



# STAFF REPORT

DATE: 05/07/2025  
TO: Honorable Mayor and City Council Members  
FROM: Legal & Risk Management Department

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**2025-192**

## REQUEST FOR CITY COUNCIL ACTION

### **SUBJECT:**

ORDINANCE AMENDING SECTION 2.04.060(V) OF THE CORONA MUNICIPAL CODE TO CLARIFY THE CITY MANAGER'S WORKERS' COMPENSATION SETTLEMENT AUTHORITY

### **EXECUTIVE SUMMARY:**

This staff report asks the City Council to consider adopting attached Ordinance No. 3416 to amend Section 2.04.060(V) the Corona Municipal Code, which delegates authority to the City Manager to settle certain workers' compensation claims. The current language provides that the City Manager has the authority to approve stipulated awards of permanent disability and related claims and expenses when there is no reasonable legal discretion to pursue arguments or defenses which could lower the amount owed, as approved by the City Manager following review by the City Attorney of the relied upon advice and recommendation of the city's special legal counsel handling the workers' compensation matter. Ordinance No. 3416 would also permit the City Manager to approve such stipulated awards based solely on the recommendation of the City Attorney, since not every workers' compensation matter is handled by outside special legal counsel.

### **RECOMMENDED ACTION:**

That the City Council introduce by title only and waive full reading of attached Ordinance No. 3416, first reading of an ordinance to amend Section 2.04.060(V) (Duties) of Chapter 2.04 (City Manager) of the Corona Municipal Code to authorize the City Manager to approve stipulated awards of permanent disability and related claims and expenses when there is no reasonable legal discretion to pursue arguments or defenses which could lower the amount owed, following a review and recommendation by the City Attorney.

**BACKGROUND & HISTORY:**

Corona Municipal Code (“CMC”) Section 2.04.060 outlines the powers and duties of the City Manager. With respect to workers’ compensation claims, Section 2.04.060(V) provides that the City Manager, or his designee, has the authority to approve each of the following:

1. Settlements of up to \$25,000 for workers’ compensation claims which are processed in accordance with applicable law;
2. Routine payments for workers’ compensation medical, treatment or other costs or expenses that the city is obligated by law to make; and
3. Stipulated awards of permanent disability and related claims and expenses, when there is no reasonable legal discretion to pursue arguments or defenses which could lower the amount owed, following review by the City Attorney of the relied upon advice and recommendation of the city's special legal counsel handling the workers' compensation matter.

**ANALYSIS:**

The issue addressed with proposed Ordinance No. 3416 relates to the 3<sup>rd</sup> item, which presumes through its language that each such workers’ compensation matter is being handled by outside special legal counsel. For some fairly straight forward matters, neither the City nor the employee is represented by outside legal counsel. Thus, in such cases, staff would like the City Manager to have the authority to approve stipulated awards of permanent disability based solely upon the review and recommendation of the City Attorney.

**FINANCIAL IMPACT:**

The proposed ordinance will have no direct financial impact but is expected to save the City staff time and outside legal counsel fees.

**ENVIRONMENTAL ANALYSIS:**

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the commonsense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action simply amends the Corona Municipal Code to clarify City Manager settlement authority.

**PREPARED BY:** AMANDA DEFOREST, WORKERS' COMPENSATION MANAGER

**REVIEWED BY:** DEAN DERLETH, CITY ATTORNEY/LRM DIRECTOR

**ATTACHMENTS:**

1. Exhibit 1 – Ordinance No. 3416 (Redline version)
2. Exhibit 2 – Ordinance No. 3416 (Clean version)