

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA ESTABLISHING THE PROCEDURE FOR HANDLING MONEY OR DAMAGE CLAIMS AND LAWSUITS FILED AGAINST THE CITY OF SANTA BARBARA AND REPEALING RESOLUTION NOS. 7966, 8336, 8337, 83-172, AND 96-070.

WHEREAS, in 1976 the City of Santa Barbara adopted a self-insurance program for handling money or damage claims and lawsuits filed against the City of Santa Barbara;

WHEREAS, since 1976 the City Council has adopted several resolutions establishing various procedures for handling money or damage claims and lawsuits filed against the City of Santa Barbara; and

WHEREAS, after reviewing changes in state law and considering the needs to effectively administer the self-insurance program, the Risk Manager recommends the establishment of the following procedures for the handling of money or damage claims and lawsuits filed against the City of Santa Barbara.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA AS FOLLOWS:

1. All money or damage claims and lawsuits against the City of Santa Barbara shall be filed with the City Clerk. All officers and employees of the City of Santa Barbara shall refer requests or inquiries regarding a claim or lawsuit to Risk Management.
2. The City Clerk shall send a copy of each claim to the City Administrator or his/her designee for review to determine compliance with the provisions of the California Government code. If the claim is found to be in compliance, the City Administrator or his/her designee shall forward a copy of the claim to the City Attorney and the City of Santa Barbara's contract claims service agency for a review of the claim and consultation with the City Administrator or his/her designee concerning disposition thereof.
3. As authorized by California Government Code § 935.4, the City Administrator or his/her designee is hereby authorized to
  - a. Reject any claim, and
  - b. Settle any claim in an amount not to exceed payment from City funds of Thirty Five Thousand Dollars (\$35,000) per claim.

4. As authorized by Government Code § 949, the City Administrator or his/her designee is hereby authorized to settle pending litigation in an amount not to exceed payment from City funds of Thirty Five Thousand Dollars (\$35,000) per action. The Finance Director shall cause a warrant to be issued based on the authority specified in Paragraphs 3 and 4.
5. Settlement of any claim or lawsuit requiring payment from City funds in excess of Thirty Five Thousand Dollars (\$35,000) shall be presented to the City Council either by the City Administrator or his/her designee or by the City Attorney for action. Unless the City Council determines otherwise, City Council consideration of a proposed settlement, and any action thereon, shall be conducted in closed session.
6. Following action on a proposed settlement of a claim or lawsuit by the City Council, the City Administrator or his/her designee shall notify the claimant or plaintiff, or his/her designated representative, of the action taken. Where settlement of a claim or lawsuit involves nothing further than payment of money in exchange for release of the claim or dismissal of the lawsuit, the City Administrator or his/her designee or the City Attorney is authorized to implement any settlement authorized by the City Council.
7. Where settlement of a claim or lawsuit requires the execution of a written settlement agreement by the parties, the City Council shall consider the terms and conditions of the proposed settlement in closed session. If the Council approves settlement, it may designate the Mayor, a Councilmember, or other appropriate City representative to execute the agreement on behalf of the City following approval of the proposed agreement by the City Council as part of its consent agenda. Terms of the proposed settlement shall not be disclosed as part of the discussion concerning the consent agenda item if to do so would be contrary to state law, court order, or the agreement of the parties to the dispute or litigation.
8. As authorized by California Government Code § 935, any claim by the State or by a state department or agency or by any other local public entity is subject to the claims procedures set forth in this resolution.
9. This resolution supersedes and repeals Resolution Nos. 7966, 8336, 8337, 83-172, and 96-070, and applies to actions taken after the adoption hereof.