CITY OF MOUNTAIN VIEW RESOLUTION NO. SERIES 2024

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOUNTAIN VIEW
AMENDING CITY COUNCIL POLICY B-5 TO CHANGE THE TITLE OF THE POLICY TO
"CLAIMS & LITIGATION," CLARIFY AUTHORITY TO RESOLVE CLAIMS AND LITIGATION,
AND UPDATE PROCEDURES FOR HANDLING LIABILITY CLAIMS

WHEREAS, the City Council expressed an interest in reviewing City Council Policy B-5 for the purpose of considering clarifying amendments regarding the authority of the City Attorney and City Manager to manage liability claims and litigation; and

WHEREAS, on December 7, 2023, the Mountain View City Council Finance Committee ("CFC") held a duly noticed public meeting during which the CFC considered and discussed proposed amendments to City Council Policy B-5 to change the title of the policy to "Claims & Litigation," clarify the delegation of authority to manage claims and litigation, and update the procedures for handling liability claims; and

WHEREAS, the CFC voted to recommend City Council approval of all of the proposed amendments to City Council Policy B-5; now, therefore, be it

RESOLVED: that the City Council of the City of Mountain View hereby amends City Council Policy B-5 to change the title to Claims & Litigation, clarify authority to resolve claims and litigation, and to update procedures for handling liability claims as specifically set forth in Exhibit A, attached hereto; and be it

FURTHER RESOLVED: that this Resolution shall become effective immediately upon adoption.

JL/4/RESO 011-02-27-24r

Exhibit: A. Council Policy B-5, Claims & Litigation

CITY COUNCIL POLICY

SUBJECT: CLAIMS & LITIGATION NO.: B-5

PURPOSE:

To establish the responsibility and procedure for the disposition of liability claims and litigation.

POLICY:

- 1. The City Attorney shall have the following authority regarding the disposition of claims and litigation without further action by City Council:
 - a. To allow, compromise, and settle claims made under the California Government Claims Act (hereinafter "claims") in an amount not to exceed \$50,000.
 - b. To reject claims seeking damages in an amount <u>not</u> exceeding \$250,000.
 - c. To reject the following claims, regardless of amount demanded:
 - (1) Claims that do not have an amount stated.
 - (2) Unenforceable claims (e.g., if the City is not the proper party).
 - (3) Claims that can be tendered to a third-party for defense and/or indemnification.
 - (4) Frivolous claims. For purposes of this Policy, "frivolous claims" shall mean any claim that does not contain facts sufficient to demonstrate City liability.
 - d. To allow, compromise, and settle litigation in an amount not to exceed \$50,000.
 - e. To allow, compromise, and settle litigation in an amount between \$50,000.01 and \$100,000 with the concurrence of the City Manager.
 - f. Despite the authority provided above, the City Attorney may, in their discretion, present any claim or litigation matter to the City Council.
 - g. Consistent with the authority provided to the City Attorney for professional service agreements required for legal representation under Council Policy A-10, the City Attorney shall be authorized to approve and establish litigation budgets per lawsuit or appeal in an amount up to \$250,000 for Fiscal Year 2023-2024. This amount shall increase annually at the beginning of each fiscal year by the April Consumer Price

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Index for Urban Consumers (CPI-U) for San Francisco-Oakland-San Jose (or its successor index) as published by the U.S. Department of Labor or its successor agency and rounded to the nearest thousand; but in no event shall the amount decrease.

- 2. The following procedures shall govern all claims received by the City:
 - a. The City Clerk shall date-stamp all claims and lawsuits and forward to City Attorney.
 - b. The City Attorney shall log claims and lawsuits and send confidential requests for information to appropriate City departments. The Risk Manager shall set reserves and send information for loss run entry. Copies of the claim or lawsuit shall be given to the Risk Manager within five calendar days of receipt.
 - c. The Risk Manager shall review the claims and lawsuits when received and submit them to Third-Party Administrator ("TPA") for public liability/property damage third-party risk claims administration services and Medicare Secondary Payer mandatory reporting services, and any other related services pursuant to agreement.
 - d. When the City Attorney approves payment or partial payment, the City Attorney shall inform claimant, negotiate regarding terms of the settlement, obtain signed release of claims from claimant, and arrange for payment of the settlement upon receipt of signed release.
- 3. When claims or lawsuits that do not fall within Section 1 of this policy are proposed to be settled, paid, or rejected, the City Attorney shall place the claim on the City Council closed or open session agenda, whichever is legally appropriate, for consideration within 45 days of filing and submit a recommendation to Council for payment. The following procedure shall be used:
 - a. When settlement of a claim is approved by the Council, the City Attorney shall obtain a release of claims and arrange for payment of the settlement upon receipt of a signed release.
 - b. The City Attorney shall retain the file for a period consistent with the City's Retention Schedule.
 - c. When rejection of the claim is authorized by City Council, the City Attorney shall notify the claimant in accordance with applicable law.

CITY COUNCIL POLICY

SUBJECT: CLAIMS & LITIGATION NO.: B-5

- 4. An employee when asked, shall inform claimants that claims must be filed with the City Clerk. Employees shall not personally accept any claims shall seek legal assistance from the City Attorney before admitting responsibility for any act or omission as a City employee. All department reports of claims investigations should be marked confidential and treated as such.
- 5. The City Attorney shall submit a quarterly report to the City Council regarding all claims that have been paid or rejected. The report shall include the claimant's name, amount of claim, and brief a description of claim and the basis for settlement or rejection.

Revised: December 12, 2023, Resolution No.

Revised: December 4, 2018, Resolution No. 18280

Effective Date: February 23, 1993, Resolution No. 15541

CNL POL B05-501CP