



REPORT TO CITY COUNCIL

Approved by:

Wendy Silva

Wendy Silva, Director of Human Resources

Arnoldo Rodriguez

Arnoldo Rodriguez, City Manager

Council Meeting of: April 1, 2020

Agenda Number: D-1

SUBJECT:

Waive Full Reading and Introduction of an Ordinance of the City of Madera Adding Section 1-6.18 to Title I Chapter 6 of the Madera Municipal Code relating to City Manager Authority on Claims Against the City

RECOMMENDATION:

It is recommended that the City Council (Council) introduce the ordinance delegating to the City Manager certain authority relative to claims against the City.

SUMMARY:

In review of current City practices, the City Attorney has recommended the City consider an Ordinance amending the Madera Municipal Code relative to settlement authority for claims filed against the City. If adopted, the Ordinance would delegate authority for claims of ten thousand dollars (\$10,000) or less. In addition, the City Manager would have the authority to determine timeliness and sufficiency of claims filed, as well as reject all claims.

DISCUSSION:

During the normal course of business, the City of Madera experiences claims for damages or injuries filed under the Tort Claims Act

- Through litigation not covered by the Tort Claims Act
- Under the Workers' Compensation System

In addition, the City files claims against insurance companies or individuals for damage or injuries incurred to City property or employees caused by an outside party.

Currently, the City has a resolution that provides the City Manager, in consultation with the City Attorney, authority to:

- Determine timeliness and sufficiency of claims filed under the Tort Claims Act
- Settle any claim that is valued at \$5,000 or less

In order to increase operational efficiencies, the City Attorney has drafted an Ordinance that would delegate the following authority to the City Manager:

- Determine timeliness and sufficiency of claims filed under the Tort Claims Act
- Rejection authority for all claims
- Settle any claim that is valued at \$10,000 or less

There are no statutory limitations on authority that can be granted for settlement of litigation not covered by the Tort Claims Act or worker's compensation claims, however it should be noted that Government Code §935.4 provides that delegation of authority to an employee of a General Law City shall not exceed fifty thousand dollars (\$50,000). The recommended authority limit is well within the Government Code requirements.

FINANCIAL IMPACT:

There is no anticipated financial impact from this modification.

CONSISTENCY WITH THE VISION MADERA 2025 PLAN:

The information contained herein is not addressed by the Vision Madera 2025 plan, nor is the information in conflict with that plan.

ALTERNATIVES:

Council could direct staff to modify the settlement authority amount up or down.

ATTACHMENTS:

1. Ordinance

ORDINANCE NO. 20-

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MADERA ADDING SECTION 1-6.18 TO TITLE I CHAPTER 6 OF THE MADERA MUNICIPAL CODE RELATING TO CITY MANAGER AUTHORITY ON CLAIMS AGAINST CITY

THE CITY COUNCIL OF THE CITY OF MADERA DOES ORDAIN AS FOLLOWS:

SECTION 1. Section 1-6.18 is added to the Madera Municipal Code is amended to read as follows:

§ 1-6.18 City Manager Authority on Claims.

Pursuant to Government Code Section 935.4, the City Council delegates authority to the City Manager to review all claims for sufficiency and to reject any and all claims. The City Council delegates to the City Manager authority to allow, compromise, or settle claims, including workers' compensation claims, for an amount up to ten thousand dollars (\$10,000.00) subject to consultation with the City Attorney. The City Council shall have sole authority to allow, compromise, or settle claims for an amount in excess of ten thousand dollars (\$10,000.00).

Any reference to "City Council" in this Chapter shall apply to claims authority of City Manager under this section.

SECTION 2. CEQA. The City Council finds this ordinance is not a project under the California Environmental Quality Act because it can be seen with certainty that it will not have a significant effect or physical change to the environment. See Title 14, California Code of Regulations, Section 15061 (b) (3).

SECTION 3. PUBLICATION. This ordinance shall be published in accordance with the provisions of Government Code Section 36933.

SECTION 4. EFFECTIVE DATE. This ordinance shall take effect thirty (30) days after its passage.