

**City of Sparks  
City Council Agenda Item**

**Meeting Date:** September 11, 2000

**Subject:** An ordinance authorizing the City Manager and Risk Manager to settle certain claims for and against the City, requiring that settled claims be reported to the City Council and authorizing the appointment of a Risk Management Committee.

**Petitioner:** Chester H. Adams, City Attorney and Randy Waterman, Risk Manager

**Recommendation:** The staff recommends that the Council conduct a public hearing at this time and adopt the bill as drafted or amended.

**Financial Impact:** None.

**Business Impact** (per NRS Chapter 237):

A Business Impact Statement is attached.

A Business Impact Statement is not required because

this is not a rule;

this is a rule but does not impose a direct and significant economic burden on a business, or directly restrict the formation, operation or expansion of a business;

this is a rule but we do not have the authority under federal or state law or under a contract into which we have entered to consider less stringent measures;

this is a rule but emergency action is necessary to protect the public health and safety (requires unanimous vote of Council and cannot be in effect more than six months).

**Background/Analysis/Alternatives**

**I. BACKGROUND/ANALYSIS**

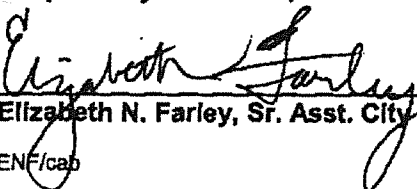
Our code currently gives the City Attorney \$500 in settlement authority, and \$1,000 with the City Manager's permission. Resolution 2143, which was enacted by the City Council on October 14, 1991, conflicts with our code in that it authorizes the City Manager to settle claims up to \$10,000.

The proposed ordinance will authorize the City Manager to settle claims up to \$25,000 mirroring the City Manager's purchasing authority, and will authorize the Risk Manager to settle claims up to \$1,500, while repealing the City Attorney's ability to settle claims up to \$500 and Resolution 2143 in its entirety. The proposed ordinance will also permit the City Manager to appoint a Risk Management Committee which will report directly to the City Manager. (The Risk Management Committee was previously authorized by resolution). Finally, the proposed ordinance will require all settlements to be reported to the City Council at least once a month in accordance with Sparks City Charter § 3.020(i).

**II. ALTERNATIVES**

The City Council may adopt the ordinance as proposed, may adopt portions of the proposed ordinance, or may reject the proposed ordinance in its entirety.

Respectfully submitted,

  
Elizabeth N. Farley, Sr. Asst. City Attorney  
ENF/cab

Approved:

  
Shaun D. Carey, City Manager

BILL 2243

Agenda Item **7.1**



CITY MANAGER TO SETTLE CLAIMS/APPT OF RISK COMM

~~6.11(3)~~  
8.28.00

BILL NO. 2243

INTRODUCED BY COUNCIL 7.1(2)

ORDINANCE NO. 2081

9.11.00

AN ORDINANCE ADDING A NEW SECTION TO TITLE 2 CHAPTER 27 CONCERNING DELEGATION OF AUTHORITY BY GIVING THE CITY MANAGER THE ABILITY TO SETTLE CLAIMS AGAINST THE CITY UP TO \$25,000; AUTHORIZING THE CITY MANAGER TO DELEGATE UP TO \$1,500 OF THIS AUTHORITY TO THE RISK MANAGER; FURTHER AUTHORIZING THE CITY MANAGER TO APPOINT A RISK MANAGEMENT COMMITTEE; REPEALING THE CITY ATTORNEY'S AUTHORITY TO SETTLE CERTAIN CLAIMS; REPEALING RESOLUTION 2143 PASSED BY THE CITY COUNCIL ON OCTOBER 14, 1991; AND PROVIDING OTHER MATTERS PROPERLY RELATED THERETO.

THE CITY COUNCIL OF THE CITY OF SPARKS DOES ORDAIN:

Section 1. Section 2.05.020 is hereby amended to read as follows

**2.05.020 Duties of city attorney.**

The city attorney shall:

- A. Prosecute all actions or proceedings in the municipal court for the violation of any ordinance of the city;
- B. Represent the city in all actions specified in subsection 3 of NRS 266.555 in the municipal court in which the city is a party;
- C. Represent the city in all appeals to the district court from the municipal court;
- D. Advise the city council or its committees or any city officer, when requested, upon all legal questions arising in the conduct of the city business;
- E. Prepare or revise ordinances when so requested by the city council or any committee thereof;
- F. Give his opinion upon any legal matter or question submitted to him by the city council, or any of its committees, or by any city officer;
- G. Attend all regular, special and emergency meetings of the city council, and may attend executive sessions concerning public officers as provided in chapter 241 of NRS;
- H. Prepare for execution all contracts and instruments to which the city is a party and shall approve, as to form, all bonds required to be submitted to the city;
- I. Commence civil actions in which the city is a party only upon the express prior permission of the city council, except those cases in which the city council or staff is a party and civil actions in municipal court, and defend the city in all civil actions in which it is a defending party;
- J. ~~Have the power to adjust, settle, compromise or submit to arbitration, any action, causes of action, accounts, debts, claims, demands and disputes for or against the city or in which the city is concerned as debtor or creditor, now existing or which may hereafter arise, not involving or requiring payment to exceed five hundred dollars and, with the permission of the city manager, may do likewise in matters not involving or requiring payment to exceed one thousand dollars, provided the money to settle claims generally has been appropriated and is available therefore. In all other cases, the express prior consent of the city council shall be required for any adjustment, settlement or compromise of any claims or agreement to submit any such claims to arbitration;~~  
*Have the power to submit to arbitration any action, causes of action, accounts, debts, claims, complaints, demands and disputes for or against the city or in which the city is concerned as debtor or creditor;*



CITY MANAGER TO SETTLE CLAIMS/APPT OF RISK COMM

~~6.11(4)~~  
~~8.28.00~~  
7.1(3)  
9.11.00

- K. Report in writing to the city manager and city council the outcome of any litigation in which the city has an interest within twenty-four hours after the conclusion of such litigation;
- L. Make a biweekly written report to the mayor and city council of all pending litigation and the status thereof, including but not limited to cases in the municipal court in which the city has an interest;
- M. Keep a complete record of all written opinions furnished by him;
- N. Deliver all records, documents and property of every description in his possession, belonging to his office or to the city, to his successor in office, who shall give him a receipt therefore;
- O. The city attorney may appoint such deputies as may be necessary subject to the approval of the city council.

(Ord. 1306 § 1, 1981.)

**Section 2. A new Section 2.27.030 is hereby added to read as follows**

**2.27.030 Settlement of Claims up to \$25,000; Appointment of a Risk Management Committee.**

- A. *The City Manager may settle claims up to a maximum amount of \$25,000.00. The City Manager may also authorize the Risk Manager to settle claims up to a maximum amount of \$1,500.00. All settlements must be reported to the City Council at least once a month in accordance with Sparks City Charter § 3.020(i).*
- B. *The City Manager may appoint a Risk Management Committee to make recommendations to him on such claims.*
- C. *For purposes of this section, "claim" means any action, cause of action, account, debt, claim, complaint, demand and dispute for or against the City of Sparks, its officers, employees, agents and representatives.*

**SECTION 3:** All ordinances or parts of ordinances in conflict herewith are hereby repealed. *Resolution 2143 passed by City Council on October 14, 1991 is also hereby repealed.*

**SECTION 4:** The City Clerk is instructed and authorized to publish the title to this ordinance as provided by law.

**SECTION 5:** This ordinance shall become effective upon passage, approval and publication.

**SECTION 6:** The provisions of this ordinance shall be liberally construed to effectively carry out its purposes in the interest of the public health, safety, welfare and convenience.

**SECTION 7:** If any subsection, phrase, sentence or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions.

**SECTION 8:** The City Council finds that this ordinance is not likely to impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business, or is otherwise exempt from Nevada Revised Statutes Chapter 237.

**PASSED AND ADOPTED** this 11th day of SEPTEMBER, 2000, by the following vote of the City Council:



CITY MANAGER TO SETTLE CLAIMS/APPT OF RISK COMM

~~6.11(5)~~  
8.28.00  
7.1(4)  
9.11.00

AYES: MAYER, MARTINI, CARRIGAN

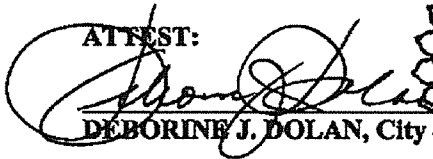
NAYS: SALERNO, ZIVE

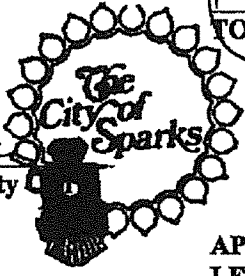
ABSTAIN: NONE

ABSENT: NONE

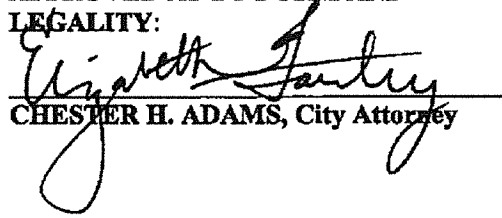
APPROVED this 11th day of SEPTEMBER, 2000, by:

  
TONY ARMSTRONG, Mayor

ATTEST:  
  
DEBORINE J. DOLAN, City Clerk  
(PUB. 9/13/2000)



APPROVED AS TO FORM AND LEGALITY:

  
CHESTER H. ADAMS, City Attorney

