

## **RESOLUTION NO. 11501**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ORANGE ADOPTED PURSUANT TO GOVERNMENT CODE SECTION 935.4 OF THE CALIFORNIA GOVERNMENT CLAIMS ACT (“ACT”) AUTHORIZING THE CITY MANAGER AND CITY ATTORNEY TO PERFORM ADMINISTRATIVE FUNCTIONS UNDER THE ACT AND AMENDING RESOLUTION NO. 8966 TO INCREASE THE SETTLEMENT AUTHORITY AMOUNTS FOR DESIGNATED EMPLOYEES FOR SETTLEMENT OF CIVIL LIABILITY CLAIMS AGAINST THE CITY**

**WHEREAS**, the California Government Claims Act, contained at California Government Code Section 810, et seq. (“Act”), requires, in part, that claims for money or damages be presented to the public entity to determine whether to accept or reject a claim; and

**WHEREAS**, Government Code Section 935.4 provides authority for a local public entity to authorize, by ordinance or resolution, an employee of that local public entity to perform claims procedures and functions required by the Act on behalf of the City; and

**WHEREAS**, those procedures and functions under the Act include, but are not limited to, the authority to reject, return as insufficient, or return as untimely, any claims against the City, or to otherwise make determinations concerning claims against the City, and to provide any notices authorized under those statutes on behalf of the City (“Administrative Functions”); and

**WHEREAS**, it is the City’s practice and policy that, after review, investigation and formulation of a recommendation by the designated employee, claims made under the Act are included on the agendas of regular City Council meetings and presented to the City Council for their formal “denial” (i.e., rejection); and

**WHEREAS**, Government Code Section 935.4 further provides that a local public entity, also by ordinance or resolution, may authorize an employee of the local public entity to resolve a claim against the local public entity; and

**WHEREAS**, specifically regarding settlement of claims, Government Code Section 935.4 authorizes a public employee of a general law city to allow, compromise, or settle a claim against the City for an amount not in excess of \$50,000; and

**WHEREAS**, pursuant to Government Code Section 935.2 and 935.4, on June 23, 1998, the City Council adopted Resolution No. 8966, establishing guidelines pertaining to the administration, investigation, allowance, compromise, and settlement of civil liability claims; and

**WHEREAS**, Resolution No. 8966 provided settlement authority to the Risk Manager, City Attorney, City Manager (and, as thereafter referenced in this Resolution, along with Finance Director, to also include their designees) for claims not covered by an insurance carrier, and also formally created, and provided authority to, a Claims Settlement Committee, which is to be composed of the City Attorney, City Manager, Finance Director, Risk Manager and another employee of the Department to which the claim is made; and

**WHEREAS**, Resolution No. 8966 was thereafter memorialized in Administrative Regulation 1.3, providing, generally, settlement authority to the Risk Manager for property damage claims up to and including \$2,000, the City Attorney for personal injury and property damage claims up to and including \$5,000, the City Attorney and City Manager for personal injury and property damage up to and including \$15,000 and the Claims Settlement Committee for all civil liability claims up to and including \$30,000, with all civil liability claims above \$30,000 requiring City Council approval ("Approved Levels");

**WHEREAS**, since 2004, there have been no changes made to Administrative Regulation No. 1.3 regarding settlement of claims against the City although Government Code Section 935.4 authorizes settlement by an employee of the local public entity up to and including \$50,000; and

**WHEREAS**, consideration by the City Council of each and every claim or action against the City, including Administrative Functions, can be inefficient and prevent the City Council from focusing on other matters of City business; and

**WHEREAS**, the City Council of the City of Orange hereby desires to: (1) delegate authority to the City Manager and City Attorney to perform Administrative Functions, thereby alleviating the necessity of placing certain matters before the City Council for action; and to (2) increase the amounts delineated in the Approved Levels contained in Resolution No. 8966 and Administrative Regulation 1.3 to allow, compromise or settle claims in specified amounts, up to and including \$50,000, commensurate with staff recommendations and the authority contained in Government Code Section 935.4.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council finds, resolves and orders as follows:

**SECTION 1.** The above recitals are true and correct.

**SECTION 2.** Pursuant to Government Code Section 934.5, the City Council of the City of Orange hereby authorizes the City Manager, with the concurrence of the City Attorney, or their designees, to perform Administrative Functions on behalf of the City.

**SECTION 3.** The City Council of the City of Orange hereby increases the amount of settlement authority for settlement of civil liability claims within the Approved Levels as follows:

<b>Official</b>	<b>Settlement Amount</b>
Risk Manager, with concurrence of the City Attorney	Up to \$5,000
City Attorney	\$5,001 to \$15,000
City Manager, with concurrence of the City Attorney	\$15,001 to \$30,000
Claims Settlement Committee	\$30,001 to \$50,000
City Council	Over \$50,000

**SECTION 4.** All provisions of Resolution No. 8966 not inconsistent with this Resolution shall remain in full force and effect. Administrative Regulation No. 1.3 shall be amended to be consistent with this Resolution.

**SECTION 5.** Nothing herein shall prevent the City Attorney and/or City Manager from presenting any claim to the City Council, for denial or settlement, in their sole and absolute discretion.

**ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2023

\_\_\_\_\_  
Daniel R. Slater, Mayor, City of Orange

**ATTEST:**

\_\_\_\_\_  
Pamela Coleman, City Clerk, City of Orange

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Mike Vigliotta, City Attorney

STATE OF CALIFORNIA    )  
COUNTY OF ORANGE     )  
CITY OF ORANGE         )

I, PAMELA COLEMAN, City Clerk of the City of Orange, California, do hereby certify that the foregoing Resolution was duly and regularly adopted by the City Council of the City of Orange at a regular meeting thereof held on the \_\_\_\_ day of \_\_\_\_\_, 2023 by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:

\_\_\_\_\_  
Pamela Coleman, City Clerk, City of Orange