



Legislation Details (With Text)

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Type: Administrative Items **Status:** Passed

File created: 4/24/2022 **In control:** City Council/Public Financing Authority

On agenda: 5/3/2022 **Final action:** 5/3/2022

Title: Adopt Resolution No. 2022-25 to appoint Alfred Zelinka as City Manager and approve the Employment Agreement; adopt Resolution No. 2022-24 amending the Non-Associated Appointed Executive Management pay schedule to update the compensation range for the City Manager

Attachments: 1. Att#1 Resolution No. 2022-25, 2. Att#2 Resolution No. 2022-24, 3. Att#3 Exhibit A of Non-Associated Resolution 2022-09, 4. Att#4 Al Zelinka Resume

| Date | Ver. | Action By | Action | Result |
|----------|------|---|----------|--------|
| 5/3/2022 | 1 | City Council/Public Financing Authority | approved | Pass |

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Sean Joyce, Interim City Manager

VIA: Brittany Mello, Administrative Services Director

PREPARED BY: Brittany Mello, Administrative Services Director

Subject:

Adopt Resolution No. 2022-25 to appoint Alfred Zelinka as City Manager and approve the Employment Agreement; adopt Resolution No. 2022-24 amending the Non-Associated Appointed Executive Management pay schedule to update the compensation range for the City Manager

Statement of Issue:

After conducting a nationwide recruitment process, the City Council has identified Alfred (Al) Zelinka as the preferred candidate to serve as the City of Huntington Beach’s next City Manager. The City Council directed the recruiter and City Attorney to negotiate an employment agreement with Mr. Zelinka to be presented for consideration in a regular meeting via resolution. The key terms of the agreement are summarized below, which include a compensation rate of \$320,000 per year. A resolution to amend the appointed Non-Associated Executive Management salary schedule for the City Manager position is also included.

Financial Impact:

The proposed salary is \$320,000 per year with benefits. Additional details are located in Exhibit A of Resolution No. 2022-25 (Attachment 1). The City Manager’s salary and benefits will be included in the proposed Fiscal Year 2022-23 Budget.

Recommended Action:

A) Review and consider the proposed City Manager employment agreement, and if appropriate, adopt Resolution No. 2022-25, "A Resolution of the City Council of the City of Huntington Beach Appointing Alfred Zelinka as City Manager;" and

B) Adopt Resolution No. 2022-24, "A Resolution of the City Council of the City of Huntington Beach Modifying the Non-Elected Non-Represented Employees Pay Schedule to Amend the Compensation for the City Manager."

Alternative Action(s):

Do not approve the employment agreement or proposed resolutions, and provide staff with alternate direction.

Analysis:

The City Council has completed a nationwide recruitment to fill the position of Huntington Beach City Manager. The recruitment process began in November 2021, when City Manager Oliver Chi announced his resignation. The City retained Dave Morgan of Ralph Andersen & Associates to conduct the recruitment. During that period, Sean Joyce has been serving as the Interim City Manager since December 20, 2021.

To assist in the recruitment process, the City Council created a City Manager Recruitment Subcommittee comprised of Mayor Barbara Delgleize, Council Member Natalie Moser, and Council Member Rhonda Bolton. The Subcommittee met with the recruitment team to craft the City Manager recruitment brochure to help attract the most qualified candidates from across the nation.

The City Council and the recruiter reviewed the qualifications of each applicant, and selected the top candidates to be interviewed on Wednesday, April 6, 2022. Following the first interview, the City Council further narrowed the top candidates to be interviewed for a second time on Friday, April 8, 2022.

Following deliberation and careful consideration, the City Council selected Mr. Zelinka as the preferred candidate. Mr. Zelinka has served as the City Manager of the City of Riverside since June 2018. He previously served as the Assistant City Manager and Community Development Director for Riverside, as well as serving as the Community Development Director and Planning Manager for the City of Fullerton. Altogether, Mr. Zelinka has 20 years of executive-level experience, aiming to make a difference in communities and the profession. He is a Fellow of the American Institute of Certified Planners, a Certified Main Street Manager, and is certified in Community Economic Development. Mr. Zelinka holds a Bachelor of Science in Public Planning from Northern Arizona University and a Master of Regional Planning from Cornell University.

Per City Council direction, the recruiter discussed a contract proposal with Mr. Zelinka, and the City Attorney prepared an agreement that memorializes the terms and conditions of his employment with the City. The key terms are outlined below and set forth in full in Exhibit A of the proposed Resolution No. 2022-25 (Attachment 1).

The major provisions of the proposed employment agreement are as follows:

1. **Contract Duration.** Mr. Zelinka's initial contract term is for a period of four years, commencing on Monday, June 27, 2022. On the annual anniversary date of the agreement, the term will be extended one additional year, unless a majority vote of the City Council directs that the agreement not be extended.
2. **Compensation.** Mr. Zelinka's starting salary will be \$153.85 per hour, or \$320,000 per year. If the City Council approves salary adjustments to the appointed Non-Associated Executive Management group, Mr. Zelinka's salary will receive the same percentage increase. The City Council may approve additional merit-based salary increases at their discretion.

Additionally, Resolution No. 2022-24 is proposed to modify the appointed Non-Associated Executive Management salary schedule to amend the compensation range for the City Manager position, in accordance with the California Public Employees' Retirement System (CalPERS) requirements for a publicly-available pay schedule (Attachment 2).

3. **Benefits.** Mr. Zelinka will receive the same benefits provided to the appointed Non-Associated Executive Management group, unless otherwise specified in the employment agreement. These benefits are outlined in Exhibit A of the Non-Associated Employees Pay and Benefits Resolution No. 2022-09, as approved by the City Council on March 15, 2022 (Attachment 3).
4. **Terms of Separation.**
 - a. The City Council may terminate Mr. Zelinka's employment agreement without cause at any time. If Mr. Zelinka is terminated without cause in the first eighteen months of employment, he is entitled to twelve months' severance pay, including salary and benefits. This severance provision reduces to nine months' severance in the subsequent eighteen months of employment, and then further reduces to six months in all remaining months of the agreement.
 - b. If Mr. Zelinka is terminated for cause or misconduct, the City is not obligated to provide compensation or benefits, including severance.
5. **Performance Reviews.** The City Council will conduct an annual performance review of Mr. Zelinka no later than June 30 each year of the agreement. The City Council may conduct additional performance evaluations at any time.

Unlike some previous City Manager employment agreements, there are no housing-related provisions included in this agreement.

If appointed, Mr. Zelinka's first day with the City will be June 27, 2022, with Interim City Manager Sean Joyce's last day set to be June 26, 2022.

Environmental Status:

Not applicable.

Strategic Plan Goal:

Non Applicable - Administrative Item

Attachment(s):

1. Resolution No. 2022-25, "A Resolution of the City Council of the City of Huntington Beach Appointing Alfred Zelinka as City Manager," including Exhibit A - Employment Agreement
2. Resolution No. 2022-24, "A Resolution of the City Council of the City of Huntington Beach Modifying the Non-Elected Non-Represented Employees Pay Schedule to Amend the Compensation for the City Manager" including Exhibit 1A - Non-Associated Appointed Executive Management Salary Schedule
3. Exhibit A of Non-Associated Resolution 2022-09
4. Al Zelinka Resume