributed to the Commission. (Later in the meeting, ex-officio member WRIGHT indicated that the Black Caucus had met on January 8 with the Governor's Chief of Staff and with Secretary Caballero. Mr. WRIGHT indicated that the caucus had stated that the USC-Coliseum agreement should proceed but that several concerns were identified by the caucus with the USC-State agreements which were to be reviewed by the Secretary and by the Governor's office. Mr. WRIGHT indicated that the Governor had also urged the Black Caucus to hold public hearings of its own regarding the proposed agreements.)

Mr. SANDBROOK reported to the Commission that no questions had been received from the Science Center leadership since the submittal on August 29, 2012 of the 40-page report about the USC-Coliseum lease agreement of May 14, 2012.

3. Agenda Item OPEN-3: Update – Ad Hoc Task Force to Review the 1976 Joint Powers Authority (JPA) Agreement

Interim General Manager SANDBROOK reminded the Commission that President KNABE had appointed on July 6, 2012, an ad hoc task force to review the Joint Powers Authority agreement for the Coliseum Commission, most recently adopted on November 9, 1976, with three amendments in 1988, 1989 and 2008. Commissioner RIDLEY-THOMAS was appointed chair of the task force, with Commissioners CHADWICK and SANDERS also serving on the Task Force. Mr. SANDBROOK reported that the Task Force had met twice, on December 12 and on January 4.

Commissioner RIDLEY-THOMAS reported that the Task Force was being diligent about discussing alternatives for the possible reorganization and restructuring of the Commission. Mr. RIDLEY-THOMAS also stated that the Task Force had discussed for consideration by President KNABE of the possible appointment of a separate task force on legal affairs, in view of the continuing legal matters before the Commission. Mr. KNABE stated that he would take that matter under advisement.

4. Agenda Item OPEN-4: Financial Report

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

- For the month of November 2012, actual net income/(loss) was +\$688,978, compared to the budgeted net income/(loss) of +\$421,810 for the month, a positive variance of \$267,168, or +63%.

- For YTD (July 1-November 30), actual net income/(loss) was (\$561,786), compared to the budgeted net income/(loss) of (\$1,072,720), a positive variance of \$510,934, or +47%.

Mr. HELLMOLD stated that actual costs for legal services had been less than included in the 2012-2013 budget approved by the Commission at its meeting of June 6, 2012, based on the litigation budgets which had been submitted by legal counsel.

For the second part of Agenda Item OPEN-4, Mr. SANDBROOK and Mr. HELLMOLD discussed the updated financial projections for the Commission's operations for the remainder of FY 2012-2013, indicating that operations could be sustained from current and projected cash amounts through March 2013, but that access to the Letter of Credit approved by the Commission on May 14, 2012 or other arrangements to monetize the equity in the Commission's property at 3843 Grand Avenue would be required before April 1.

Mr. CHADWICK stated that, in view of the proceedings at the January 9 morning meeting of the Board of Directors of the California Science, he felt it unlikely that the Board of Directors would be in a position to take action on the various draft USC-State agreements at either of the regular Board of Directors meetings scheduled for February 6 and March 6. Mr. CHADWICK indicated that, in his view, the soonest that possible action of the Board of Directors could be anticipated would be April 2013.

Mr. KNABE reported that he had had his own conversation with Secretary Caballero on January 8, after her meeting with the State Legislative Black Caucus, and that she remained diligent in addressing all issues on a timely basis.

Mr. SANDBROOK stated that the third part of Agenda Item OPEN-3 presented in the Agenda Book was an update to the report provided to the Commission board at its meeting of December 5, 2012 about the annual Valuation Report from CalPERS for the Commission's retirement benefits program, the updated report for the year ending June 30, 2011 had been received

by the Commission during December 2012.

Mr. SANDBROOK repeated the explanation offered at the December 8 meeting that it has been assumed that, after the effective date of the Amended and Restated USC Lease, the Commission would continue as an active agency in CalPERS – pursuant to its contract first executed with CalPERS in 1952 – even if the Commission had a single employee at a minimum of a 0.50 appointment. Mr. SANDBROOK explained that, should the Commission no longer continue as an active agency member of CalPERS, CalPERS would transfer the Commission from the aforementioned “Miscellaneous 2.5 at Age 55” group to the “Terminated Agency Pool (TAP)” group. As part of that transfer, CalPERS would calculate the remaining actuarial liability related to the Commission’s current and future potential annuitants, apply a discount rate of 3.8% to the schedule of benefits payments, and invoice the Commission for a one-time payment to CalPERS (since there would not be any continuing employer or employee contributions to CalPERS once the reclassification to the TAP group had been made).

Mr. RIDLEY-THOMAS stated that this consideration had been acknowledged by the Ad Hoc Task Force to Review the Joint Powers Authority agreement.

5. Agenda Item OPEN-5: Events Report

Mr. SANDBROOK presented the event calendars through June 2013 and reviewed the information in the Agenda Book regarding: (a) completed events, (b) pending events, and (c) the status of events previously approved by the Commission. Mr. SANDBROOK commented on the boxing event successfully held in the Sports Arena on December 15, 2012.

Mr. SANDBROOK mentioned that the Sports Arena would have events on three successive Saturdays – January 26 (wrestling, February 2 (concert), and February 9 (dance event).

6. . Agenda Item OPEN-5: Filming Report—Annual List

Mr. SANDBROOK presented the 2012 update for the annual list of filmings conducted at the Coliseum and Sports Arena. Mr. SANDBROOK stated that total rental fees collected for such filmings in 2012 had been \$330,100, on par with the \$329,500 collected in 2011. Mr. SANDBROOK noted that, in the past four calendar years, the Commission had received \$1,301,000 in rental fees for filmings at the Coliseum and Sports Arena.

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 4:10pm.

REPORT OF ACTIONS TAKENS DURING CLOSED SESSION

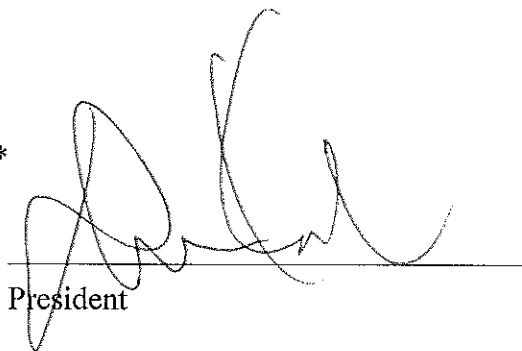
Attorney FAUGHNAN announced that that there were no reportable actions taken by the Commission during Closed Session:

ADJOURNMENT

The meeting was adjourned at 4:15pm.



Secretary



President