

**TAB 6**



# City of Palmetto Agenda Item

**Meeting Date**

1/4/10

**Presenter:** Mark Barnebey/Jim Freeman

**Department:** City Attorney/City Clerk

**Title:** Ordinance 2010-02 Settlement Authority Ordinance

**Background:**

The City occasionally receives claims which could be settled efficiently and expeditiously without the need for City Commission review and approval. The allowance of such settlements for amounts of \$10,000.00 or less would aid in limiting costs and expenses in litigation and would provide incentive to some litigants to settle matters without having a full review by the City Commission.

**Discussion:**

This ordinance has been the subject of two workshops. It generally provides authority for the City Clerk to approve settlements of claims up to \$10,000.00 if the settlement is in the best interest of the City, and expeditious settlement would be beneficial to the City. Any settlement amount over \$1,000.00 requires City Attorney review and approval. Based on discussion with City Commission, provisions were added to require a summary of each claim provided to the Commission prior to any settlement and City City Commission notification in a public meeting if settlements under the Ordinance in any fiscal year exceed \$30,000.00.

**Budgeted Amount:** \$0.00    **Budget Page No(s):**    **Available Amount:** \$0.00    **Expenditure Amount:** \$0.00

**Additional Budgetary Information:**

**Funding Source(s):**    **Sufficient Funds Available:**  Yes  No    **Budget Amendment Required:**  Yes  No    **Source:**

**City Attorney Reviewed:**  Yes  No  N/A    **Advisory Board Recommendation:**  For  Against  N/A    **Consistent With:**  Yes  No  N/A

**Potential Motion/Direction Requested:** I move to approve Ordinance 2010-02.

**Staff Contact:** Mark Barnebey/Jim Freeman

**Attachments:** Draft Ordinance 2010-02.

## **ORDINANCE 2010-02**

**AN ORDINANCE OF THE CITY OF PALMETTO AUTHORIZING THE CITY CLERK, PURSUANT TO THE CITY'S RISK MANAGEMENT AND INSURANCE PROGRAM, TO SETTLE CERTAIN CLAIMS MADE AGAINST THE CITY OF PALMETTO; PROVIDING FOR THE AUTHORITY OF THE CITY CLERK TO AUTHORIZE THE ISSUANCE OF SETTLEMENT CHECKS; PROVIDING SEVERABILITY AND AN EFFECTIVE DATE.**

WHEREAS, in order to efficiently administer the City's risk management program, the City Clerk shall be authorized to settle certain claims without first seeking approval of the City Commission, provided that the proposed settlement does not exceed threshold amount established herein.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF PALMETTO, FLORIDA, AS FOLLOWS:

SECTION 1. The City Commission authorizes the City Clerk to compromise or settle property, liability and workers' compensation claims brought against the City of Palmetto, after taking into consideration the following factors: (1) the Risk Analysis Report for the claim prepared by the Risk Manager or his or her designee; (2) whether settlement is in the best interests of the City taking into consideration the cost and risk of proceeding further; and (3) the benefit to the City of an expeditious settlement of the claim. Prior to settling any claim, a description of the claim shall be provided to the Commission for their information by the Risk Manager. No property, liability, or worker's compensation claim in excess of One Thousand Dollars (\$1,000.00) shall be compromised or settled by the City Clerk pursuant to this Section unless a written recommendation of approval of such compromise or settlement is first obtained from an attorney representing the City. The Settlement Authority for the City Clerk shall not exceed Ten Thousand Dollars (\$10,000.00), and no such claim shall be settled pursuant to this Section without an appropriate release and indemnification and hold harmless for the benefit of the City as approved by the City Attorney. Once the cumulative amount of any settlements authorized pursuant to this Ordinance exceeds Thirty Thousand Dollars (\$30,000.00) in any fiscal year, no further settlements may be approved during that fiscal year until the Mayor and City Commission have been informed through an agendaed matter during a regular meeting of the City Commission.

SECTION 2. The City Clerk shall have Settlement Check authority which shall not exceed Ten Thousand Dollars (\$10,000.00) and shall be consistent with any settlement reached pursuant to Section 1 herein. Said authority shall be ministerial in nature and shall not confer any authority to the Mayor or City Commission to overrule settlement decisions rendered pursuant to Section 1 of this Ordinance.

SECTION 3. Severability. In the event that any portion or section of this Ordinance is determined to be invalid, illegal or unconstitutional by a court of competent jurisdiction, such decision shall in no manner affect the remaining portions or sections of this Ordinance which shall remain in full force and effect.

SECTION 4. Effective Date. This Ordinance shall take effect as provided for by law and by City Charter, Section 14, upon execution by the Mayor or, if disapproval occurs, upon reconsideration by the City Commission and passing of the Ordinance by at least four (4) votes.

<b>FIRST READING</b>	December 21, 2009
<b>PUBLICATION DATE</b>	December 24, 2009
<b>SECOND READING</b>	January 4, 2010

**PASSED AND DULY ADOPTED**, BY THE CITY COMMISSION OF THE CITY OF PALMETTO, FLORIDA, with a quorum present and voting, in regular session assembled, this 4<sup>th</sup> day of January, 2010

CITY OF PALMETTO, FLORIDA, BY  
AND THROUGH THE CITY  
COMMISSION OF THE CITY OF  
PALMETTO

By:

\_\_\_\_\_  
Shirley Groover Bryant, Mayor

ATTEST:

By: \_\_\_\_\_  
James R. Freeman, City Clerk