

CITY OF ALAMEDA ORDINANCE NO. _____
New Series

AMENDING THE ALAMEDA MUNICIPAL CODE BY REVISING SECTION 2-59.3 (LIMITATION AND POWER TO MAKE CONTRACTS) OF ARTICLE IV (CONTRACTS) OF CHAPTER II (ADMINISTRATION) AUTHORIZING THE CITY MANAGER AND THE CITY ATTORNEY TO SETTLE LIABILITY CLAIMS UP TO \$75,000 UNLESS OTHERWISE LIMITED BY LAW AND TO SETTLE LIABILITY CLAIMS INVOLVING PAYMENTS BY EXCESS LIABILITY COVERAGE

WHEREAS, pursuant to labor law requirements of the State of California, the City participates in California's workers' compensation program; and

WHEREAS, the State has established requirements for workers' compensation benefits; and

WHEREAS, the City's workers' compensation program is conducted in accordance with State laws; and

WHEREAS, authorization to approve liability payments, including workers' compensation payments, up to \$75,000 is consistent with the City's existing purchasing policy and would permit the City Attorney's Office and City Manager's Office to efficiently administer claims; and

WHEREAS, efficient administration of claims by the City Attorney's Office and City Manager's Office would be furthered by authorization to proceed with settlements for amounts above a Self-Insured Retention where entities providing excess coverage have also given approval.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ALAMEDA DOES ORDAIN AS FOLLOWS:

Section 1. Section 2-59.3 (Limitation and Power to Make Contracts) of Article IV (CONTRACTS) of Chapter II (ADMINISTRATION) of the Code of the City of Alameda is hereby amended to read as follows:

2-59.3 Limitation and Power to Make Contracts

- (a) Except as otherwise provided in the Charter or this Code, no employee of the City shall make any contract, obligating the City, or any department of the City, to make or receive payments of money or other valuable consideration for a period longer than five (5) years, unless such contract shall have been first approved by the Council.
- (b) For the purpose of this section, a contract obligating the City, or any operational department of the City, to make or receive payments or other

valuable consideration for a period longer than five (5) years, shall include a contract which contains a provision, such as, but not limited to, an option clause, which allows for a cumulative period longer than five (5) years, said period calculated as of the date of execution of the contract.

(c) Except as otherwise authorized by the Council, cContracts for personal or professional services involving specialized knowledge, including, without limitation, architects, engineers, or accountants, in the amount of seventy-five thousand dollars (\$75,000.00) or more must be approved by Council.

(d) [Reserved]

(e) Settlement or comprise of any liability of the City, including workers' compensation compromise and release settlements, in excess of either seventy-five thousand dollars (\$75,000.00) or otherwise applicable statutory limits for delegation must be approved by the Council. The City Manager and the City Attorney are authorized to settle or compromise any such liability of the City when the amount necessary to be expended in order to settle or compromise such liability does not exceed either seventy-five thousand dollars (\$75,000.00) or any otherwise applicable statutory limitation below seventy-five thousand dollars (\$75,000), without the necessity of first receiving approval of the City Council. The City Manager and the City Attorney are also authorized to settle or compromise any such liability of the City when the amount necessary to be expended in order to settle or compromise such liability exceeds a self-insured retention amount by the City and an entity providing excess coverage for the liability authorizes payments for the settlement or compromise.

Section 2. SEVERABILITY

If any section, subsection, sentence, clause or phrase of this ordinance, for any reason, is held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The City Council of the City of Alameda hereby declares that it would have passed this ordinance, and each section, subsections, clause, or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases are declared to be invalid and unconstitutional.

Section 3: IMPLIED REPEAL

Any provision of the Alameda Municipal Code inconsistent with this Ordinance, to the extent of such inconsistencies and no further, is hereby repealed or modified to the extent necessary to effectuate this Ordinance.

Section 4: CEQA DETERMINATION

The City Council finds and determines that the adoption of this ordinance is exempt from review under the California Environmental Quality Act (CEQA) pursuant to the following, each a separate and independent basis: CEQA Guidelines, Section 15378 (not a project) and Section 15061(b)(3) (no significant environmental impact).

Section 5: EFFECTIVE DATE

This Ordinance shall be in full force and effect from and after the expiration of thirty (30) days from the date of its final passage.

* * * * *

I, the undersigned, hereby certify that the foregoing ordinance was duly and regularly adopted and passed by the Council of the City of Alameda in a regular meeting assembled on the ____ day of _____ 2020, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSENTIONS:

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the official seal of said City this ____ day of _____ 2020.

Lara Weisiger, City Clerk
City of Alameda

APPROVED AS TO FORM:

Yibin Shen, City Attorney
City of Alameda