

MINUTES OF REGULAR MEETING OF THE LOS ANGELES

MEMORIAL COLISEUM COMMISSION

April 4, 2012

CALL TO ORDER

The Regular Meeting of the Los Angeles Memorial Coliseum Commission was convened in the Commission Board Room on Wednesday, April 4, 2012, and called to order at 2:30 p.m. by President David ISRAEL.

PRESENT: President David Israel
 Vice President Don Knabe
 Commissioner William Chadwick
 Commissioner Bernard Parks (Arrival Time 3:00 p.m.)
 Commissioner Barry Sanders
 Commissioner Mark Ridley-Thomas (Arrival Time 2:35 p.m.)
 Commissioner Fabian Wesson
 Commissioner Johnathan Williams
 Commissioner Zev Yaroslavsky (Arrival Time 2:40 p.m.)

ALSO PRESENT: Senator Roderick Wright (Arrival Time 2:45 p.m.)
 Assemblyman Mike Davis (Arrival Time 3:10 p.m.)
 Mr. John R. Sandbrook
 Attorney Donovan Main
 Attorney Thomas Faughnan
 Attorney Noreen Vincent
 Mr. Greg Hellmold
 Mr. Joe Furin
 Ms. Donna Lee Dominguez

ABSENT: Commissioner Glenn Sonnenberg

APPROVAL OF MINUTES

A motion was made by Commissioner CHADWICK, seconded by Commissioner KNABE, and unanimously carried, that the minutes of the March 7, 2012 regular meeting be approved as circulated.

PUBLIC COMMENT

President David ISRAEL opened the meeting to public comment at approximately 2:35 p.m.

Ms. Lynda PAUL, Executive Vice President, U.S. Capital, LLC, requested that the Commission open to the public in the form of a "Request for Proposal" and provide more than one option so the interest of the public will be more appropriately acknowledged.

Mr. Michael PARKER commented on the Master Lease Agreement and requested that the Commission keep the Coliseum as a historical landmark and not allow it to be controlled by a private entity.

Mr. Joe ESSY reiterated his support of the Master Lease Agreement with the University of Southern California.

Coach Cornell WARD commented on the annual "A Better L.A." sponsored by former USC Football Coach, Pete Carroll. Coach WARD expressed his support of continuing the annual event in association with the July 4th fireworks show.

Mr. Don MANELLI, President of Care Harbor thanked the Commission for the use of the Sports Arena last year which provided medical, dental and vision services to over 4,000 patients through Care Now Inc. Mr. MANELLI asked the Commission for permission to hold an additional clinic in the Sports Arena September 27 – 30, 2012.

Mr. Levi KINGSTON commented on his support of the Master Lease Agreement with the University of Southern California and encouraged the Commission to continue in the negotiations.

GENERAL MANAGER'S REPORT

1. Report by General Manager – General Announcements

Mr. SANDBROOK announced the resignation of Commissioner Alternate Jill Werner, representative of the Los Angeles City Recreation and Parks Commission effective March 12, 2012.

Mr. SANDBROOK announced that former Chief Administrative Officer, Margaret FARNUM has recovered successfully from her surgery on March 7, 2012 and that she has been released from the hospital and is resting comfortably at home.

Mr. SANDBROOK stated that the Office of the City Attorney confirmed that the U.S. Patent and Trademark Office did not have any records that the Coliseum Commission had ever filed applications for registration of any various trademarks associated with the Los Angeles Memorial Coliseum or the Los Angeles Sports Arena. Mr. SANDBROOK further stated that the Office of the City Attorney has now filed ten different applications with the U.S. Trademark Office on behalf of the Coliseum Commission.

Mr. SANDBROOK reported on the physical condition of the Freeway Sign. He also noted that the accelerated deterioration in the past five months have now immobilized the rotating tri-vision panels so that the Ad panels atop the LED board are no longer operable and are in a fixed position.

Mr. SANDBROOK announced that the Coliseum Management has currently undertaken a major and comprehensive "spring cleaning" effort to identify and, as appropriate, remove from on-site premises a significant amount of accumulated items that no longer have any functional use or value.

Mr. SANDBROOK informed the Commission that on March 19, 2012, Coliseum Management issued an RFP for the assignment of a contract through December 31, 2012 for the provision of on-site medical care services for events at the Coliseum and the Sports Arena.

2. Presentation of Monthly Financial Statements

Mr. Greg HELLMOLD presented a letter dated March 27, 2012 from McGladrey and Pullen LLP, the new external auditor and updated the Commission as to the current status of their field work.

Mr. HELLMOLD presented the Statement of Net Assets and Statement of Revenues, Expenses and Changes in Net Assets for the month ended February 29, 2012.

3. City of Los Angeles Fourth of July Fireworks Programs – 2003-2011

Mr. SANDBROOK presented a letter dated March 9, 2012 with attachments related to the 2004 Fourth of July Fireworks and the issue of payment for the \$40,000 cost for the fireworks show. Mr. SANDBROOK explained the agreement between the former General Manager, Patrick LYNCH and Commissioner PARKS in 2004. He further explained the acquisition of and payment for the fireworks program in years 2005-2006 and 2007. Mr. SANDBROOK stated that settlement statements could not be located for the 2005 and 2009. He further stated that Coliseum Management arranged for certain expenses associated with the 2008 and 2010 fireworks events paid as “contribution” from either Go Ventures, Inc. or Insomniac, Inc., promoters of the electronic dance festivals.

Mr. SANDBROOK indicated that the Coliseum has absorbed the following costs for the annual Fourth of July Fireworks events:

2004	\$41,686	2008	\$2,756
2005	No Records	2009	No Records
2006	\$1,319	2010	\$ -0-
2007	\$6,713	2011	\$14,440

Commissioner SANDERS stated that our accounting procedure to absorb the debt does not forgive the debt. Commissioner RIDLEY-THOMAS questioned whether an internal entity has the authority to absorb a debt without the approval of the entire Coliseum Commission.

Mr. SANDBROOK noted a relevant section in the employment contract of Mr. Patrick LYNCH dated July 1, 2001 stating the following:

“Prior to entering into any agreement involving Commission production of an event, or other arrangement involving potential high monetary risk to Commission, Lynch shall obtain the consent of the Commission’s President. Lynch shall report to Commission at its monthly meeting, and at such other times as Commission shall request, those contracts, leases, use agreements, etc. that he has entered into on behalf of the Commission. All other contracts shall be approved (by) the Commission.”

Commissioner PARKS explained the partnership between his office and the Coliseum to sponsor an annual Fireworks Program. Commissioner PARKS stated that former General Manager, Mr. LYNCH agreed to cover the cost of maintenance, use of the peristyle and press box.

Commissioner YAROSLAVSKY stated that the agreement with Mr. LYNCH was inappropriate and he wants to pursue the collection of the debt of \$40,000.

Counsel Donovan MAIN confirmed that the Commission has full authority to pursue the outstanding debt of \$40,000 for the 2004 Fourth of July Fireworks program.

Senator Roderick WRIGHT pointed out that a decision needs to be made acknowledging who is responsible for the debt and whether or not to move forward to pursue the debt.

Mr. SANDBROOK responded with two (2) issues which can conclude this item; make a decision to request from the City of Los Angeles a payment of \$40,000 and acknowledge that this is an indication of the lack of specificity in the authority given to Mr. LYNCH.

Direction was given for the Interim General Manager and Interim Financial Director to pursue this matter further and return to the Commission with further information.

4. USC Update

Mr. SANDBROOK with the assistance of Mr. Richard VOLPERT and Mr. Jeffrey HEINTZ of the law firm of Munger, Tolles and Olsen, updated the Commission on several aspects of the progress of the negotiations with USC and the possible restatement of the long-term lease executed by the Coliseum Commission and USC on May 14, 2008.

Mr. SANDBROOK updated the Commission on discussions with the State of California. Mr. SANDBROOK stated that on March 29, 2012, Secretary CABALLERO informed Mr. SANDBROOK that, following a meeting with the Director of the State Department of Finance and with executive staff in the office of Governor BROWN, a decision was made for her agency, in consultation with the office of the State Attorney General, to engage an independent firm to evaluate the proposed USC-Coliseum Commission lease.

Senator Roderick WRIGHT informed the Commission that the Secretary CABALLERO is not authorized to enter into an agreement with USC regarding the parking lots or any agreement which takes funds away from the Park Improvement Fund that benefits the California Science Center.

5. Events Report

Mr. SANDBROOK presented the event calendars through December 2012 to include completed events, pending events and status of events previously approved by the Commission.

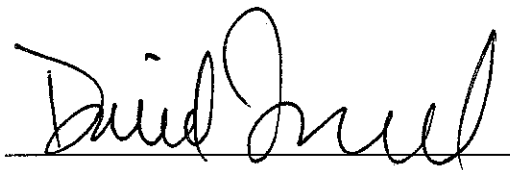
CLOSED SESSION

Attorney Donovan MAIN announced that the Commission would meet in Closed Session regarding the matters listed on the printed agenda. Closed Session commenced at 4:00 p.m.

The Commission returned to Open Session at 5:45 p.m. and Attorney MAIN announced that there were no reportable actions.

ADJOURNMENT

The meeting was adjourned at 4:18 p.m.



President



Secretary