

5.3 B.1

REPORT

To the Honorable Mayor and City Council
From the City Manager

July 12, 2004

Subject

Adoption of resolution establishing settlement authority levels for certain claims filed by and against the City of Redwood City.

Recommendation

Adopt the attached resolution, which authorizes the City Manager or designee to make settlement decisions on any claims or action for money or damages by the City of Redwood City of \$25,000 or less and reaffirms existing settlement authority for general liability and workers' compensation claims filed against the City of Redwood City.

Background

Prior to November 4, 2002, the City Council approved all workers' compensation and all general liability claims greater than \$4,999. This dollar limit was established by resolution in July 1976. On November 4, 2002, the City Council approved Resolution No. 14476 (Attachment I) which authorized the City Manager or designee to make settlement decisions on workers' compensation claims for amounts not exceeding \$30,000, and settlement decisions on general liability claims for amounts not exceeding \$15,000.

However, City Council approval is still required for settlement in a situation where the City of Redwood City files a claim against another party who is alleged to be at fault for a cause of action. City Council approval requires staff time to prepare staff reports, and Council time to review these reports for action. To increase efficiency, staff is recommending that City Manager or designee be authorized to approve all settlement decisions for claims made by the City of Redwood City against other parties of \$25,000 or less. The attached resolution does not change the authority limits set forth in Resolution No. 14476.

Alternative

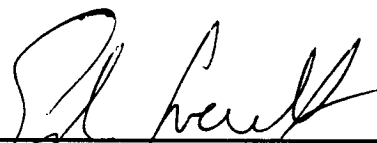
City Council may elect to retain settlement authority on claims against other parties. Staff will continue to prepare staff reports and resolutions or minute orders for all recommended settlements for claims made against other parties.

Fiscal Impact

Staff time will be made available for other uses and claims against other parties may be resolved more expediently.



Brian Ponty
Director of Finance and
Financial Planning



Edward P. Everett
City Manager

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RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDWOOD CITY DELEGATING TO THE CITY MANAGER OR HIS/HER DESIGNEE AUTHORITY TO ADMINISTER AND MANAGE CLAIMS AND ACTIONS AGAINST THE CITY OF REDWOOD CITY OR ITS OFFICERS OR EMPLOYEES AND CLAIMS AND ACTIONS OF THE CITY OF REDWOOD CITY AGAINST ANOTHER PARTY; AND REPEALING RESOLUTION 14476

BE IT RESOLVED by the City Council of the City of Redwood City as follows:

1. That the City Manager is hereby authorized to allow, deny, allow in part, settle, or compromise any claims or action for money or damages against the City of Redwood City or its officers or employees, provided its disposition is not otherwise directed by the City Council or by statute, ordinance, resolution, insurance policy or self-insurance pooling agreement, subject to the following conditions:
 - a. For any matter of general liability, the amount to be paid pursuant to such allowance, settlement or compromise does not exceed Fifteen Thousand Dollars (\$15,000.00).
 - b. If the amount to be paid exceeds Fifteen Thousand Dollars (\$15,000.00), the approval of the City Council shall be first obtained.
 - c. For any matter regarding workers compensation, the amount to be paid pursuant to such allowance, settlement or compromise does not exceed Thirty Thousand Dollars (\$30,000.00).
 - d. If the amount to be paid exceeds Thirty Thousand Dollars (\$30,000.00), the approval of the City Council shall be first obtained.

2. That the City Manager is hereby authorized to allow, deny, allow in part, settle, or compromise any claims or action for money or damages by the City of Redwood City against another party, provided its disposition is not otherwise directed by the City Council or by statute, ordinance, resolution, insurance policy or self-insurance pooling agreement, subject to the following conditions:
 - a. For any matter of general liability, the amount to be paid pursuant to such allowance, settlement or compromise does not exceed Twenty-five Thousand Dollars (\$25,000.00).
 - b. If the amount to be paid exceeds Twenty-five Thousand Dollars (\$25,000.00), the approval of the City Council shall be first obtained.

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3. That the City Manager is hereby authorized to delegate his/her authority as set forth above, or any part thereof, subject to such conditions as he/she may deem appropriate, to any subordinate officer or employee of the City of Redwood City.
4. That Resolution No. 14476 is hereby repealed.
5. That this Resolution shall go into effect upon adoption.

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