RESOLUTION NO. 20-0119

A RESOLUTION OF THE MANHATTAN BEACH CITY COUNCIL TO INCREASE THE SETTLEMENT AUTHORITY OF THE CITY MANAGER FROM $25,000 TO $50,000, AUTHORIZE THE CITY MANAGER TO DELEGATE SUCH AUTHORITY TO A DESIGNEE, AND REPEAL ALL PRIOR RESOLUTIONS

RECITALS

A.   Since 1984, the City of Manhattan Beach ("City") has contracted with an outside contractor that serves as the City's Third Party Administrator ("TPA") for its liability program. The TPA, in conjunction with the City's Risk Manager, administers claims submitted to the City. It has been the City's practice that the TPA, in conjunction with the Risk Manager, investigates, rejects, returns as insufficient, or returns as untimely, claims submitted to the City.

B.   Government Code Section 910, et. seq. and Government Code Section 935.4 provide that the City Council may designate a person, including an employee, to perform the functions of the City Council under Part 3, Division 6, Title 1 (Section 900 et. Seq.) of the Government Code. In accordance with Government Code Section 935.4, the City Council previously adopted Resolution 4881 and Resolution 5342 to delegate authority to the City Manager to allow, compromise, settle, or reject claims on behalf of the City where the amount to be paid, compromised or settled does not exceed $25,000. The City Council subsequently adopted Resolution 12-6397 in 2012 to clarify the delegation of responsibilities consistent with the City's then current business practices, and delegated certain responsibilities to the City's Risk Manager and the City's Third Party Administrator pursuant to Government Code Section 910, *et seq.*, as to claims made against the City. Such delegation is hereby restated in Section 1 herein.

C.   The City now desires to increase the settlement authority of the City Manager from $25,000 to $50,000 and to authorize the City Manager to delegate such authority to a designee.

THE MANHATTAN BEACH CITY COUNCIL HEREBY RESOLVES AS FOLLOWS:

SECTION 1. Pursuant to Government Code Section 910, *et seq.*, the City Council authorizes the City's Risk Manager and/or Third Party Administrator to accept, reject, return as insufficient, or return as untimely, any claims against the City or otherwise make determinations concerning the form of claims, the sufficiency of claims presented, and the presentation of late claims, and to provide any notices authorized under those statutes on behalf of the City.

SECTION 2. Pursuant to Government Code Section 935.4, the City Council hereby authorizes the City Manager to allow, compromise, and settle as the best interests of the City may dictate, any and all claims up to a maximum of $50,000 each, and to take all appropriate steps to conclude any proceedings involving such claims. The City Manager is hereby authorized, ordered and directed to execute any agreements and other documents on behalf of the City that may be necessary to accomplish and complete any such allowance, compromise, or settlement.

SECTION 3. The City Manager is hereby authorized to delegate settlement authority to a designee.

SECTION 4. Settlement of claims that exceed $50,000 requires City Council approval.

SECTION 5. Rejection of claims are handled administratively by the City's Risk Manager and/or Third Party Administrator and do not require City Manager or City Council approval.

SECTION 6. The City's Risk Manager, Human Resources Director and City Manager are hereby authorized and directed, on behalf of the City Council, to make all approvals and take all actions necessary or appropriate to carry out and implement the intent of this Resolution.

SECTION 7. Nothing contained herein shall prevent the City Council from reviewing, considering or acting upon any claim or litigation matter at its sole and absolute discretion.

SECTION 8. Resolution 4881, Resolution 5342, and Resolution 12-6397 previously adopted by the City Council are hereby repealed in their entirety.

SECTION 9. This resolution shall become effective immediately upon adoption.

SECTION 10. The City Clerk shall certify to the passage and adoption of this resolution.

ADOPTED on October 6 2020.

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
RICHARD MONTGOMERY
ATTEST: Mayor

_____
LIZA TAMURA
City Clerk