



Legislation Details (With Text)

File #: 20-0885 **Version:** 1 **Name:** Ordinance: Amending Title II, Chapter 6, Article 2 to authorize expanding Corporation Counsel's power to compromise, settle and adjust matters of action in favor or against the City to and amount not to exceed \$44,000 without Municipal Council approval

Type: Ordinance **Status:** Adopted

File created: 7/20/2020 **In control:** Law

On agenda: 10/21/2020 **Final action:** 11/18/2020

Title: AN ORDINANCE AMENDING TITLE II, ADMINISTRATION, CHAPTER 6, DEPARTMENT OF LAW, OF THE REVISED GENERAL ORDINANCES OF THE CITY OF NEWARK, NEW JERSEY, 2000, AS AMENDED AND SUPPLEMENTED, BY AMENDING ARTICLE 2, CORPORATION COUNSEL, TO EXPAND THE LIMITATION ON POWER TO COMPROMISE, SETTLE, ADJUST ANY RIGHTS, CLAIMS OR DEMANDS OR CAUSES OF ACTION IN FAVOR OF OR AGAINST THE CITY OF NEWARK TO AN AMOUNT NOT TO EXCEED \$44,000.00 WITHOUT THE APPROVAL OF THE MUNICIPAL COUNCIL.

Sponsors: Council of the Whole

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
11/18/2020	1	Municipal Council	Close on Public Hearing and Adopt	Pass
11/5/2020	1	Municipal Council	Adopt on First Reading	Pass
10/21/2020	1	Municipal Council	Advance to First Reading	Pass

AN ORDINANCE AMENDING TITLE II, ADMINISTRATION, CHAPTER 6, DEPARTMENT OF LAW, OF THE REVISED GENERAL ORDINANCES OF THE CITY OF NEWARK, NEW JERSEY, 2000, AS AMENDED AND SUPPLEMENTED, BY AMENDING ARTICLE 2, CORPORATION COUNSEL, TO EXPAND THE LIMITATION ON POWER TO COMPROMISE, SETTLE, ADJUST ANY RIGHTS, CLAIMS OR DEMANDS OR CAUSES OF ACTION IN FAVOR OF OR AGAINST THE CITY OF NEWARK TO AN AMOUNT NOT TO EXCEED \$44,000.00 WITHOUT THE APPROVAL OF THE MUNICIPAL COUNCIL.

WHEREAS, on August 1, 1990, the Municipal Council adopted Ordinance 6S&Fc granting the Corporation Counsel of the City of Newark (the "Corporation Counsel") the authority to compromise, settle or adjust any rights, claims, demands or causes of action in favor of or against the City, in the amount of Nine Thousand Two Hundred Dollars and Zero Cents (\$9,200.00); and

WHEREAS, on June 7, 2000, the Municipal Council adopted Ordinance 6S&Fd granting authority to the Corporation Counsel to settle any litigation under the contract threshold amount of Seventeen Thousand Five Hundred Dollars and Zero Cents (\$17,500.00) without the approval of the Municipal Council; and

WHEREAS, on October 5, 2005, the Municipal Council adopted Ordinance 6S&Fe granting authority to the Corporation Counsel to settle any litigation under the contract threshold amount of

Twenty-One Thousand Dollars and Zero Cents (\$21,000.00) without the approval of the Municipal Council; and

WHEREAS, on March 6, 2019, the Municipal Council adopted Ordinance 6PSF-c further granting the Corporation Counsel the authority to compromise, settle or adjust any rights, claims, demands or causes of action in favor of or against the City of Newark in the amount not to exceed Forty Thousand Dollars and Zero Cents (\$40,000.00) without the approval of the Municipal Council; and

WHEREAS, the Municipal Council wishes to adjust the above figure in line with N.J.S.A 40A:11-3(c), which authorizes the Governor of the State of New Jersey (the “Governor”) to adjust the bid threshold in direct proportion to the rise or fall of the index rate as that term is defined in Section 2 of P.L. 1971, c. 198 (C. 40A:11-2); and

WHEREAS, the bid threshold for Municipalities with a Qualified Purchasing Agent (QPA) is now Forty-Four Thousand Dollars and Zero Cents (\$44,000.00), as adjusted by the Governor on July 1, 2020; and

WHEREAS, from time to time it becomes necessary to amend the Code of the City of Newark to indicate the automatic adjustment authorized by Ordinance 6S&Fc adopted on August 1, 1990.

NOW, THEREFORE, BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

[Editor’s Note: Additions are shown as underlined and bold. Deletions are shown as strikethroughs].

SECTION 1: Title II, Administration, Chapter 6, Department of Law, Article 2, Corporation Counsel, of the Revised General Ordinances of the City of Newark, New Jersey, 2000, as Amended and Supplemented, is amended as follows:

2:6-2.4. Limitation on Power to Compromise.

The Corporation Counsel shall not, without the approval of the Municipal Council by Resolution, be empowered to:

a. Compromise, settle or adjust any rights, claims, demands or causes of action in favor of or against the City except that the Corporation Counsel may settle any case for a sum not to exceed ~~Forty Thousand Dollars and Zero Cents (\$40,000.00)~~ **Forty-Four Thousand Dollars and Zero Cents (\$44,000.00)** without the approval of the Municipal Council. A copy of such settlement agreement and Certification of Funds shall be submitted to the City Clerk within thirty (30) days after the settlement by the Corporation Counsel;

SECTION 2: If any provision of this ordinance or application thereof to any person(s) or circumstance is judged invalid by a court of competent jurisdiction, the invalidity shall not affect other provisions or applications of the ordinance that can be given effect without the invalidated provision or application, and to this end the provisions of this ordinance are declared severable.

SECTION 3: The ordinance shall take effect upon final passage and publication in accordance with the laws of the State of New Jersey.

STATEMENT

This ordinance Amends Title II, Administration, Chapter 6, Department of Law, Article 2, Corporation Counsel, of the Revised General Ordinances of the City of Newark, New Jersey, 2000, as amended and supplemented to expand the limitation on the power of the Corporation Counsel to compromise, settle, adjust any rights, claims or demands or causes of action in favor of or against the City of Newark to an amount not to exceed \$44,000.00 without the approval of the Municipal Council.