

LOCAL AGENCY FORMATION COMMISSION
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KATE MCKENNA, AICP
Executive Officer

DATE: June 27, 2011

TO: Chair and Member of the Formation Commission

FROM: Kate McKenna, AICP, Executive Officer

SUBJECT: **EXTENSION OF EMPLOYMENT AGREEMENT**

SUMMARY OF RECOMMENDATION:

The Executive Officer Evaluation Committee recommends that the Commission approve a one-year extension of the Executive Officer's employment agreement to June 30, 2012.

EXECUTIVE OFFICER'S REPORT:

Last month, the Commission conducted its annual review of the performance of the Executive Officer. The performance received an overall exceptional rating. As a follow up, LAFCO Chair DiMaggio entered into negotiations to renew the Executive Officer's employment agreement. The current agreement will expire on June 30, 2011. A draft negotiated amendment was referred to Commissioner Delgado in his capacity as Vice Chair. Together, the Chair and Vice Chair comprise the Executive Officer Evaluation Committee.

All parties are in agreement that it is appropriate to recommend a one-year extension to the expiration term of the current agreement, and a rollover of all other existing terms and provisions. The attached amendment will change the expiration date of the agreement to June 30, 2012. All other terms and provisions will stay the same.

Respectfully Submitted,



Kate McKenna, AICP
Executive Officer

Attachment: Amendment to Agreement

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

**AMENDMENT NO. 2
TO EMPLOYMENT AGREEMENT**

This Amendment No. 2 to Employment Agreement is made and entered into between the Local Agency Formation Commission of Monterey County, a state-mandated agency of the State of California (hereinafter "LAFCO") and Kathryn McKenna, an individual (hereinafter "Ms. McKenna").

WHEREAS, LAFCO and Ms. McKenna heretofore entered into an initial Employment Agreement executed in May, 2004 for the period June 1, 2004 through June 30, 2007 to provide Executive Officer services; and

WHEREAS, LAFCO and Ms. McKenna heretofore entered into a subsequent Employment Agreement executed on July 23, 2007 for the period July 1, 2007 through June 30, 2010, to provide Executive Officer services; and

WHEREAS, the term of the subsequent agreement was extended to June 30, 2011 by Amendment No. 1, as approved in February 2010; and

WHEREAS, LAFCO and Ms. McKenna desire to again extend the agreement end date;

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein and in the Employment Agreement, the parties agree to amend Section 3 of the July 23, 2007 Employment Agreement as follows:

3. TERM OF AGREEMENT. This Agreement shall commence on July 1, 2007 (the "effective date") and unless earlier terminated or extended pursuant to the terms hereof, shall expire on June 30, 2012.

Subject to the foregoing amendment, all other terms and conditions of the Employment Agreement shall remain in full force and effect. If there is any conflict or inconsistency between provisions of this Amendment No. 2 and the Employment Agreement, the provisions of this Amendment No. 2 shall control in all respects.

IN WITNESS WHEREOF, LAFCO and Ms. McKenna have executed this Amendment as of the last date opposite the respective signatures below.

LAFCO of Monterey County

Kate McKenna, AICP

Approved as to Form, LAFCO General Counsel

By: _____

By: _____

Date: _____

Date: _____

Approved as to Content, LAFCO Chair

By: _____

Date: _____