



Agenda Report

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**File #:** 19-0345

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**AGENDA REPORT  
REQUEST FOR CITY COUNCIL ACTION**

**DATE:** 4/3/2019

**TO:** Honorable Mayor and City Council Members

**FROM:** Legal Risk Management Department (City Attorney's Office)  
Administrative Services Department (Human Resources Division)

**SUBJECT:**

CalPERS Retiree Conditional Limited-Term Appointment Agreement with Mitchell Lansdell for the Management Services Department.

**RECOMMENDED ACTION:**

That the City Council:

1. Approve the attached CalPERS Retiree Conditional Limited-Term Appointment Agreement with Mitchell Lansdell for Management Services Department.
2. Approve a budgetary transfer of \$57,550.08, within the General Fund, from the Services-Supplies budget in General Government to the Salaries-Benefits budget in Management Services.

**ANALYSIS:**

With the recent change in the Management Services Department, it became necessary for the City Council to seek assistance from an individual with expertise in areas of finance, labor and management to oversee various projects and departmental management operations. The City Council asked the Human Resources Division to conduct a formal recruitment for a candidate with a broad range of experience in municipal government and preferably with experience as a City Manager. A bachelor's degree was required and a master's degree was highly desirable.

The recruitment was opened on March 1, 2019 and closed on March 13, 2019. It was posted with many sites, including but not limited to the City's website, the League of California Cities, the California City News, and the International City Managers Association.

More than 30 individuals responded to the recruitment. Although open to all, no potential internal

candidates applied. The City Council reviewed every submitted application and alone narrowed down the list to five individuals, all of whom were interviewed by the Council on Saturday, March 23, 2019. No staff members participated in the interviews or selection. From those interviews, the City Council unanimously directed staff to follow-up on the potential hiring of Mr. Mitchell Lansdell. Since then, the Human Resources Division has conducted a background check and the City Attorney's Office has drafted and discussed with Mr. Lansdell the attached agreement.

Mr. Lansdell has been working in municipal government since 1972, first with the City of Los Alamitos as Recreation Director and Director of Administrative Services. Mr. Lansdell joined the City of Gardena in 1985, first as Assistant City Manager for about 12 years and then as City Manager for almost 20 years (from October 1997 through December 2016). Upon retirement in 2016, he was retained by the City as Interim City Manager for an additional six months while they recruited for his replacement.

Mr. Lansdell indicates that he successfully guided the City of Gardena in eliminating a \$5.2M budget deficit and also lead them from possible bankruptcy to investment grade ratings with Moody's and Standard and Poor's. In 2017, the City enjoyed a fund balance of \$21.3M.

Mr. Lansdell has a bachelor's degree and a master's degree in Education.

As for Mr. Lansdell's proposed agreement, when hiring a CalPERS retiree CalPERS provides that they shall not receive any benefits, incentives, compensation in lieu of benefits, or any other forms of compensation in addition to an hourly rate. In calculating the hourly rate to be paid, the City is to take the monthly base salary paid to employees performing comparable duties, as listed on the City's publicly available pay schedule, and divide it by 173.333. That process has been used to arrive at the hourly rate noted in the agreement.

Mr. Lansdell's first day will be Monday, April 8, 2019, and the term of his service is not expected to last more than six months.

**COMMITTEE ACTION:**

Not applicable.

**STRATEGIC PLAN:**

Not applicable.

**FISCAL IMPACT:**

The fiscal impact is \$4,795.84 for a given 40-hour work week, plus reimbursement for any necessary expenses approved by the City Council pursuant to AP # 01200.001 (e.g. mileage). For the remainder of Fiscal Year 2018-19, the estimated cost is \$57,550.08 (12 weeks). With approval of the recommended actions, a General Fund budget transfer will be processed from the Services-Supplies budget in General Government to the Salaries-Benefits budget in the Management Services Department. Funding for Fiscal Year 2019-20 is estimated at a maximum of \$67,141.76 through October 7, 2019 (14 weeks) and will be included with the proposed budget. It is fully expected that the agreement will not need to last that long, but if it needs to extend beyond six months, staff will return to City Council for additional approvals.

**ENVIRONMENTAL ANALYSIS:**

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This action is categorically exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action merely involves a limited-term employment agreement and thus will not result in any significant effect on the environment.

**PREPARED BY:** DEAN DERLETH, CITY ATTORNEY/LRM DIRECTOR

**REVIEWED BY:** EDELIA EVELAND, HUMAN RESOURCES MANAGER

**REVIEWED BY:** KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

**SUBMITTED BY:** MICHELE NISSEN, ACTING CITY MANAGER

Attachment: CalPERS Retiree Conditional Limited-Term Appointment Agreement for the Management Services Department (Mitchell Lansdell)



City of Corona  
Human Resources Department

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Fax: 951.736.2449

400 S. Vicentia Ave Corona CA 92882  
City Hall Online All The Time – <http://www.DiscoverCorona.com>

April 3, 2019

Mitchell G. Lansdell

Re: City of Corona – CalPERS Retiree Conditional Limited-Term Appointment Agreement for the Management Services Department

Dear Mitchell:

If accepted by you, this letter represents an agreement for a limited-term appointment as a CalPERS retiree with the City of Corona Management Services Department in an extra-help capacity under the provisions of Government Code Section 21224.

This agreement is made because we have determined that your specialized skills in the areas of finance, labor and management are necessary to oversee various projects and department management operations. You will work under the direction of and at the will and pleasure of the City Council.

The terms of this agreement include:

- The term of your appointment will be from April 8, 2019 through October 7, 2019, unless the City elects to terminate this agreement on an earlier date.
- Rate of pay for this temporary appointment will be \$119.896 per hour.
- No further payments or benefits other than the hourly rate will be provided unless required by state or federal law. You are entitled to be reimbursed for necessary expenses authorized by the City Council and incurred in performance of your duties, pursuant to the provisions of Policy 01200.001 (Travel & Other Expense Reimbursement Policy).
- Employment not to exceed 960 hours in a fiscal year (inclusive of all hours worked for any CalPERS employer).
- *No Overtime Authorized.* The position is a temporary, hourly assignment, but in no event shall you be entitled to record overtime or receive compensation therefor. Due to the nature of the position, it is understood that the work day and work week hours may vary, however you cannot exceed the limitations set forth in this paragraph. These limitations are in addition to the annual limitation.

The City and you make this agreement with the mutual understanding that the appointment complies with the requirements applicable to the employment of CalPERS retirees, as codified

Conditional Limited-Term Appointment Agreement (CalPERS Retiree)

Mitchell G. Lansdell

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in Government Code Sections 7522.56 and 21224. Specifically, an appointment under Sections 7522.56 and 21224 is permissible if all of the following requirements are met:

- (1) The appointment must be to a temporary position.
- (2) The appointment is of limited duration.
- (3) The appointment is either during an emergency to prevent stoppage of public business or because the retiree has specialized skills needed in performing the work.
- (4) The total hours worked by the retiree in a fiscal year, for all CalPERS employers, cannot exceed 960 hours.
- (5) The compensation received by the retiree is not more than the maximum, nor less than the minimum, monthly base salary paid to other employees performing comparable duties as listed on the City's publicly available pay schedule, reflected as an hourly rate by dividing the monthly base pay by 173.333.
- (6) The compensation paid to the retiree is limited to the hourly rate and no other benefits may be provided.
- (7) For any retirees with a retirement effective date on or after January 1, 2013, the appointment must occur at least 180 days following the date of retirement unless the employer certifies that the appointment is necessary to fill a critically needed position before 180 days have expired and the governing body approves the appointment in a public meeting.
- (8) The retiree cannot have received unemployment insurance payments in the prior 12-month period arising from work performed as a retiree for any public employer.

The City, in good faith, has determined that your appointment meets (1) – (6) of the foregoing requirements as follows:

- (1) The appointment will be to a temporary position.
- (2) The appointment is of limited duration because it is anticipated to last no more than six (6) months.
- (3) This appointment is made because you possess the specialized skills, as identified in the first paragraph of this appointment offer, necessary for the purpose of the appointment.
- (4) The appointment will not exceed 960 hours in a fiscal year.
- (5) The compensation you will receive is no more than the maximum monthly base salary paid to other employees performing comparable duties as listed on the City's publicly available pay schedule divided by 173.333 to determine an hourly rate.
- (6) Your compensation consists of the hourly rate only; no further benefits will be provided.

By executing this agreement, you are also, in good faith, determining that your appointment meets each of the eight (8) requirements noted above, including the unemployment insurance requirement. That is, while the City is not in a position to do so, by executing this agreement you are confirming the fact that you have not received unemployment insurance payments within the past 12 months arising from work performed as a retiree for any public employer. By accepting this appointment you are also confirming that you are not subject to the 180 day waiting period described in (7) above.

Conditional Limited-Term Appointment Agreement (CalPERS Retiree)

Mitchell G. Lansdell

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Notwithstanding (4) above, the City has no way of monitoring the hours that you work for another CalPERS employer. As such, it is your responsibility to ensure that the total hours worked for the City and any other CalPERS employer do not exceed 960 hours in the aggregate. However, please note that consistent with the requirements of Section 21220(d) and (e), the City will enroll you in CalPERS solely for administrative recordkeeping purposes (you will remain in retired status) and will report both your hours and pay pursuant to this agreement.

While the City and you make this agreement because we believe that it is authorized under Sections 7522.56 and 21224, CalPERS could disagree. If CalPERS disagrees, there is a risk that you will be required to do the following: (1) return any retirement allowance you received during the period of the appointment; (2) pay an amount of money equal to the employee contributions that should have been made, plus interest, during the appointment; and (3) pay CalPERS' administrative expenses incurred as a result of its audit of the appointment. You will also be subject to reinstatement from retirement.

By executing this agreement, you are taking the risk that CalPERS may disagree that this appointment is authorized under Sections 7522.56 and 21224 and you waive any claims related thereto. Please contact CalPERS if you have any questions regarding the requirements of Sections 7522.56 and 21224 or this appointment. By executing this agreement, you therefore agree to waive any claim against the City arising out of an alleged violation of the rules applicable to the employment of CalPERS retirees without reinstatement. Further, you agree to indemnify and hold the City, its officers, officials, employees and agents free and harmless from and against any and all alleged claims, damages, liabilities, costs and expenses, including, but not limited to, the reinstatement risks noted in the preceding paragraph, as well as reasonable attorneys' fees and other legal or other costs and expenses, which may be suffered or incurred by you and arising by reason of an alleged violation of the rules applicable to the employment of CalPERS retirees without reinstatement.

There is no right to public employment expressed by this agreement. All limited-term appointments are subject to the business necessity of the City and are at-will; therefore, the appointment may end with or without cause or advance notice.

We welcome you to your limited-term appointment with the City of Corona and extend our best wishes for your success in the temporary position.

If you have additional questions or comments feel free to contact me directly.

Sincerely,

Edelia Eveland  
Human Resources Manager  
951-736-2207

**ACKNOWLEDGMENT:**

I, **Mitchell G. Lansdell**, agree to this Conditional Limited Term Appointment Agreement (CalPERS Retiree), and hereby warrant that I understand and agree with all of the terms and conditions of employment as set forth in this letter, including, but not limited to, the risk, waiver, indemnity and hold harmless conditions related to any alleged violation of the rules applicable to the employment of CalPERS retirees without reinstatement.

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**Signature**

\_\_\_\_\_  
**Date**

**DRAFT**