

RESOLUTION NO. 2022-37

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA DELEGATING CLAIM SETTLEMENT AUTHORITY FOR SMALL CLAIMS TO AND AUTHORIZING A MEMBER TRUST ACCOUNT WITH THE PUBLIC ENTITY RISK MANAGEMENT AUTHORITY (PERMA).

WHEREAS, the City of Coachella is a member of the Public Entity Risk Management Authority (PERMA), and pursuant to Government Code sections 990.4, et seq. and 6500 et. seq. pools its self-insured liability claims and losses with other PERMA members under a Memorandum of Coverage; and

WHEREAS, the Joint Powers Agreement creating PERMA authorizes it to exercise powers common to members and appropriate to defend and indemnify members from liability claims under the Memorandum of Coverage,

WHEREAS, City staff currently approves claims settlement approval for all claims and it would be more efficient to delegate settlement authority for small claims to PERMA to avoid unnecessary staff time costs and delays in processing claims,

WHEREAS, the City currently maintains a member trust account balance with the authority for workers' comp insurance, but pays all liability claims through the City's AP process,

WHEREAS, utilizing a member trust account to pay liability claims will be more efficient for claims payment processing and alleviate additional procedural time constraints incurred in the City's AP process.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COACHELLA DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

SECTION 1. The City of Coachella hereby delegates claims settlement authority for claims not exceeding \$25,000 (as limited by PERMA program guidelines) to PERMA and authorizes PERMA to act on the City's behalf pursuant to this resolution to settle third party liability claims against the City and all liability program covered related entities of the City.

SECTION 2. City Council authorizes the Finance Director to enter into an agreement with PERMA to establish a member trust account under the liability program and enter into the standard agreements necessary to establish the delegation of claims authority.

SECTION 3. This Resolution shall become effective immediately upon its adoption.

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PASSED, APPROVED and ADOPTED this 27th day of April 2022.

Steven A. Hernandez
Mayor

ATTEST:

Angela M. Zepeda
City Clerk

APPROVED AS TO FORM:

Carlos Campos
City Attorney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF COACHELLA)

I HEREBY CERTIFY that the foregoing Resolution No. 2022-37 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on the 27th day of April 2022, by the following vote of Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

Andrea J. Carranza, MMC
Deputy City Clerk