

AGEND ITEM 9 - DISCUSSION OF LETTER RECEIVED FROM PAUL CAYLOR, WILLITS CITY MANAGER REGARDING BROOKTRAILS SOI/MSR REPORT

Upon direction of the Chair, Executive Officer McMichael reviewed the agenda report. After his review, Counsel Nadel was requested to confirm that the City of Willits was not an "affected or interested" agency to the MSR for Brooktrails. She indicated that if the Government Code Sections provided in E.O. McMichael's agenda report were accurately quoted, then the City was not an "affected or interested" agency and therefore no special notice would have been required.

After additional discussion by the Commission, Chair Melo invited Willits City Manager Paul Caylor to speak to the issue. He reiterated and affirmed the statements provided in his letter.

Bruce Burton, Willits Mayor was also invited by Chair Melo to speak to the issue. He provided a statement in support of the letter.

After discussion and upon a motion by Commissioner Kisslinger, seconded by Commissioner Hamburg, a decision was made to receive the letter and file it with the Brooktrails MSR and additionally to send a letter to the City of Willits and Brooktrails Township CSD as to that decision. The motion passed on the following vote: Ayes: Kisslinger, Hamburg, Shoemaker and Chair Melo: Nays: Rodin, McFadden and McCowen: Abstain: None: Absent: None.

After this decision, Commissioner Shoemaker, seconded by Commissioner McCowen, entered a motion that E.O. McMichael and Counsel Nadel bring back an explanation of possible future options and any legal concerns of adding the Willits City Manager letter to the Brooktrails MSR. The motion passed on the following vote: Ayes: Rodin, McCowen, Shoemaker, McFadden and Chair Melo: Nays: Kisslinger and Hamburg: Abstain: None: Absent: None.

AGENDA ITEM 10 - DISCUSSION OF LETTER PROVIDED BY E.O. MCMICHAEL TO THE COUNTY REGARDING THE UVAP DEIR

Upon direction of the Chair, E.O. McMichael reviewed the agenda report and his role as the Environmental Coordinator for LAFCO. After review and discussion of the report and the letter, the Commission received both without further directions.

AGENDA ITEM 11 - REPORTS

A. Commissioner Brown inquired as to when the annual CALAFCO conference was scheduled to occur and indicated an interest in attending if her schedule would allow. E.O. McMichael indicated that he would send her an email confirming the dates of the conference.

B. E.O. McMichael reported that there were two firms physically in attendance at the pre-proposal meeting for the RFP and three firms in attendance by phone. He additionally indicated that he would be out of the office May 18-23.

AGENDA ITEM 12 - ADJOURNMENT

Having no further business the Commission adjourned at 12:53 p.m.

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	0.00	-	-
24	862189	SOI/MSR Process- 56425/56430Mandates	67,000.00	57,040.00	9,960.00
25	862190	Publication and Legal Notices	1,000.00	1,000.00	-
26	860011	General Reserve	0.00	10,000.00	(10,000.00)
		Total Apportionment Expenses	165,687.32	200,902.32	(35,215.00)
27	862184	Application Filing Expenses	5,000.00	2,000.00	3,000.00
		Total Expenses	170,687.32	202,902.32	(32,215.32)
		Net	(30,187.32)	(37,000.00)	(6,812.80)
		Fund Balance	Budgeted 6/30/2012	Projected 6/30/2011	Actual 6/30/2010
		Legal Reserves	20,000.00	20,000.00	20,000.00
		Service Review Reserves	20,000.00	20,000.00	20,000.00
		General Reserves	54,812.68	85,000.00	89,202.00
		Total Fund Balance	94,812.68	125,000.00	129,202.00
		Change in Fund Balance	(30,187.32)	(4,202.00)	

During the budget discussion, Counsel Nadel arrived therefore the Commission proceeded to Agenda Item 9, however the minutes will reflect the original agenda order.

AGENDA ITEM 7 - REVIEW AND APPROVAL OF PROPOSED MEMORANDUM OF UNDERSTANDING BETWEEN LAFCO AND CITY OF UKIAH REGARDING THE CITY'S MUNICIPAL SERVICE REVIEW

Upon direction of the Chair, E.O. McMichael reviewed the agenda report for this item and the ad hoc committee's decision to recommend approval of the proposed MOU to the Commission. After review and discussion of the MOU and upon a motion by Commissioner Kisslinger, seconded by Commissioner McCowen the MOU was approved by the following vote: Ayes: Rodin, Kisslinger, Hamburg, McCowen, Shoemaker, McFadden and Chair Melo; Nays: None; Abstain: None; Absent: None.

AGENDA ITEM 8 - RECEIPT OF FISCAL YEAR 2009-2010 FINAL AUDIT

Upon direction of the Chair, Executive Officer McMichael reviewed the agenda report for this item. After review and discussion of the report, upon a motion by Commissioner Rodin seconded by Commissioner Kisslinger the Fiscal Year 2009-2010 audit was accepted as completed by the following vote: Ayes: Rodin, Kisslinger, Hamburg, McCowen, Shoemaker, McFadden and Chair Melo; Nays: None; Abstain: None; Absent: None.

AGENDA ITEM 5 - REVIEW AND APPROVAL OF PROPOSED AGREEMENT WITH LARRY RESTEL FOR LAFCO ACCOUNTING

After review and discussion of the proposed agreement and upon a motion by Commissioner Kisslinger, seconded by Commissioner Hamburg, the proposed agreement with the addition of a 60 day termination clause and a clause indicating that the Agreement amount was limited to the Budget amount as found in Line Item 12 in the FY 2011-2012 budget unless prior authorization of the Commission was provided for an increased amount was approved on the following vote: Ayes: Rodin, McCowen, Orth, Shoemaker, Kisslinger, Hamburg and Chair Melo; Nays: None; Abstain: None; Absent: McFadden.

Because Counsel Nadel had not yet arrived, the Commission decided to proceed to Agenda Item 6.

AGENDA ITEM 6 - PUBLIC HEARING ON FY 2011-2012 PROPOSED BUDGET

The Commission reviewed the Proof of Publication of Notice of Public Hearing and upon a motion by Commissioner Hamburg, seconded by Commissioner McCowen the Proof of Publication was accepted by unanimous voice vote.

Before opening the public hearing, Commissioners made various comments and observations about the budget and the need to further reduce the budget total. At 10:35 a.m. Chair Melo opened the public hearing. Lee Howard of Ukiah, indicated that because of the circumstances of finances for the various agencies that provide the funds for LAFCO's budget, he supported further reductions in the budget and specifically thought that Line 23 should be eliminated. Seeing and hearing that no other persons wanted to speak regarding the budget, Chair Melo closed the public hearing at 10:39 a.m.

After further review and discussion and upon a motion by Commissioner McCowen, seconded by Commissioner McFadden, the below indicated budget was adopted as the Final Budget for Fiscal Year 2011-2012 on the following roll call vote: Ayes: Rodin, Hamburg, McFadden, McCowen and Chair Melo; Nays: Shoemaker and Kisslinger; Abstain: None; Absent: None.

Commission's Final Budget Fiscal Year 2011-2012

Line #	County A/C #	Description	FY 2011/12 Amount	FY 2010/11 Amount	Inc/(Dec)
		Revenue			
1	862390	LAFCO Apportionment Fees	135,000.00	165,902.32	(30,902.32)
2	826390	Application Filing Revenue	5,000.00	-	5,000.00
3	824100	Interest Income	500.00	-	500.00
		Total Income	140,500.00	165,902.32	(25,402.32)
		Expenses			
10	862189	Contract Services-Office and Staff	69,812.32	99,812.32	(30,000.00)
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	-

**LOCAL AGENCY FORMATION COMMISSION
MENDOCINO COUNTY**

The Local Agency Formation Commission convened a meeting on Monday, May 2, 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

Chair Melo called the meeting of the Local Agency Formation Commission of Mendocino County to order at 10:02 a.m. The following Commissioners were present and seated: Commissioners McCowen, Rodin, Kisslinger, Hamburg, Shoemaker and Chair Melo. Alternate Commissioners Brown, Orth, Madrigal, and Executive Officer McMichael were also present. Because of Commissioner McFadden's absence, Commissioner Orth was immediately seated; Commissioner McFadden arrived at 10:18 a.m. and was seated with Commissioner Orth returning to the alternate position. Alternate Commissioner Ward had previously indicated his expected absence.

AGENDA ITEM 2 - PUBLIC EXPRESSION

Lee Howard of Ukiah spoke regarding his 1st Amendment and Brown Act rights to criticize commissioners and referenced two U.S. District Court case decisions that affirmed his ability to do so.

AGENDA ITEM 3 – APPROVALCORRECTION/ADOPTION OF MINUTES

Upon a motion by Commissioner McCowen seconded by Commissioner Orth the minutes of April 4, 2011 were approved with the addition that the minutes should reflect that County Counsel Jeanine Nadel was in attendance until the completion of Agenda Item 5 and a correction to indicate that Chair Melo was not in attendance. The minutes were approved on the following vote: Ayes: Rodin, McCowen, Orth, Shoemaker, Kisslinger, Hamburg and Chair Melo; Nays: None; Abstain: None; Absent: McFadden

AGENDA ITEM 4 - REVIEW AND APPROVAL OF BUDGET REPORTS

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

During the early discussion of the budget reports and upon noting that representatives from the City of Willits were in attendance, Commissioner Shoemaker requested that upon completion of this agenda item that Agenda Item 9 be taken in the next order. After discussion it was decided that because Agenda Item 4 & 5 were interconnected, Agenda Item 5 would be completed prior to proceeding to Agenda Item 9. Additionally, it was decided that County Counsel Jeanine Nadel should be in attendance for Agenda Item 9, therefore Alternate Commissioner Brown left the room so as to phone Ms. Nadel.