

City of Pacific Grove, California

City Council Policy

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Processing and Settling Claims Against the City	000-7	June 7, 1989	1 of 1

PURPOSE: It is the purpose of this policy to establish procedures for processing and settling claims made against the City as a result of personal injury, property damage, or job-related illness or injury (workers' compensation)

POLICY: With regard to workers' compensation, it is the policy of the City to provide treatment and care for employees injured on the job. Treating physicians must be approved by the City, or the employee must have designated a personal physician in writing prior to the illness or injury. The City may not be liable for costs incurred through unauthorized treatment. With regard to general liability claims for personal injury or property damage, it is the policy of the City that all such claims be investigated quickly and carefully, and that prompt and equitable restitution be offered to the injured parties when it is found that a claim is meritorious. Conversely, when a claim or lawsuit is filed which does not appear to have legal merit, or it appears that a claim or lawsuit has been pursued in bad faith, is frivolous, or is untimely, the City shall resist and defend such claims or actions vigorously. No claims shall be paid without an underlying basis of legal merit. Further, the City may consider the institution of litigation under Section 128.5 of the California Code of Civil Procedure in order to discourage claims made frivolously or in bad faith and to obtain reimbursement for City's incurred costs.

The City Manager and City Attorney, and their designated representatives, shall have the authority to retain adjustors, attorneys, investigators and any other assistance deemed necessary to administer, adjust, investigate, and defend against or settle claims against the City. Any settlement in the amount of \$35,000.00 or more shall have prior approval from the City Council. On a monthly basis, each Council Member shall be provided a report listing all rejected claims and settlements for the month reported.

PROCEDURES: Workers' Compensation All on-the-job accidents which result in personal injury must be reported to a supervisor immediately, regardless of the severity of the injury. The DWC1 Report of Injury shall be prepared and forwarded to the Finance Director, or designee, without delay for all incidents of job-related illness or injury. This policy is necessary for the protection of the employee and to provide information which may be used to prevent similar accidents.

General Liability All claims for personal injury or property damage shall be filed with the City Clerk or a designated representative, as required by law. When it is determined that it will take more than 30 days to investigate or settle a claim, such claim shall be referred to the City Manager for denial in order to protect the City's legal rights.

Amended October 5, 2016 Ordinance 16-014