

the purpose of reviewing the MOU and making a recommendation to the Commission, in that only the Commission could approve any proposed MOU. It was anticipated that a recommendation would be brought to the Commission at the April meeting. Commissioner McCowen additionally added that any delay in the RFP could have been issued if the City had agendized and approved it.

**AGENDA ITEM 6—ADJOURNMENT**

Having no further business, the meeting adjourned at 12:15 p.m.

**Commission's Proposed Budget Fiscal Year 2011-2012**

<b>Line #</b>	<b>County A/C #</b>	<b>Description</b>	<b>FY 2011/12 Amount</b>	<b>FY 2010/11 Amount</b>	<b>Inc/(Dec)</b>
		<b>Revenue</b>			
1	862390	LAFCO Apportionment Fees	165,000.00	165,902.32	(902.320)
2	826390	Application Filing Revenue	5,000.00	-	5,000.00
3	824100	Interest Income	500.00	-	500.00
		<b>Total Income</b>	<b>170,500.00</b>	<b>165,902.32</b>	<b>4,597.68</b>
		<b>Expenses</b>			
10	862189	Contract Services-Office and Staff	99,812.32	99,812.32	-
11	862181	Audit Services	3,000.00	3,000.00	-
12	862239	Contracted Services (financial)	3,000.00	-	3,000.00
13	862183	Legal Counsel	4,000.00	4,000.00	-
14	862194	A-87 Costs County Services	5,000.00	3,500.00	1,500.00
15	862101	Insurance-General Liability	2,200.00	3,000.00	(800.00)
16	862182	Website Costs	2,000.00	2,000.00	-
17	862060	District Election Postage	500.00	1,000.00	(500.00)
18	862150	CALAFCO Membership	775.00	775.00	-
19	862150	CSDA Membership	900.00	775.00	125.00
20	862250	Commissioner Travel-In County	500.00	1,000.00	(500.00)
21	862253	Commission Travel-Out of County	3,000.00	6,000.00	(3,000.00)
22	862239	Miscellaneous Expense	3,000.00	8,000.00	(5,000.00)
23	862239	Commission Training	5,000.00	-	5,000.00
24	862189	SOI/MSR Process-56425/56430Mandates	60,000.00	57,040.00	2,960.00
25	862190	Publication and Legal Notices	1,000.00	1,000.00	-
26	860011	General Reserve	10,000.00	10,000.00	-
		<b>Total Apportionment Expenses</b>	<b>203,687.31</b>	<b>200,902.32</b>	<b>2,785.00</b>
27	862184	Application Filing Expenses	5,000.00	2,000.00	3,000.00
		<b>Total Expenses</b>	<b>208,687.32</b>	<b>202,902.32</b>	<b>5,785.00</b>
		<b>Net</b>	<b>(38,187.32)</b>	<b>(37,000.00)</b>	<b>(1,187.32)</b>
		<b>Reserves</b>	<b>Budgeted 6/30/2012</b>	<b>Projected 6/30/2011</b>	<b>Actual 6/30/2010</b>
		Legal Reserves	20,000.00	20,000.00	20,000.00
		Service Review Reserves	20,000.00	20,000.00	20,000.00
		Unreserved	41,812.68	85,000.00	89,202.00
		<b>Total Reserves</b>	<b>86,812.68</b>	<b>125,000.00</b>	<b>129,202.00</b>
		<b>Change in Reserves</b>	<b>(38,187.32)</b>	<b>(4,202.00)</b>	

**AGENDA ITEM 7 -- REPORTS**

A. Except for comments made by Commissioner McCowen during E.O. McMichael's below indicated report, there were no reports from Commissioners.

B. Executive Officer McMichael reported that approximately ten days after the Commission approved the City of Ukiah/Ukiah Area RFP, the City Attorney provided via email a proposed Memorandum of Understanding (MOU) for the ad hoc committee to approve. In that two of the members of the ad hoc committee were out of town, E.O. McMichael indicated that he had sent the proposed MOU to County Counsel Jeanine Nadel (functioning as LAFCO Counsel) for her review and comment. Additionally, he indicated that upon receipt of her comments an ad hoc committee meeting would need to be scheduled for

3. At the CONTRACTOR'S discretion, the public access hours for the LAFCO office maintained by CONTRACTOR will be Tuesday through Thursday 8:00 AM to 12:00 PM.
4. Effective June 30, 2012 CONTRACTOR will no longer function as Executive Officer for the COMMISSION and all contract requirements are eliminated.

#### **AGENDA ITEM 4 - APPROVAL CORRECTION/ADOPTION OF MINUTES**

Upon a motion by Commissioner McCowen , seconded by Commissioner Orth, the minutes of February 7, 2011 were approved as submitted: Ayes: Kisslinger, McCowen, Rodin, Orth, Hamburg, McFadden and Chair Melo: Nays: None; Abstain: None; Absent: Shoemaker.

Upon a motion by Commissioner Kisslinger, seconded by Chair Melo after pointing out that the date in the third paragraph under Agenda Item 3 should be March 7, 2011 not May 7, the Executive Committee minutes of February 16, 2010 were approved as amended: Ayes: Kisslinger, Rodin, and Chair Melo: Nays: None; Abstain: None; Absent: None

Upon a motion by Commissioner Kisslinger, seconded by Chair Melo the Executive Committee minutes of February 22, 2011 were approved with the addition that the minutes were to reflect that Commissioner Rodin indicated that she wanted E.O. McMichael's contract to be reviewed by County Counsel.

#### **AGENDA ITEM 5 - REVIEW AND APPROVAL OF BUDGET REPORTS**

Larry Restel, LAFCO accountant, presented the budget reports. After review and various questions from the Commissioners and upon a motion by Commissioner Orth, seconded by Commissioner Kisslinger the budget reports were unanimously accepted on the following vote: Ayes: Kisslinger, McCowen, Rodin, McFadden, Orth, Hamburg and Chair Melo: Nays: None; Abstain: None: Absent: Shoemaker.

#### **AGENDA ITEM 6 - DISCUSSION/DIRECTION REGARDING PUBLIC BROADCAST OF LAFCO MEETINGS**

Chair Melo indicated that he would postpone this item until after the discussion on the FY 2011-2012 Executive Committee Recommended budget. After the budget review and upon discussion Executive Officer McMichael was directed to make contact with City Manager, Jane Chambers to see if it is possible to use the City's facilities for recording and broadcast.

#### **AGENDA ITEM 7 - REVIEW OF EXECUTIVE COMMITTEE'S PROPOSED BUDGET FY 2011-2012**

Upon direction of the Chair, Executive Officer McMichael reviewed the Executive Committee proposed budget for Fiscal Year 2010-2011. After questions, discussion and comments and suggestions for change, upon a motion by Commissioner Orth, seconded by Commissioner Kisslinger, the FY 2011-2012 Proposed Budget as provided below was approved and accepted as the Commission's Budget for publication for a noticed public hearing for the April 4, 2011 agenda on the following roll call vote: Ayes: Kisslinger, McCowen, Rodin, McFadden, Orth, Hamburg and Chair Melo: Nays: None; Abstain: None: Absent: Shoemaker.

**LOCAL AGENCY FORMATION COMMISSION  
MENDOCINO COUNTY**

The Local Agency Formation Commission convened a meeting on Monday, March 7, 2011 at 10:00 a.m. at the City of Ukiah Council Chambers, 300 Seminary Ave., Ukiah, CA.

**AGENDA ITEM 1 - CALL TO ORDER / ROLL CALL**

Chairman Melo called the meeting of the Local Agency Formation Commission of Mendocino County to order at 10:00 a.m. The following Commissioners were present and seated: Commissioners McCowen, Rodin, Kisslinger, McFadden, Hamburg, and Chair Melo. Alternate Commissioners Orth, Brown, Madrigal, Ward and Executive Officer McMichael were also present. Commissioner Shoemaker had previously indicated his expected absence. Commissioner Orth was immediately seated.

**AGENDA ITEM 2 - PUBLIC EXPRESSION**

There was no one in attendance from the public who indicated an interest in speaking on non-agenda items.

**AGENDA ITEM 3 – CLOSED SESSION**

At 10:08, Chair Melo announced that the Commission was going into closed session for purposes of reviewing a public employment issue with the Executive Officer. The Commission returned from closed session at 10:50 a.m. upon which Chair Melo announced that the Executive Officer proposed addendum to his contract as provided below was rejected pending further discussion at the Executive Committee meeting scheduled for 1:00 p.m. on the following vote: Ayes: Kisslinger, Hamburg, Melo; Nays: Orth, McFadden, Rodin and McCowen; Abstain: None; Absent: Shoemaker.

**ADDENDUM TO THE AGREEMENT FOR THE PROVISION OF CONTRACT SERVICES FOR THE  
POSITION OF EXECUTIVE OFFICER FOR THE LOCAL AGENCY COMMISSION OF MENDOCINO  
COUNTY**

This ADDENDUM is made and entered into this 7th day of March, 2011 by and between the LOCAL AGENCY FORMATION COMMISSION of Mendocino County hereinafter referred to as "COMMISSION" and Frank McMichael hereinafter referred to as "CONTRACTOR". It is mutually agreed between the parties as follows:

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**RECITALS**

1. CONTRACTOR functions as the Executive Officer for the COMMISSION.
2. The Fiscal Year 2010-2011 contract amount for Executive Officer Services is \$99,812.32.
3. CONTRACTOR has proposed that for the Fiscal Year 2011 - 2012 the contract amount be reduced by \$30,000.00 to \$69,812.32 in return for limiting the public access hours for the LAFCO office maintained by CONTRACTOR.
4. CONTRACTOR has additionally notified the COMMISSION that effective June 30, 2012 he is proposing to terminate the contract between the COMMISSION and CONTRACTOR and will no longer serve as Executive Officer.

**AGREEMENT**

In consideration of and reliance upon the above recitals and the terms and conditions indicated below, the COMMISSION and the CONTRACTOR agree as follows:

1. Beginning July 1, 2011, the COMMISSION agrees to pay CONTRACTOR for the delivery of contract services as Executive Officer an annual amount equal to \$69,812.32.
2. Contract amount will be billed to the COMMISSION'S account as held by the County Auditor at the rate of \$5,817.69 per month using an approved County Auditor claim form through June 30, 2012.