

## BOARD POLICY

Category: *Board and General  
Administrative Matters*

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### **Claims and Lawsuits Settlement Authorizations**

#### **PURPOSE**

To identify the authority delegated by the Board of Directors to the Risk Manager, the General Manager and the General Counsel regarding the settlement of claims and lawsuits brought against the District by third parties.

#### **DELEGATION**

In accordance with Government Code section 935.4, the Board of Directors delegates to the Risk Manager, the General Manager and the General Counsel the authority to settle claims and lawsuits brought by third parties as spelled out in Resolution No. 1155 attached to and incorporated into this Policy.

#### **REPORTING**

During each calendar quarter, the Board of Directors shall receive a report through the General Counsel advising the Board of settlements authorized under Resolution No. 1155.

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Adopted: 5/79, 7/88

**ALAMEDA-CONTRA COSTA TRANSIT DISTRICT**

**RESOLUTION NO. 1155**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ALAMEDA-CONTRA COSTA TRANSIT DISTRICT ESTABLISHING THE AUTHORITY FOR THE SETTLEMENT OF CLAIMS AND LAWSUITS AND REPEALING RESOLUTIONS NO. 668 AND 471.**

WHEREAS, California Government Code section 935.4 authorizes the Board of Directors to delegate authority for the settlement of claims filed against the District by third parties under the California Tort Claims Act (Government Code section 900, et seq.); and

WHEREAS, Transit District Law (Public Utilities Code section 24938) requires the General Counsel to take charge of all suits and other legal matters to which the District is a party or in which it is legally interested; and

WHEREAS, the Board adopted Resolution No. 471 (Resolution Establishing Certain Authorizations and Responsibilities of the General Manager, Claims Manager, Claims Supervisor, Claims Adjuster or Trial Attorney with Relation to the Settlement and payment of Claims) on May 9, 1979 and Resolution No. 668 (Resolution Delegating to Risk Manager and Assistant Risk Manager Authority to Handle All Phases of the Claims Procedure, Including Consideration and Approval or Rejection of All Claims Filed Pursuant to the California Tort Claims Act) on July 27, 1989; and

WHEREAS, these resolutions reference positions and practices which no longer exist in the District or have been superceded; and

WHEREAS, it is the purpose of this resolution to update the authority for the handling of claims and litigation which are filed against the District;

NOW, THEREFORE, the Board of Directors of the Alameda-Contra Costa Transit District does resolve as follows:

**SECTION 1.** In accordance with California Government Code section 935.4, the Board of Directors delegates the authority to settle claims and or litigation to the positions and in the amounts identified below:

**A. Claims.**

1. The Risk Manager, or his/her designee, is authorized and directed to handle all phases of the Claims Procedure, including but not limited to, the following:
  - a. Initial consideration and approval or denial of all claims filed with the District pursuant to the California Tort Claims Act ;
  - b. Consideration of late claims applications.

2. The Risk Manager, or his/her designee, may allow, compromise or settle a claim for personal injury or property damage which does not exceed Fifteen Thousand dollars (\$15,000.00).
3. The General Manager, with the concurrence of the Risk Manager and the General Counsel, shall approve any allowance, compromise or settlement of a claim for personal injury or property damage which exceeds Fifteen Thousand dollars (\$15,000.00) but does not exceed Thirty Thousand dollars (\$30,000.00).
4. The approval of the Board of Directors shall be required for any allowance, compromise or settlement of a claim for personal injury or property damage in excess of Thirty Thousand (\$30,000.00), as recommended by the General Counsel, with the concurrence of the General Manager and the Risk Manager.

**B. Litigation.**

1. The General Counsel, or his/her designee, may compromise or settle a suit against the District for personal injury or property damage which does not exceed Fifteen Thousand dollars (\$15,000.00).
2. The General Counsel, with the concurrence of the General Manager and input of the Risk Manager, shall approve any compromise or settlement of a suit against the District for personal injury or property damage which does not exceed thirty Thousand dollars (\$30,000.00).
3. The approval of the Board of Directors shall be required for any compromise or settlement of a suit against the District for personal injury or property damage in excess of Thirty Thousand dollars (\$30,000.00), based on the recommendation of the General Counsel, with the concurrence of the General Manager and input of the Risk Manager.

**C. Claims and Litigation Involving More than One Party Arising from a Single Accident/Incident (Aggregate Cases)**

1. Property damage settlements will be processed as separate matters even if injury claims arise from the same accident/incident. Thus, it will not be required to add the amount of a property damage settlement to a personal injury settlement in determining the settlement authority thresholds contained in Sections 1A and 1B above.
2. Multiple claims/cases arising from the same accident/incident which have an aggregate exposure in excess of \$30,000 will be reported to the Board in the Quarterly Litigation Report.

3. Individual claims/cases arising from the same incident/accident whose settlements exceed \$30,000 will be approved by the Board of Directors pursuant to the procedures set forth in Sections 1A and 1B above. Claims or cases whose individual settlement amount is \$30,000 or below will be approved at the appropriate administrative level set forth in Sections 1A and 1B above.
4. After all individual claims/cases that arise from a single accident/incident have been resolved, a final tally of the number of claimants/plaintiffs and the aggregate amount of the combined settlements will be reported to the Board in the Quarterly Litigation Report.

**D. Risk Management/Office of General Counsel Review of Claims/Litigation.**

Prior to the consideration of allowing, compromising or settling any claims or litigation in excess of Fifteen Thousand dollars (\$15,000.00), as identified above, the Risk Management Department and the Office of the General Counsel shall meet and discuss the advantages and disadvantages of any proposed allowance, compromise or settlement. The views of the individuals from each department shall be considered by the Risk Manager and the General Counsel in making the determination on the disposition of the claim or the litigation in accordance with the provisions of this resolution as set forth above.

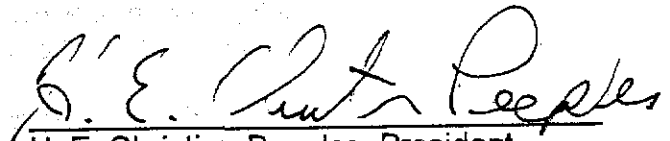
**SECTION 2.** The Treasurer-Controller of the District shall cause a warrant to be issued upon the treasury of the District in the following circumstances:

- A. Upon the written order of the Risk Manager, or his/her designee, for allowances, compromises or settlements within the Risk Manager's authority as specified in Section 1, above.
- B. Upon the written order of the General Counsel, or his/her designee, for compromises or settlements within the General Counsel's authority as specified in Section 1, above.
- C. Upon the written order of the General Manager, or his/her designee, for allowances, compromises or settlements within the General Manager's authority, as specified in Section 1, above.
- D. Upon approval by the Board of Directors, as specified in Section 1, above.

**SECTION 3.** Resolutions No. 471 and 668 and any other resolutions, motions, or actions of the Board of Directors which are inconsistent with the contents of this resolution are repealed in their entirety.

**SECTION 4.** This resolution shall become effective immediately upon its passage by four affirmative votes of the Board of Directors.

PASSED AND ADOPTED THIS 26th day of April, 2000.

  
H. E. Christian Peeples, President

ATTEST:

  
Frances Miller-Rogers, District Secretary

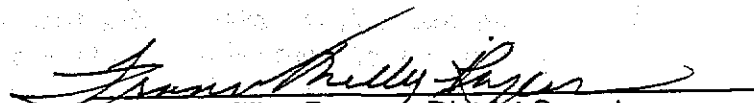
I, Frances Miller-Rogers, District Secretary for the Alameda-Contra Costa Transit District, do hereby certify that the foregoing Resolution was passed and adopted at a Meeting of the Board of Directors held on the 26th day of April 2000, by the following roll call vote:

AYES: Directors Williams, Hawley, Creason, Piras, and President Peeples

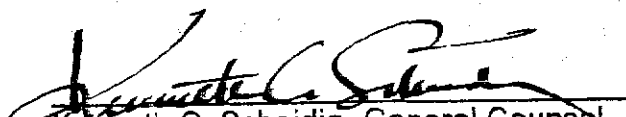
NOES: None

ABSENT: Directors Cross and Vice President Killian

ABSTAIN: None:

  
Frances Miller-Rogers, District Secretary

Approved as to Form:

  
Kenneth C. Scheidig, General Counsel