



Legislation Text

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City Council Agenda

Memo to: Manteca City Council
From: Miranda Lutzow, Administrative Services Director
Date: September 17, 2019
Subject: Settlement Authority for Claims Policy

Adopt a resolution approving a policy on settlement authority for claims, authorizing the City Attorney to provide settlement authority of up to \$50,000 to settle undisputed general liability claims against the City of Manteca.

Background:

The City is a member of the Municipal Pooling Authority of Northern California (MPA), and as such, claims are processed through a third party administrator who investigates each claim and makes recommendations as to whether the City should accept and pay, or reject the claim. Historically, every claim has been brought to the City Council in Closed Session to either accept and authorize payment, or reject.

Analysis:

The City Council can choose to handle claims in three ways:

1. Council is currently handling claims under Government Code Sections 910.8, which states that the legislative body of a local public agency may resolve a claim against the local public agency.
2. Council has the ability to choose to delegate the handling of all claims to the MPA, regardless of the value of the claim, pursuant to Government Code Sections 910 et seq.
3. Council can delegate the handling of claims to an employee of the Agency, if the amount to be paid is less than \$50,000, pursuant to Government Code Section 935.4.

To promote the efficient resolution of minor and moderate value claims, staff is recommending Council delegate settlement authority of up to \$50,000 to the City Attorney. Council will retain the power and obligation to oversee and approve settlement of claims of a higher value. The Risk Management Division of the Administrative Services Department will provide a monthly report, to be included in the Council agenda packet, outlining all claims settled by the City Attorney in the previous month.

Fiscal Impact:

There is no fiscal impact for this item.

Documents Attached:

1. Attachment 1 - Resolution
2. Attachment 2 - Exhibit "A" to Resolution: Policy