



October 14, 2025

TO:	Capitol Area Development Authority (CADA) Board of Directors
SUBJECT:	October 24, 2025 Special Board Meeting AGENDA ITEM 9 DELEGATION OF AUTHORITY REGARDING THE SETTLEMENT OR REJECTION OF CLAIMS GOVERNED BY THE GOVERNMENT CLAIMS ACT
CONTACT PERSON:	Jill Azevedo, Operations Director

RECOMMENDATION:

Staff recommends the Board adopt a resolution (Attachment 1) delegating authority to the Executive Director or their designee regarding settlement or rejection of claims governed by the Government Claims Act, for amounts not exceeding \$50,000.

BACKGROUND

At the August 17, 2001 meeting, the CADA Board of Directors passed Resolution 01-36 authorizing the Executive Director or their designee to settle claims presented pursuant to the Government Claims Act that are for \$25,000 or less.

As a public entity, CADA is subject to the claims presentation requirements of the Government Claims Act, Government Code section 810 et sq. which requires any claim for money or damages against CADA or CADA employees be presented to CADA prior to filing suit.

CADA's Bylaws, Article IV, section 4.1, provides the Executive Director is responsible for the administration, supervision, and control of all CADA programs, employees, and consultants, and authorizes the Board to assign to the Executive Director such additional responsibilities as the Board may deem appropriate.

ANALYSIS

Government Code section 935.4 permits a public entity to delegate to an employee the authority to settle or reject claims up to \$50,000.

While most claims for money damages presented to the agency do not often reach or exceed the current \$25,000 limit, this policy has been in place for over 20 years and staff recommends that the Board increase the current resolution authority limit to align with section 935.4 of the Government Code.

Increasing the settlement authority will also allow the agency to more quickly resolve claims without having to wait until the next board meeting to have them approved or denied, and keep up with the increasing cost of items damaged or in need of replacement or repair.

POLICY

Should the Board approve this action, all claims will be addressed in the following manner:

1. After consulting with CADA legal counsel, the Executive Director, or their designee, is authorized to resolve claims for amounts not exceeding \$50,000. Such resolution shall be on behalf of the Capitol Area Development Authority in accordance with the Government Claims Act, Government Code section 810 et seq., and include approval, partial approval, settlement, or rejection of a claim, as well as granting late claim relief, if available.
2. Should a claim exceed \$50,000 or if the Executive Director, in their discretion, determines that the claim concerns issues that warrant Board resolution, the Executive Director may refer the claim to the Board for resolution of the claim.
3. The Executive Director shall provide a periodic report to the Board of Directors of claims resolved pursuant to the Executive Director's authority.

FINANCIAL IMPACT

Increasing the claims resolution authority limit will have no financial impact.

ENVIRONMENTAL ISSUES

Not applicable.

CADA STRATEGIC PLAN

The proposed action addresses the 2024-2029 CADA Strategic Plan goal of Ensuring Fiscal Strength and Operational Excellence by quickly resolving any claims brought against the agency in a quick, efficient manner while being responsible stewards of public funds.

Attachment:

1. Resolution 25-43

RESOLUTION NO. 25 – 43

Adopted by the Capitol Area Development Authority

October 24, 2025

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE CAPITOL AREA DEVELOPMENT
AUTHORITY DELEGATING AUTHORITY REGARDING THE SETTLEMENT OR
REJECTION OF CLAIMS GOVERNED BY THE GOVERNMENT CLAIMS ACT**

WHEREAS, the Capitol Area Development Authority ("CADA") is a public entity subject to the claims presentation requirements of the Government Claims Act, Government Code section 810 et seq. (the "Government Claims Act");

WHEREAS, the Government Claims Act requires any claim for money or damages against CADA or CADA employees be presented to CADA prior to filing suit;

WHEREAS, Government Code section 935.4 permits a public entity to delegate to an employee the authority to settle or reject claims up to \$50,000;

WHEREAS, CADA's Bylaws, Article IV, section 4.1, provides the Executive Director is responsible for the administration, supervision, and control of all CADA programs, employees, and consultants, and authorizes the Board to assign to the Executive Director such additional responsibilities as the Board may deem appropriate;

WHEREAS, on August 17, 2001, the Board of Directors passed Resolution 01-36 authorizing the Executive Director to settle claims presented pursuant to the Government Claims Act that are for \$25,000 or less; and

WHEREAS, the Board desires to revise the limits of the Executive Director's authority to settle claims governed by the Government Claims Act.

NOW, THEREFORE, BE IT RESOLVED by the Capitol Area Development Authority Board of Directors hereby:

1. After consulting with CADA legal counsel, the Executive Director, or their designee, is authorized to resolve claims for amounts not exceeding \$50,000. Such resolution shall be on behalf of the Capitol Area Development Authority in accordance with the Government Claims Act, Government Code section 810 et seq., and include approval, partial approval, settlement, or rejection of a claim, as well as granting late claim relief, if available.

2. Should a claim exceed \$50,000 or if the Executive Director, in their discretion, determines that the claim concerns issues that warrant Board resolution, the Executive Director may refer the claim to the Board for resolution of the claim.

3. The Executive Director shall provide a periodic report to the Board of Directors of claims resolved pursuant to the Executive Director's authority under this Resolution.

Attachment 1

This Resolution shall be effective immediately upon its approval and adoption.

Ann Bailey, Chair

ATTEST:

Tara Gandara
Secretary to the Board of Directors