



## STAFF REPORT

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**DATE:** December 13, 2021

**TO:** Sacramento Regional Transit Board of Directors

**FROM:** Brent Bernegger, VP, Finance/CFO

**SUBJ:** ADOPT THE AMENDED AND RESTATED TITLE V ORDINANCE NO. 21-12-01, "PROVIDING A SPECIAL CLAIMS PROCEDURE" OF SACRT'S ADMINISTRATIVE CODE AND TO RESCIND ORDINANCE NO. 06-02-01 AND RESOLUTION NOS. 98-12-3249 AND 21-03-0015

### RECOMMENDATION

Adopt Ordinance.

Adopt the amended and restated Title V Ordinance No. 21-12-01, "Providing A Special Claims Procedure" of SacRT's Administrative Code and to rescind Ordinance No. 06-02-01 and Resolution Nos. 98-12-3249, and 21-03-0015.

### RESULT OF RECOMMENDED ACTION

Would adopt recommended changes to Title V of the Administrative Code and rescind one Ordinance and two previously adopted claims related Resolutions, the terms of which either conflict with or will now be incorporated into Title V of the Administrative Code.

### FISCAL IMPACT

Some minimal cost savings, as a result of not having to prepare or incur additional documentation, support, and administrative expenses associated with bringing settlement items to closed session and would increase operational efficiency by allowing settlement offers to be processed more quickly.

### DISCUSSION

At the October 25, 2021 meeting, the Board of Directors waived the First Reading of Ordinance No. 21-12-01, Amending and Restating Title V, Providing A Special Claims Procedure, of the SacRT Administrative Code. The proposed changes to Title V are described in detail in the Staff Report for the October 25, 2021 Board meeting, but are summarized below.

Government Code sections 935.4 and 949 provide that a public entity by Ordinance or Resolution, may authorize an employee of the public entity to allow, compromise, or settle

claims on behalf of the Board, if the amount to be paid pursuant to the allowance, compromise, or settlement exceeds \$50,000.

In December 1998, the Board authorized the General Manager/CEO to reject or settle claims up to the amount of \$50,000 (Reso.98-12-3249).

In 2006, the Board adopted Title V to the SacRT Administrative Code delegating authority to the General Manager/CEO to settle claims up to \$100,000 (Ordinance 06-02-01).

In March 2021, the Board authorized the General Manager/CEO to reject most unreasonable settlement offers in excess of GM/CEO authority (Reso.21-03-0015).

Within the current resolution, the General Manager/CEO would have the authority to settle claims up to \$150,000.

If the Board votes to adopt the Amended and Restated Title V, it will result in the rescission of Ordinance No. 06-02-01 and Resolution Nos. 98-12-3249 and 21-03-0015 and the adoption of an amended and restated claims procedure.

## **ORDINANCE 21-12-01**

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

December 13, 2021

### **AMENDING AND RESTATING TITLE V, PROVIDING A SPECIAL CLAIMS PROCEDURE, OF THE SACRT ADMINISTRATIVE CODE**

THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT DO ORDAIN AS FOLLOWS:

#### **SECTION 1:**

This Ordinance is adopted pursuant to the authority set forth in Public Utilities Code section 102121(d). This Section authorizes the SacRT Board of Directors to adopt an Administrative Code prescribing the powers and duties of District officers. Public Utilities Code section 102107 provides, in part, that: No ordinance shall be passed by the Board on the day of its introduction, nor within three days thereafter, nor at any time other than at a regular or adjourned regular meeting.

#### **SECTION 2:**

Ordinance No. 06-02-01, Resolution No. 98-12-3249, and Resolution No. 21-03-0015 are hereby repealed.

#### **SECTION 3:**

Title V of the Administrative Code is hereby amended and restated. Title V of the Administrative Code of Sacramento Regional Transit District shall read as follows:

### **TITLE V – CLAIMS PROCEDURE**

#### **Article I Claims**

#### **§ 5.101 Authority**

This Title is enacted pursuant to Section 935 of the California Government Code.

## **§ 5.102 Claims Required**

All claims against the Sacramento Regional Transit District (“SacRT”) for money or damages which are excepted by Section 905 of the Government Code from the provision of Division 3.6 of the Government Code (Sec. 810 et seq.), and which are not governed by any other statutes or regulations expressly relating thereto, shall be governed by the procedure prescribed in this Article.

Unless otherwise provided in this Title, the manner and timing of the presentation and consideration of claims filed pursuant to this Title shall be as provided in Part 3 of Division 3.6 of Title I of the Government Code (Sec. 900 et seq.) as those provisions now exist or may hereafter be amended.

Pursuant to Chapter 5 of Part 3 of Division 3.6 of Title 1 of the Government Code (Sec. 930 et seq.) written agreements entered into by or on behalf of SacRT may provide that all claims arising out of or related to the agreement must be presented not later than six months after the accrual of the cause of action, and such claims shall be governed by the provisions of this section.

## **§ 5.103 Form of Claim**

All Claims shall be made in writing and verified by the claimant or by their guardian, conservator, executor or administrator. No claim may be filed on behalf of a class of persons unless verified by every member of that class. In addition, all claims shall contain the information required by California Government Code Section 910.

## **§ 5.104 Claim Prerequisite to Suit**

In accordance with California Government Code Sections 935(b) and 945.6, all claims shall be presented as provided in this section and acted upon by SacRT prior to the filing of any action on such claim; and no such action may be maintained by a person who has not complied with the requirements of this Title.

## **§ 5.105 Late Filing**

The late filing of claims governed by this Title will be subject to the procedures set forth in those provisions of the Government Code referred to in subsection (e) of Government Code Section 935.

## **§ 5.106 General Manager/CEO Settlement Authority**

The General Manager/CEO is delegated authority to finally settle any claim or lawsuit brought against SacRT for monetary damages where present value of the settlement does not exceed \$150,000. The General Manager/CEO may further delegate all or a portion of such authority to other SacRT officers or employees, but any such delegation must be made in writing. The form of any such settlement must be approved as to legal

form by the General Counsel of SacRT or their designee. The General Manager/CEO is delegated authority to reject any offer to settle a claim by a claimant or plaintiff in any amount, even if the offer to settle exceeds the General Manager/CEO's settlement authority. Notwithstanding the foregoing, any Offers to Compromise served on SacRT pursuant to Cal. Code Civ. Pro. §998 for an amount that exceeds the General Manager/CEO's settlement authority, may only be rejected by the Board of Directors.

#### **§ 5.107 Suit**

Any action brought against SacRT upon any claim or demand shall conform to the requirements of Sections 940-949 of the California Government Code. Any action brought against any employee of SacRT shall conform to the requirements of Sections 950-951.

### **Article II**

#### **Effective Date**

#### **§ 5.201 No Reinstatement or Revival**

Nothing in this section revives or reinstates any cause of action which, on the effective date of the ordinance codified in this section, is barred by either: (1) failure to comply with an applicable statute, regulation, or ordinance requiring the presentation of a claim; or (2) failure to commence an action thereon within the period prescribed by an applicable statute of limitations.

#### **§ 5.202 Effective Date; Retroactivity**

This Title shall be effective upon adoption. Subject to Section 5.201 of this Article, as of the effective date of this Title, the provisions of this Title shall be applicable to any claim described in this Title which is not otherwise time-barred. If the application of the time periods established by this Article would extinguish an existing claim which is not otherwise time-barred, then the date by which that claim must be presented to SacRT shall be the sooner of:

- (i) The date any applicable claims period would have expired; or
- (ii) Six months after the effective date of this Title for claims described in the first sentence of Government Code Section 911.2 or one year after the effective date of this Title for claims described in the second sentence of that Section. Nothing in this Title shall be construed to extend the time for presentation of any claim which time was established by statute, ordinance, or other law in effect prior to the adoption of this Title.

**SECTION 4:**

This Ordinance shall become effective immediately upon its enactment.

**SECTION 5:**

Within 15 calendar days after adoption, the SacRT Secretary is hereby directed to publish this Ordinance, in full, in a newspaper of general circulation published within SacRT's activated boundaries or on SacRT's Internet Website as authorized under California Public Utilities Code section 102107.

Passed and adopted at a regular meeting of the Sacramento Regional Transit District on this 13<sup>th</sup> day of December 2021 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
STEVE MILLER, Chair

A T T E S T:

HENRY LI, Secretary

By: \_\_\_\_\_  
Tabetha Smith, Assistant Secretary