

**CITY COUNCIL AGENDA TOPIC**

An Ordinance amending Section 4.36.030 of the Bellevue City Code – Damage Claims Against the City, to increase the settlement authority of the City Manager from \$75,000 to \$350,000; and establishing an effective date.

John Resha, Chief Financial Officer, 452-2567  
Michael Chandler, Controller/Assistant Director, 452-5249  
*Finance & Asset Management Department*

**EXECUTIVE SUMMARY****ACTION**

Approval of this Ordinance will amend Bellevue City Code section 4.36.030 to update the approval authority of the City Manager or their designee and Council.

**RECOMMENDATION**

Move to adopt Ordinance No. 6850.

**BACKGROUND/ANALYSIS**

The Finance & Asset Management Department (FAM) reviews applicable Code Sections for updates in the normal course of operations. Code Section 4.36.030 was last revised in 2014 by Ordinance 6210. This update to Code is another step toward standardization and clarification of the authority levels held by Council, the City Manager (CMO), and department staff. The proposed Ordinance and Code revision aligns the Council threshold for approval of claims for damages against the City with the current procurement threshold adopted by Council on February 27, 2023. Council adopted Ordinance 6728 to amend BCC 4.28 establishing the updated Council threshold for procurement related activity (bid awards, contract execution, etc.) to \$350,000. Creating and maintaining a consistent threshold for bringing financial activity before Council streamlines policy and processes for department staff.

Staff recommend these changes as they appropriately place responsibility on the Risk Manager for operational accountability, at the same time reducing the administrative burden on CMO and Council. It also retains oversight by CMO on those claims which are higher risk from financial, environmental, public impact, or other factors.

Current approval thresholds are set at the following levels:

Risk Manager	less than or equal to	\$ 25,000
City Manager/Delegate	less than or equal to	\$ 75,000
Council	greater than	\$ 75,000

Proposed approval thresholds would be set at the following levels:

Risk Manager	less than or equal to	\$150,000
City Manager/Delegate	less than or equal to	\$350,000

Council greater than \$350,000

This change is to approvals only; it does not contemplate nor propose changes to current administrative processes involving review of claims by Risk and City Attorney staff in determining the appropriate course of action on a claim.

The revised code language excludes the reference to council auditor and the reporting frequencies. The process referenced in code was previously replaced. Council currently receives city-wide payment information through the monthly agenda memo for claims and payroll provided by FAM.

## **POLICY & FISCAL IMPACTS**

### **Policy Impact**

Bellevue City Code 4.36.030 – City procedures for settlement and payment of damage claims.  
Bellevue City Code 4.28 - Procurement

### **Fiscal Impact**

There is no fiscal impact associated with amending the Bellevue City Code. While not having a direct fiscal impact, the changes, if adopted, would align and streamline Council policy and provide operational efficiencies in reviewing and approving claims for damages.

## **OPTIONS**

1. Adopt the Ordinance amending Section 4.36.030 of the Bellevue City Code – Damage Claims Against the City, to increase the settlement authority of the City Manager from \$75,000 to \$350,000; and establishing an effective date.
2. Do not adopt the Ordinance and provide alternative direction to staff.

## **ATTACHMENTS**

A. Proposed amendments to Section 4.36.030 of the Bellevue City Code  
Proposed Ordinance No. 6850

## **AVAILABLE IN COUNCIL LIBRARY**

N/A