



**OFFICE OF THE
CITY ATTORNEY**

SHARON SIEDORF CARDENAS
CITY ATTORNEY

THEODORE H. KOBAY, JR.
ASSISTANT CITY ATTORNEY

SR. DEPUTY CITY ATTORNEYS:
SAMUEL L. JACKSON
WILLIAM P. CARNAZZO

**CITY OF SACRAMENTO
CALIFORNIA**

March 29, 1991

921 TENTH STREET
SUITE 700
SACRAMENTO, CA
95814-2717

PH. 916-449-5346
FAX 916-449-6755

DEPUTY CITY ATTORNEYS:
EVELYN M. MATTEUCCI
DIANE B. BALTER
RICHARD F. ANTOINE
TAMARA MILLIGAN-HARMON
RICHARD E. ARCHIBALD
TIMOTHY N. WASHBURN
SABRINA M. THOMPSON
JOSEPH McINERNEY
JOE ROBINSON
LESLIE R. LOPEZ

Budget and Finance Committee
Sacramento, California

Honorable Members In Session:

SUBJECT: Increase of City Attorney Tort Settlement Authority

SUMMARY

This report recommends adoption of the attached resolution, which increases the present tort settlement authority of this office from \$15,000 to \$35,000. The settlement authority of this office was last increased March, 1983. The Council is authorized by Government Code §935.4 to delegate by resolution, in tort matters, settlement authority of up to \$50,000.

BACKGROUND

Presently, the City's independent tort claims adjusting service has authority in its own right to settle claims in an amount up to \$7,500. This office has settlement authority above that up to \$15,000. Settlements exceeding \$15,000 are negotiated as "proposed" or "recommended" settlements dependent upon City Council approval. The procedure for obtaining Council approval can be time consuming as it requires the preparation of a written report by this office and consideration of the proposed settlement by the Council in Executive Session. This commonly delays settlement for ten days or more and can result in approval delays of three weeks or longer, depending on the Council agenda.

The present authority hierarchy was established prior to 1986, at which time the maximum settlement authority delegable by the Council to this office (Government Code §935.4) was \$20,000. That section was amended effective January 1, 1990, to provide a \$50,000 ceiling.

In 1990, 21 requests for authority were presented to the Council in Executive Session. Of the 21, over 50% (12) recommended settlement in a sum between \$15,000 and \$35,000. To the best of my knowledge, all were approved by Council in the recommended amount.

In the context of current tort litigation and settlements, \$35,000 no longer represents major litigation or exposure. Increasing the authority of this office to \$35,000 will allow expeditious handling of such matters.

FINANCIAL DATA

The proposed increase will have no direct fiscal impact on the City. Indirectly, the City may benefit in certain cases because immediate settlements may be negotiated without the delay associated with placing a proposed settlement on the Council Executive Session agenda for approval. In certain cases, this will result in reduced defense costs to the City and/or advantageous terms.

POLICY CONSIDERATIONS

None are perceived. The resolution allows this office to settle ordinary tort matters in a sum up to \$35,000. Fiscal implications will not be solely determinative of what matters are presented to the Council in Executive Session. Cases presenting unique or critical issues, regardless of cost, will continue to be presented to the Council on an advisory basis.

RECOMMENDATION

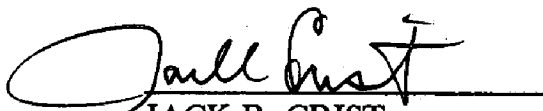
This report recommends adoption of the attached resolution, which would increase the tort settlement of this office from its present level of \$15,000 to \$35,000.



SHARON SIEDORF CARDENAS,
City Attorney

Att.

Recommendation Approved:


JACK R. CRIST
Deputy City Manager

Contact Person:

Sharon Siedorf Cardenas, 449-5346
Richard F. Antoine, 449-5346

April 9, 1991
All Districts

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

A RESOLUTION RELATING TO SETTLEMENT AUTHORITY IN TORT LIABILITY CASES

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO that:

1. The City Attorney is hereby authorized to approve on behalf of the City of Sacramento the settlement of tort liability litigation and claims when such settlement is in the amount of \$7,500 to \$35,000.

2. The City Council shall approve the settlement of tort liability litigation and claims when such settlement exceeds \$35,000.

Mayor

ATTEST:

City Clerk

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____