



Agenda Item No: 1.f

PLACENTIA CITY COUNCIL AGENDA REPORT

Meeting Date: September 16, 2025

Submitted by: Rosanna Ramirez

From: Administrative Services

Subject:

Resolution to Adopt Amendments to the City of Placentia Policy and Procedures Manual, Claims Settlement Authorization Policy No. 407

Financial Impact:

Fiscal Impact:

None

Summary:

California Government Code Sections 935.4 and 949 permit the City Council, by resolution, to delegate authority to City Staff to pay, compromise, or settle pending claims. On August 19, 2008, the City Council adopted Resolution No. R-2008-74, which amended Policy No. 407 of the City's Policy and Procedures Manual to increase the City Administrator's claims settlement authority from \$10,000 to \$25,000. The purpose of this policy amendment was to create consistency with the City Administrator's purchasing authority at the time, which was also \$25,000.

On December 7, 2021, the City Council adopted Ordinance No. O-2021-13, which amended Section 3.08.085 of the Placentia Municipal Code to increase the City Administrator's purchasing authority to \$40,000. To remain consistent with the City Administrator's purchasing authority, Staff recommends amending Policy No. 407 to increase the City Administrator's claims settlement authority from \$25,000 to \$40,000. Staff also recommends amending Policy No. 407 to authorize the City Administrator to designate the Deputy City Administrator to settle claims up to \$5,000. Under the amended policy, claim settlements greater than \$40,000 will require approval from the City Council. The City Council will also continue to approve the annual budget allocated to claim and lawsuit settlements.

Recommendation:

Recommended Action: It is recommended that the City Council:

1. Adopt Resolution No. R-2025-47, a Resolution of the City Council of the City of Placentia, Approving and Adopting Amendments to the City of Placentia Policy and Procedures Manual, Claims Settlement Authorization Policy No. 407.

Strategic Plan Statement:

There is no specific Strategic Plan Goal or Objective associated with this Council action.

Discussion:

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These proposed policy amendments are consistent with state law and will reduce the need for City Council to consider modest settlements as part of closed session. In addition, delegating settlement authority to City Staff will help expedite the resolution of certain claims and save costs by limiting exposure to ongoing or potential litigation. Under the amended policy, claim settlements greater than \$40,000 will require approval from the City Council. The City Council will also continue to approve the annual budget allocated to claim and lawsuit settlements.

Fiscal Impact Summary:

There is no fiscal impact to this action.

Attachments

[Attachment 2 - Policy No. 407 Claims Settlement Authorization
Resolution No. R-2025-47.docx](#)