

EMPLOYMENT AGREEMENT
BETWEEN THE CITY OF MANHATTAN BEACH AND TALYN MIRZAKHANIAN

RECITALS

- A. The City of Manhattan Beach ("City") desires to hire a City Manager.
- B. Talyn Mirzakhonian ("Employee") has been employed by the City since November 9, 2020, and has served as the Acting City Manager since August 19, 2024.
- C. Employee represents and has demonstrated that she is qualified to perform the duties of City Manager.
- D. The parties acknowledge that Employee is committed to the ideals of the International City Management Association ("ICMA"). The parties mutually desire that Employee be subject to and comply with the ICMA Code of Ethics.
- E. Employee commits to comply with the ICMA Code of Ethics.
- F. City and Employee wish to enter into an Employment Agreement that sets forth the rights and obligations of the parties.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, City and Employee agree as follows:

1. **TERM.** Employee will commence her service as City Manager on November 6, 2024, which shall also be deemed the effective date of this Agreement ("Effective Date"). Unless sooner terminated as provided in this Agreement, the Agreement shall automatically renew on January 1st of each year. Nothing in the Agreement is intended to prevent Employee from resigning with at least 60 days' written notice.

2. **DUTIES AND AUTHORITY.** Employee shall exercise the powers and perform the duties of the position of City Manager as set forth in the Manhattan Beach Municipal Code, City's personnel rules, regulations and procedures, and the City Manager job description, as each of them currently or may in the future exist. At the option of City, Employee shall serve as Executive Director of or as a representative to any other authority or agency created or staffed by City. Employee shall exercise such other powers and perform such other duties as City, by the City Council, may from time-to-time assign.

3. **EMPLOYEE'S OBLIGATIONS.** Employee shall devote her full energies, interest, abilities and productive time to the performance of this Agreement, and utilize her best efforts to promote City's interests. Employee shall not engage in any activity, consulting service or enterprise, for compensation or otherwise (together "outside employment"), which is actually or potentially in conflict with or inimical to, or materially interferes with, her duties and responsibilities to City. Additionally, Employee shall not undertake any outside employment except with the written approval of the City Council. Employee shall comply with all applicable City policies that apply to employees of the City. Employee shall comply with requirements for other FLSA-exempt employees of the City. Employee shall keep the City Council apprised of significant activities and time away from the office.

4. SALARY AND BENEFITS.

A. Base Salary. Effective November 16, 2024, City shall pay Employee an annual base salary of \$285,000. At its sole discretion, the City Council may consider merit adjustments commensurate with Employee's performance in accordance with the evaluation process pursuant to Section 5 of this Agreement, or at any other time. Employee's salary shall be subject to withholding and other applicable taxes and shall be payable to Employee at the same time as other employees of City are paid. Employee shall be exempt from the overtime pay provisions of California law (if any) and federal law.

B. Deferred Compensation Plan. City shall contribute 6% of Employee's base salary, incrementally paid on a bi-weekly basis, starting on November 16, 2024, to a 401(a) in accord with the terms, conditions and procedures of the 401(a) plan document and provisions of the Internal Revenue Code, including related regulations.

C. Employment Benefits. With the exception of the Deferred Compensation set forth above in "B", City shall provide to Employee the same benefits, where applicable, provided to non-sworn Executive Management employees as defined in the Full-Time Unrepresented Employees Compensation Plan ("Executive Management employees"), as it currently exists or is subsequently amended. Employee will be subject to any policy, program or plan requirements that other Executive Management employees are subject to for receiving or participating in the benefit program. The deferred compensation outlined in "B" above will be provided in lieu of, and not in addition to, the 401(a) contribution provided to Executive Management employees. Benefits provided to the City Manager consistent with those provided to Executive Management employees include the following benefits:

- (1) Holidays observed and paid
- (2) Leave (General Leave, and other Leave programs, such as Jury Duty Leave and Bereavement Leave)
- (3) Retirement Plan (CalPERS) and Retiree Benefits (Post-Retirement Retiree Medical Contribution and City Contribution to Retiree Health Savings Account)
- (4) Medical, Dental, and Vision Insurance
- (5) Life Insurance, Short Term and Long Term Disability Insurance
- (6) Flexible Spending Healthcare and Dependent Care accounts
- (7) Voluntary participation, at Employee's sole expense, in the City's 457 Deferred Compensation Plan
- (8) Vehicle Allowance
- (9) Technology. At no cost to Employee, City shall provide Employee with the use of a City-owned laptop computer and a smart phone (iPhone or equivalent), subject to applicable City policies and procedures.

- (10) Additional Programs and Benefits: Employee shall be entitled to other benefits available to Executive Management employees, such as use of the City's on-site fitness center, Tuition Reimbursement or Rideshare Incentive, and wellness benefits provided to all employees of the City

D. Professional Development. City shall pay all reasonable and necessary business expenses, including travel, conference, meals, lodging and meeting expenses incurred in obtaining continuing education, attending conferences, training, professional memberships, meetings and other professional development activities relevant to Employee's role and profession. Payment for travel and expenses will be in accordance with City policy, budget, resolutions and state law, as applicable. Employee shall keep the City Council apprised of planned attendance at conferences and participation in other professional development.

E. Bonding. City shall bear the full cost of any fidelity or other bonds required of Employee under any law, or City ordinance or resolution by virtue of her employment with the City.

5. EVALUATIONS. On or before six months from the Effective Date of this Agreement, and the one year anniversary thereafter, the City Council shall conduct an evaluation of Employee's performance. The timing of subsequent evaluations will be established by the City Council in consultation with Employee, but evaluations may generally occur at least annually. During those evaluations, the City Council will establish performance expectations, and the City Council and Employee shall mutually establish performance goals and objectives to be met by Employee during the following year. Employee may request additional reviews, as appropriate, pursuant to City Council agenda procedures or as otherwise directed by the Council. Nothing in this paragraph is intended to limit additional interim evaluations or reviews or to limit the normal communications process between the City Council and Employee.

6. INDEMNIFICATION. Except as otherwise permitted, provided, limited or required by law, including without limitation California Government Code Sections 825, 995, and 995.2 through 995.8, City will defend and pay any costs and judgments assessed against Employee arising out of an act or omission by Employee occurring in the course and scope of Employee's performance of her duties under this Agreement.

7. AT-WILL EMPLOYMENT RELATIONSHIP. Employee is employed at the pleasure of the City Council, and is thus an at-will employee. The City Council may terminate this Agreement and the employment relationship at any time with or without cause, and with or without notice. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of City to terminate the employment of Employee. City shall pay Employee for all services through the effective date of termination. In addition, Employee shall receive severance to the extent provided in Section 8 and shall receive no other compensation or payment (except for vested benefits).

8. TERM AND TERMINATION OF AGREEMENT.

A. Subject to earlier termination as provided in this Agreement, and unless at least four months' prior notice of non-renewal is provided in writing by City to Employee,

this Agreement shall automatically renew for a one-year term on January 1, 2025, and each January 1st thereafter. Notice of non-renewal is not considered termination of the Agreement, and is not subject to the severance provision described in the next subsection. Failure to provide notice of non-renewal does not limit the City's ability to terminate the contract at any time. In the event the City provides a notice of non-renewal, the effective expiration date of this Agreement will be December 31st of the calendar year in which notice is provided.

B. If City terminates this Agreement (thereby terminating Employee's employment with City) without cause during the term of this Agreement, City shall:

(1) Pay Employee an amount equal to her then-monthly base salary (minus applicable withholdings and deductions) for a period of six months, on a monthly basis, less interim compensation (as defined below), to which Employee becomes entitled during the six-month period following her termination. Employee shall use her best efforts and due diligence to secure employment with, become an independent contractor for, or otherwise provide services for compensation for, any person, organization or entity, other than City; and

(2) Provide at no cost to Employee the insurance benefits provided by Section 4.B herein for six months or until Employee secures other employment, whichever occurs first. Such medical and dental insurance benefits will be provided to Employee through reimbursement of COBRA premiums.

C. As a condition precedent to paying severance, the City reserves the right to require a release prior to providing any severance pay.

D. Regardless of any other provision or the term of this Agreement, the maximum severance and health benefits that Employee may receive under this Agreement as a result of termination shall not exceed the limitations provided in Government Code §§ 53260-53264, including the limitation that the maximum cash settlement that Employee may receive shall be an amount equal to the monthly salary of the Employee multiplied by the number of months left on the unexpired term of the Agreement.

E. As used in this Agreement, the term "interim compensation" shall include, but not be limited to: compensation, in any form, to which Employee is entitled from employment other than employment with City; compensation, in any form, to which Employee is entitled as an independent contractor; and compensation, in any form, from any source, including, without limitation to, unemployment and disability insurance, from any person, entity or source, to which Employee is otherwise entitled. Interim compensation shall include retirement benefits. Upon City's request, Employee shall promptly provide City with documentary evidence of interim compensation.

F. Employee shall not be entitled to severance pay if:

(1) Employee terminates this Agreement; or

(2) City terminates this Agreement for cause because Employee:

a. Breaches this Agreement, including, without limitation, by willful or persistent material breach of duties or inattention to duties;

b. Engages in corrupt or willful misconduct in office, including any illegal act involving personal gain;

c. Is convicted of a felony or misdemeanor involving moral turpitude. In no event shall a minor traffic offense or moving violation be considered a misdemeanor involving moral turpitude. In the event Employee is terminated while under investigation for any felony or misdemeanor involving moral turpitude, City may withhold part or all of any severance payment, until it is determined if charges will be filed, and if charges are filed, until final judgment is rendered. If charges are not filed, or if Employee is found innocent, City shall pay any severance to which Employee is entitled;

d. Has committed resume fraud or commits other acts of material dishonesty;

e. Takes unauthorized absences or leave;

f. Violates the City's anti-harassment, discrimination, or retaliation policies or fails to report or investigate claims of unlawful harassment, discrimination, or retaliation as required by law;

g. Abuses drugs or alcohol to such an extent that such abuse materially affects the performance of her duties;

h. Acts in any way that has or may have a substantial and adverse effect on City's interest;

i. Abuses her office or position, as that term is defined in Government Code Section 53243.4;

j. Fails to comply with the ICMA Code of Ethics; or

k. Violates properly established rules or procedures, or adversely affects the reputation of City, its officers or employees.

For any of the foregoing, the City may, in its discretion, place Employee on paid or unpaid administrative leave.

G. Disputes. Except as otherwise mutually agreed, any dispute as to whether severance is excused shall be referred to a neutral hearing officer selected by the City, who will conduct an informal evidentiary hearing. The cost of the hearing shall be born in equal parts by Employee and the City. The sole issue to be considered by the hearing officer is whether the facts presented by Employee and the City demonstrate, by a preponderance of the evidence, that the conditions set forth in Section 8(F) exist, such that the City is not required to pay severance. The hearing officer shall have no jurisdiction over any other issue in dispute. The decision rendered by the hearing officer shall be final, binding and not subject to appeal. The procedure set forth in this Paragraph 6 is the sole remedy for dispute over whether severance is excused.

9. INTEGRATION OF AGREEMENT. This Agreement contains the entire Agreement between the parties and supersedes all prior oral and written agreements, understandings, commitments, and practices between the parties concerning Employee's employment. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, oral or written, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding on either party.

10. METHOD OF AMENDMENT. Amendments to this Agreement are effective only upon City Council and Employee written approval.

11. NOTICES. Any notice to Employer under this Agreement shall be given in writing to Employer, either by personal service, by mail (which may include USPS, FedEx, or UPS) to the City Attorney's Office in City Hall, or by email to the City Attorney's official work email address. Any such notice to Employee shall be given in writing by personal service, mail (which may include USPS, FedEx, or UPS), or by email to Employee's official work email address and last known personal email address. This correspondence shall be addressed to Employee at Employee's home address or email address then shown in Employer's files maintained by the Human Resources Department. For the purpose of determining compliance with any time limit in this Agreement, a notice shall be deemed to have been duly given (a) on the date of delivery, if served personally on, or emailed to, the party to whom notice is to be given, or (b) on the third calendar day after mailing, if mailed to the party to whom the notice is to be given in the manner provided in this Section.

12. GENERAL PROVISIONS.

A. If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall nevertheless remain in full force and effect. If any provision is held invalid or unenforceable with respect to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances.

B. This Agreement shall be interpreted and construed pursuant to and in accordance with the local laws of the State of California and all applicable City Codes, Ordinances and Resolutions.

C. Employee acknowledges that she has had the opportunity and has conducted an independent review of the financial, tax and legal effects of this Agreement. Employee acknowledges that she has made an independent judgment upon the financial and legal effects of this Agreement and has not relied upon any representation of City, its officers, agents or employees other than those expressly set forth in this Agreement.

(Signatures follow)

Executed by the parties as of the date below:

City of Manhattan Beach:

Employee:

Mayor Amy Thomas Howorth

Talyn Mirzakhonian

Attest:

Approved As To Form:

Liza Tamura, City Clerk

Quinn M. Barrow, City Attorney