File #: 25-1043, **Version:** 1

AN ORDINANCE AMENDING 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 INCREASE THE AUTHORITY 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 $53,000.00 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 ("settlement authority) in the amount of Nine Thousand Two Hundred Dollars and Zero Cents ($9,200.00); and

WHEREAS, on November 10, 2020, after several prior increases, the Municipal Council adopted Ordinance 6PSF-c granting raising the Corporation Counsel's settlement to an amount not to exceed Forty-Four Thousand Dollars and Zero Cents ($44,000.00) without the approval of the Municipal Council; and

WHEREAS, the Municipal Council wishes to increase further the Corporation Counsel's settlement authority in line with adjustments in the bid threshold made pursuant to N.J.S.A 40A:11-3 (c), which authorizes the Governor of the State of New Jersey ("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 (N.J.S.A.. 40A:11-2(38)); and

WHEREAS, the bid threshold for municipalities with a qualified purchasing agent (QPA) is currently Fifty-Three Thousand Dollars and Zero Cents ($53,000.00), as adjusted by the Governor on July 1, 2025.

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: Section 2:6-2.4a 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-Four Thousand Dollars and Zero Cents ($44,000.00)~~ **Fifty-Three Thousand Dollars and Zero Cents ($53,000.00)** 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 increase 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 Fifty-Three Thousand Dollars and Zero Cents ($53,000.00) without the approval of the Municipal Council.

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