



## **CITY OF SALINAS COUNCIL STAFF REPORT**

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**DATE:** April 22, 2025

**DEPARTMENT:** OFFICE OF THE CITY ATTORNEY

**FROM:** CHRISTOPHER A. CALLIHAN, CITY ATTORNEY

**TITLE:** RESOLUTION DELEGATING SETTLEMENT AUTHORITY TO THE CITY ATTORNEY

### RECOMMENDATION MOTION:

It is recommended that the City Council approve a Resolution delegating authority to settle claims and pending actions against the City, including liability claims and Worker's Compensation claims, that do not exceed two hundred fifty thousand dollars (\$250,000) to the City Attorney.

### EXECUTIVE SUMMARY:

From 1994 to 2022, the level of settlement authority delegated with respect to pending claims and actions remained unchanged at \$20,000. In 2022, the City Council increased the settlement authority to the City Attorney in the amount not to exceed \$50,000. The present action to increase the delegation of settlement authority is consistent with the Salinas Charter and with state law and will reduce the need for Council to consider most settlements as part of closed session.

### DISCUSSION:

Salinas Charter Section 16.1 provides that "The Council may, by ordinance or resolution, prescribe the procedure for filing, handling, disposing and dealing with any other aspect of claims for damage against the City." Similarly, Government Code Sections 935.4 allows the Council by resolution to authorize an employee of the City to allow, compromise, or settle a claim against the City which would otherwise be filled and borne by the City Council. Government Code Section 949 allows the Council to delegate its authority to its attorney or employee to compromise any pending action.

The proposed increase in the delegation of authority would allow for the early resolution of most claims without the need for City Council consideration. The proposed increase is more aligned with current fiscal realities and with the purchasing authority recently delegated to the City Manager in the amount of \$250,000 (Salinas Municipal Code sections 12-21 and 12-22). The City Council will still receive reports related to settled claims and the status of on-going matters.

#### CEQA CONSIDERATION:

The City Council's consideration and approval of the Resolution is not a project subject to review under the California Environmental Quality Act because it can be seen with certainty that it will not have a significant effect or physical change to the environment. (CEQA Guidelines Section 15061(b)(3)).

#### STRATEGIC PLAN INITIATIVE:

The City Council's approval of the Resolution is consistent with the City Council's goal to promote and effective and culturally responsive government by bringing additional efficiency. (2022-2025 Goals)

#### FISCAL AND SUSTAINABILITY IMPACT:

Increasing the settlement authority deleted from the City Council to the City Attorney is not expected to have an overall impact on the total amount budgeted and spent in defense and settlement of claims and lawsuits brought against the City. Increased efficiencies in resolving certain claims and lawsuits, without the need for occupying the City Council's time, may result in some cost savings due to reductions in staff time associated with agenda preparation and attendance at closed sessions.

#### DEPARTMENTAL COORDINATIONS

The Resolution requires the coordination of the City Manager, City Attorney, and the City Council. No other departments are affected by this Resolution.

#### ATTACHMENTS:

Resolution

**RESOLUTION NO. \_\_\_\_\_ (N.C.S.)**

**A RESOLUTION DELEGATING SETTLEMENT AUTHORITY**

BE IT RESOLVED BY THE COUNCIL OF SALINAS that the City Council delegates to the City Attorney authority to allow, compromise, or settle claims, including liability claims and Worker's Compensation claims, within settlement authority limits not to exceed two hundred fifty thousand dollars (\$250,000).

PASSED AND APPROVED this 22nd day of April 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

\_\_\_\_\_  
Dennis Donohue, Mayor

ATTEST:

\_\_\_\_\_  
Patricia M. Barajas, City Clerk