



AGENDA

LEGEND: A - Action may be taken
I - Information
1 - Included
2 - Handout
3 - Separate
4 - Verbal

JPA: ACCEL CLAIMS COMMITTEE MEETING

DATE/TIME: Tuesday, March 3rd, 2026, at 10 AM

LOCATION: Teleconference

Link: <https://alliantinsurance.zoom.us/j/93239190714?pwd=LPzBtSt11S3HMhRdaah4EuObQW0cSu.1>

Meeting ID: 932 3919 0714

Passcode: 132950

Dial: (669) 900-6833

In accordance with the requirements of the Brown Act, notice of this meeting must be posted in publicly accessible places, 72 hours in advance of the meeting, at the office of ACCEL's Secretary.

Per Government Code section 54954.2, persons requesting disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact Alliant Insurance Services at (415) 403-1400, 24 hours in advance of the meeting. Access to some buildings may require routine provision of identification to building security. However, ACCEL does not require any member of the public to register his or her name, or to provide other information, as a condition to attendance at any public meeting and will not inquire of building security concerning information so provided. See Government Code section 54953.3.

- MEMBER** • **City of Bakersfield**, 1600 Truxtun Ave., 4th Floor, Bakersfield, CA 93301
- LOCATIONS** • **City of Modesto**, 1010 10th Street, Modesto, CA 95354
- VIA TELE -** • **City of Mountain View**, 500 Castro St, Mountain View, CA 94041
- CONFERENCE** • **City of Santa Cruz**, 1200 Pacific Ave., Suite 290, Santa Cruz, CA 95060
- **City of Santa Monica**, 1685 Main Street, Room 131, Santa Monica, CA 90401

PAGE

A. CALL TO ORDER

B. CONSENT CALENDAR

(A)

1 *The Committee may take action on the items below as a group. A member may request an item be withdrawn from the Consent Calendar for discussion and action.*

3-6

1. Approval of Minutes for the December 8, 2025 Claims Committee Meeting

7-8

2. Approval of Minutes for the January 29, 2026 Special Claims Committee Meeting

C. REPORTS

1. CLAIMS COMMITTEE'S REPORT

9-28

1 a) Proposed Changes to ACCEL's Claims Reporting and Handling Policy and Procedure – Notice of Pooled Aggregate Limit (A)
The Committee will review proposed changes to the Claims Reporting and Handling Policy and Procedure. Action may be taken to make a recommendation to the Board or direction given.

29-39

1 b) Litigation Update (I)
George Hills will provide the Committee a litigation update.



3 c) **CLOSED SESSION – Pursuant to Gov’t Code 54956.95** (A)

Members will review the following Closed Session items and may take action or give direction.

- i. Committee Review – ACCEL Open Loss Run
- ii. George Hills Estimated Loss Payments
- iii. Review and Analyze Claims Frequency for 22/23 Coverage Year
- iv. Rating Plan Calculation Claims Analysis

RECONVENE - DISPOSITION OF CLOSED SESSION ITEMS

D. PUBLIC COMMENTS (I)

4 *The public is invited at this point to address the Committee on issues of interest to them.*

ADJOURNMENT



**MINUTES OF THE
ACCEL CLAIMS COMMITTEE MEETING
Monday, December 08, 2025, at 1:30 PM**

**Item No. B.1
Claims Committee
March 3, 2026**

**LOCATION:
TELECONFERENCE**

Link: <https://alliantinsurance.zoom.us/j/95125796512?pwd=C6V9HBSEdFRbevhQEEdVwmwvRbWrip4.1>

Meeting ID: 951 2579 9512

Passcode: 818596

Dial: (669) 900-6833

MEMBERS PRESENT:

Jena Covey, City of Bakersfield
Matthew Braley, City of Modesto (*Joined at 1:31 PM*)
Oles Gordeev, City of Santa Monica (*Joined at 1:33 PM*)
Ross Brandon, City of Santa Cruz
Samhitha Cutshaw, City of Mountain View

MEMBERS ABSENT:

None

GUESTS AND CONSULTANTS:

Donna Starr, City of Anaheim Alternate (*Left at 2:37 PM*)
Rob Powers, R. E. Powers Company, LLC
Craig Schweikhard, R. E. Powers Company, LLC
Ben Oram, George Hills Company
Samantha Morgan, George Hills Company
Conor Boughey, Alliant Insurance Services
Lorissa Huey, Alliant Insurance Services

A. CALL TO ORDER

Jena Covey called the meeting to order at 1:31 PM.

B. CONSENT CALENDAR

B1. Approval of Minutes for the September 11, 2025 Claims Committee Meeting

A motion was made to approve the consent calendar.



MOTION: Ross Brandon **SECOND:** Samhitha Cutshaw **MOTION CARRIED**

	Jena Covey	Matthew Braley	Oles Gordeev	Ross Brandon	Samhitha Cutshaw
Aye	X	X		X	X
Nay					
Abstain					

C. REPORTS

C1. CLAIMS COMMITTEE’S REPORT

C1a. 2025 ACCEL Claims Audit Draft

Rob Powers and Craig Schweikhard, ACCEL’s Claims Auditor walked through a draft of the 2025 Claims Audit that includes the executive summary, narratives for each Member, and ACCEL’s Claims Administrator, George Hills Company. Rob and Craig will be at the January 2026 Board Meeting to Present the final version of the 2025 Claims Audit.

A motion was made to recommend to the Board to accept the Claims Audit as final.

MOTION: Jena Covey **SECOND:** Ross Brandon **MOTION CARRIED**

	Jena Covey	Matthew Braley	Oles Gordeev	Ross Brandon	Samhitha Cutshaw
Aye	X	X	X	X	X
Nay					
Abstain					



C1bi. ACCEL’s Policies and Procedures Review and Proposed Changes: Claims Reporting and Handling

Lorissa Huey presented the Claims Reporting and Handling Policy and Procedure’s proposed changes to Section VII. Settlement Authority Process as requested by the Board from the October 2025 Board Meeting. The Committee reviewed the redlined changes included in the agenda packet and had a roundtable discussion.

A motion was made to recommend to the Board to adopt the proposed changes as presented subject to amending the following: present Option 1, “\$1,000,000 to \$2,000,000 - Claims Committee Chair or the President if the claim involves the Chair’s own city,” and amend item 6 to state, “Where the Board has approved a reserve amount, the Board may take action to delegate authority to an Executive Committee Member or any Committee Chair and the Claims Litigation Manager to settle a claim where it determines that the circumstances of a claim warrant delegation of such authority to effect timely and efficient resolution of the claim.”

MOTION: Oles Gordeev **SECOND:** Samhitha Cutshaw **MOTION CARRIED**

	Jena Covey	Matthew Braley	Oles Gordeev	Ross Brandon	Samhitha Cutshaw
Aye	X	X	X	X	X
Nay					
Abstain					

C1bii. ACCEL’s Policies and Procedure Review and Proposed Changes: Closed Session Confidentiality

Lorissa Huey presented the Closed Session Confidentiality Policy and Procedure to the Committee and stated that this is reviewed every even numbered year by the January Board Meeting.

A motion was made to administratively change the review date to December 8th, 2025.

MOTION: Jena Covey **SECOND:** Samhitha Cutshaw **MOTION CARRIED**

	Jena Covey	Matthew Braley	Oles Gordeev	Ross Brandon	Samhitha Cutshaw
Aye	X	X	X	X	X
Nay					
Abstain					



C1c. Litigation Update

Ben Oram provided the Committee the quarterly litigation update. He discussed cases about Police Pursuit – Vehicle Code Immunity, Employment – Meals and Rest Breaks, Age Discrimination regarding pension calculations.

Members asked questions, which were addressed.

C1e. CLOSED SESSION – Pursuant to Gov’t Code 54956.95

A motion was made to enter into Closed Session at 2:37 PM.

MOTION: Oles Gordeev **SECOND:** Jena Covey **MOTION CARRIED**

	Jena Covey	Matthew Braley	Oles Gordeev	Ross Brandon	Samhitha Cutshaw
Aye	X	X	X	X	X
Nay					
Abstain					

A motion was made to come out of Closed Session at 3:37 PM.

MOTION: Jena Covey **SECOND:** Matthew Braley **MOTION CARRIED**

	Jena Covey	Matthew Braley	Oles Gordeev	Ross Brandon	Samhitha Cutshaw
Aye	X	X	X	X	X
Nay					
Abstain					

Lorissa Huey reported out of Closed Session that no reportable action took place.

D. PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

Lorissa Huey adjourned the meeting at 3:39 PM



**MINUTES OF THE
ACCEL SPECIAL CLAIMS COMMITTEE MEETING
Thursday, January 29, 2026 at 11:00 AM**

**Item No. B.2
Claims Committee
March 3, 2026**

**LOCATION:
TELECONFERENCE**

Link: <https://alliantinsurance.zoom.us/j/95755129092?pwd=pHXqMD4abp7Ma3JirbmwyxvLDIgLKio.1>

Meeting ID: 957 5512 9092

Passcode: 437541

Dial: (669) 900-6833

MEMBERS PRESENT:

Jena Covey, City of Bakersfield
Samhitha Cutshaw, City of Mountain View
Oles Gordeev, City of Santa Monica
Ross Brandon, City of Santa Cruz

MEMBERS ABSENT:

Matthew Braley, City of Modesto

GUESTS AND CONSULTANTS:

Ben Oram, George Hills Company
Samantha Morgan, George Hills Company
Conor Boughey, Alliant Insurance Services (*arrived at 11:07*)

A. CALL TO ORDER

Jena Covey called the meeting to order at 11:05 AM.

B. REPORTS

C1. CLAIMS COMMITTEE'S REPORT



C1a. CLOSED SESSION – Pursuant to Gov’t Code 54956.95

A motion was made to enter into Closed Session at 11:07 AM.

MOTION: Jena Covey **SECOND:** Samhitha Cutshaw **MOTION CARRIED**

	Jena Covey	Matthew Braley	Samhitha Cutshaw	Oles Gordeev	Ross Brandon
Aye	X		X	X	X
Nay					
Abstain					

A motion was made to come out of Closed Session at 11:13 AM.

MOTION: Jena Covey **SECOND:** Oles Gordeev **MOTION CARRIED**

	Jena Covey	Matthew Braley	Samhitha Cutshaw	Oles Gordeev	Ross Brandon
Aye	X		X	X	X
Nay					
Abstain					

A report out of Closed Session was made, no reportable action took place.

D. PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

Jena Covey adjourned the meeting at 11:13 AM



Item No. C.1.a
Claims Committee
March 3, 2026

PROPOSED CHANGES TO ACCEL'S CLAIMS REPORTING AND HANDLING POLICY AND PROCEDURE – NOTICE OF POOLED AGGREGATE LIMIT

ISSUE: At the January 15 and 16, 2026 Board Meeting, the Board delegated to the Claims Committee to insert new language about Notice of Pooled Aggregate Limit to ACCEL's Claims Reporting and Handling Policy and Procedure (P&P). The Board gave direction to the Program Administrators and Claims Administrators to notify the Member when incurred claims reach 50% of the Aggregate Limit.

The following redlined proposed changes are in Section V. Coverage Determinations, Alerts and Limits of the ACCEL Claims Reporting and Handling P&P as shown in the attachment – SEE PAGE 16.

RECOMMENDATION: It is recommended that the Committee review the proposed changes, and take action to make a recommendation to the Board or provide direction.

Additional Consideration

In favor: The proposed changes to the P&P aim to memorialize the notification process of when a Member exhausts 50% of the Aggregate Limit of ACCEL's Retained Layer. The proposed changes, if approved, outline the responsibility of the Claims and Program Administrators on notifying a Member once it has incurred 50% of the Aggregate Limit.

Against: If the Committee does not want to make a recommendation of the proposed changes to the P&P, this would indicate that ACCEL can remain silent within the Claims Handling P&P or should consider different language.

FISCAL IMPACT: No financial impact is expected from the recommended action.

BACKGROUND: In January 2026, the Board approved the proposed changes to Section VII Settlement Authority Process of the ACCEL Claims Reporting and Handling Policy and Procedure (P&P) that were brought up by the Claims Committee. A summary of the changes are as follows (refer to actual policy to see full details of the language):

- Authority can be delegated by the Board only if the Board has approved an ACCEL Reserve, to an Executive Committee Member or any Committee Chair and the Claims Litigation Manager to settle a claim where it determines that the circumstances of a claim warrant delegation of such authority to effect timely and efficient resolution.

ACCEL

Authority for California Cities Excess Liability

c/o Alliant Insurance Services, Inc.
Corporation Insurance License No. 0C36861
560 Mission Street, 6th Floor, San Francisco, CA 94105



- Further edits were made to the policy language to better clarify the current process.

ACCEL has a per Member aggregate of 3 TIMES (“3x”) for the \$9,000,000 excess of \$1,000,000 layer, this was implemented July 1, 2021 and remains in effect. This means each term of coverage includes an aggregate for the pooled layer of \$27,000,000.

When a Member exhausts the aggregate, then the Member remains responsible for funding claims up to the applicable attachment point of that year. In this case from July 1, 2021 to current it is \$10,000,000.

George Hills, ACCEL’s Third Party Administrators is to notify the Program Administrators of any Members approaching the aggregate limit. The Program Administrators will notify Members if they are close to exhausting the aggregate limit. Byrne Conley, ACCEL’s Legal Counsel has provided input on the draft Notice of Aggregate Limit letter.

ATTACHMENT: Claims Reporting and Handling P&P – Redlined Changes

ADMINISTRATIVE POLICY AND PROCEDURE

SUBJECT: CLAIM REPORTING AND HANDLING

DATE: May 1, 1987

AMENDED DATE: January 16, 2026

REVIEWED DATE: October 3, 2024

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- VII. Settlement Authority Process
- VIII. Claims Reimbursement Requests
- IX. Claims Audits
- X. Attachments

I. Statement

It is the policy of the Authority for California Cities Excess Liability Joint Powers Authority (hereinafter referred to as “Authority”) that:

1. Each Member Agency will report all occurrences, claims, and lawsuits (hereinafter referred to as “claims”) meeting the Authority’s reporting criteria to its Claims Administrator as soon as possible and in accordance with the Authority’s Memorandum of Coverage (“MOC”).
2. Each Member Agency will assume primary responsibility for managing all reported claims filed against the Member Agency. However, the Authority reserves right to associate in or participate with a Member Agency in the negotiation, investigation, defense, appeal, or settlement of a claim subject to the terms and conditions of the Authority’s MOC.
3. The Authority’s Claims Administrator is responsible for notifying the Authority’s excess insurance carriers of all Member Agency claims with the potential to exceed the Authority’s retained limit in accordance with excess carriers’ claims reporting and handling policies. However, each Member Agency is responsible for notifying and complying with all insurance policies unaffiliated with the Authority, and purchased individually by the Member Agency (i.e., Non-Authority purchased coverage).
4. Should a discrepancy arise between this document and the Authority’s MOC, the MOC will govern.

II. Role of Claims Committee

The Claims Committee is composed of Board Members appointed by the Executive Committee and approved by the Authority; the Committee Chair is selected by Committee members. Committee membership shall not meet or exceed a quorum of the Board. The Claims Committee, with support from the Authority's claims management firm, is responsible for the following activities:

1. Monitoring all claims reported by Member Agencies to the Authority to ensure reserves are adequate, defense strategies are sound, coverage issues are promptly identified and communicated to Member Agencies, and excess carriers are promptly notified of claims with potential to exceed the Authority's retained limit;
2. Reporting key developments and/or concerns regarding active claims to the Authority's Board of Directors;
3. Providing recommendations to the Board of Directors on claims and claims matters requiring Authority action, including, but not limited to, coverage determinations, reserve levels, defense strategies, settlement offers, and decisions to try or appeal lawsuits;
4. When appropriate, soliciting and reviewing coverage opinions and other related coverage matters (e.g. reservation of rights letters). The Claims Committee Chair may approve releasing the coverage statement to the Member, to be ratified at the following Claims Committee Meeting;
5. Overseeing the activities of the Authority's claims management firm; and
6. Assisting with the selection of the Authority's claims management firm and claims auditor.

The Claims Committee will meet at least quarterly to fulfill its designated responsibilities.

III. Role of Claims Administrator

The Authority will retain the services of a claims management firm to oversee all claims reported by its Member Agencies. The claims management firm, in turn, will assign a claims administrator to the Authority. The Claims Administrator will serve as the Authority's point of contact for all reported claims and be responsible for fulfilling the scope of work contained in the service contract between the Authority and the claims management firm. The Claims Administrator will notify the excess carriers of claims in accordance with excess carriers' claims reporting and handling policies.

It is the duty of the Claims Administrator to report any claim or occurrence to each excess carrier, without regard to liability, that meets the reporting requirements in each of the excess policies, (e.g. death, traumatic brain injury, paralysis, burns, and other severe injuries, or a reserve of half or more of the retention) or which meet ACCEL's reporting requirements in Section IV below.

The Claims Administrator will classify each reported matter based upon the facts of the loss and the total incurred (outstanding reserves plus amount paid to date) reported by the Member Agency at the time of initial reporting and will utilize all available information provided to ACCEL for that purpose. The Claims Administrator will assign each matter to one of the four classifications set forth below and will thereafter adjust the classification as new information becomes available.

The intent of this tiered structure is to prioritize and balance the handling of the matters with the greatest exposure and/or significance to ACCEL. Member Agencies are encouraged to communicate with ACCEL and its Claims Administrator early and often. Where any Member Agency obtains information of importance, they are encouraged to communicate that information as soon as reasonably practicable.

Where a Member Agency obtains information indicating a claim's facts or Total Incurred requires a Tier adjustment, the Member Agency will report such information to the Claims Administrator. The Claims Administrator will evaluate the material and determine whether a classification change is warranted and will thereafter provide an update to the Claims Committee at the next regularly schedule Claims Committee or Board of Directors meeting, whichever occurs first.

If a change in classification is made to any matter, the Claims Administrator will adjust its review and update schedule accordingly.

Tier 1: Matters with Member Agency total incurred of \$1,000,000.00 or greater

These matters are anticipated to have exposure within the coverage established by an ACCEL Memorandum of Coverage:

- All Tier 1 matters will be updated on a **quarterly basis** for inclusion in a litigation report to the Claims Committee.
- All matters that require funding via ACCEL will be discussed with the Claims Committee and a recommendation on ACCEL reserves provided.
- Each matter with an ACCEL reserve must be reported to the Board of Directors for review and approval consistent with Section VII below.
- The reserve approval and settlement authority processes may take place contemporaneously.
- The Claims Administrator is required to provide a comprehensive report to the Board of Directors for which a reserve is recommended. The report will cover all relevant details, facts, legal claims, defenses, civil procedure, trial settlement conference dates, and analysis of the potential exposure, member reserves, a recommendation on the amount for which approval is requested.
- The Claims Administrator will provide all required or requested updates to all relevant excess carriers.

Tier 2: Matters with Member Agency total incurred of \$500,000.00 up to \$999,999.99

These matters are anticipated to have higher value but **not expected** to have exposure within the coverage established by an ACCEL Memorandum of Coverage:

- All Tier 2 matters will be reviewed and updated every **six (6) months** unless and until a Member Agency reports a change in circumstances which warrants a change in classification.
- The Claims Administrator will provide all required or requested updates to all relevant excess carriers.

Tier 3: Matters with Member Agency total incurred of \$50,000.00 up to \$499,999.99

These matters are those for which the anticipated value is moderate or low, but which may have been reported to ACCEL out of an abundance of caution or because the reporting requirements for ACCEL and/or any excess carrier required reporting “without regard to liability.”

- All Tier 3 matters will be reviewed every **nine (9) months** unless and until a Member Agency reports a change in circumstances which warrants a change in classification.
- The Claims Administrator will provide all required or requested updates to all relevant excess carriers.

Tier 4: Matters with Member Agency total incurred of less than \$50,000.00

These matters are those for which the **anticipated value is considered to very low**, but which may have been reported to ACCEL out of an abundance of caution or because the reporting requirements for ACCEL and/or any excess carrier required reporting “without regard to liability.”

- All Tier 4 matters will be considered “**monitor only.**” A claim will be set-up by the Claims Administrator and the matter initially reviewed by a Sr. Claims Adjuster.
- All matters will be reported to excess carriers where required.
- The Claims Administrator will assign these matters to a Litigation Support Specialist that will advance all updates received from a Member Agency to the relevant excess carriers and maintain the Claims Administrator’s file.
- The Litigation Support Specialist will periodically follow-up with the Member Agencies to determine if any change in circumstances has occurred and will communicate with the excess carriers as necessary.
- The Litigation Support Specialist will keep the Sr. Claims Adjuster apprised of all significant developments in these matters.

IV. Reporting Requirements for Member Agencies

1. Member Agencies will report to the Authority’s Claims Administrator as soon as possible all events meeting any of the criteria identified below, without regard to liability:
 - a. Claims¹ in which the ultimate net loss is estimated to exceed 25% of the Member Agency’s retained limit.
 - b. Claims¹ falling within any of the following classifications:
 - i. Class action suits.
 - ii. Law enforcement actions alleging excess use of force or wrongful conviction.
 - iii. Claims involving allegations of harassment, including but not limited to sexual, employment-based or third-party.
 - iv. Sexual misconduct or molestation – including allegations of assault, misconduct, rape and related offenses.
 - v. Fatalities.
 - vi. Spinal cord injuries resulting in any degree of paraplegia or quadriplegia.
 - vii. Nerve damage injuries resulting in paralysis or loss of sensation.
 - viii. Brain damage claims including; but not limited to, closed head injuries, permanent disorientation, behavior disorder, personality change, seizure, motor deficit or other cognitive disorders.
 - ix. Burns – Third degree burns involving 10% of the body, or second degree burns involving 30% of the body.

¹ See page 1 of this policy – the definition of “claim” includes occurrences, claims, and lawsuits.

- x. Amputation – complete or partial.
 - xi. Impairment of vision or hearing – 50% or greater.
 - xii. Multiple injuries arising out of one occurrence, including but not limited to; massive internal injuries or multiple fractures involving more than one claimant.
 - xiii. Severe disfigurement.
 - xiv. Long term hospitalization (30 days or more).
 - xv. Multiple claims arising out of the same occurrence in which the aggregate ultimate net loss is estimated to exceed 25% of the Member Agency’s retained limit.
 - xvi. Any claim with an assigned trial date in the next 60 days that has not been otherwise reported.
- c. Lawsuits or writs involving employment practices liability.
 - d. Demands in excess of \$250,000 arising out of any of the following settings:
 - i. Statutory demand;
 - ii. Post closed discovery (not expert) demand;
 - iii. Mandatory Settlement Conference demand;
 - iv. Mediation demand; or
 - v. Arbitration demand.
2. Member Agencies will ensure that the initial report provided to the Claims Administrator contains a brief description of what occurred, along with all available/relevant documents (e.g., claim, investigative reports, photos, medical reports, the operative complaint and answer, etc.), all current financial information including the amount paid to date in legal fees and cost, the members current reserve amounts and an estimate of any anticipated Ultimate Net Loss based on the information then available.

Member Agencies will provide the initial report and all future reports to the Authority’s Claims Administrator:

George Hills Company
P.O. Box 278
Rancho Cordova, CA 95741
Phone: (855) 442-2357
Attention: Ben Oram
Ben.Oram@georgehills.com
(916) 269-4108

Once a reported claim is litigated, Member Agencies will promptly advise the Claims Administrator of legal counsel selection and forward a copy of the lawsuit along with any additional relevant documents available that were not provided with the initial report.

3. Member Agencies will ensure that assigned legal counsel provides the Claims Administrator with a case analysis report (“CAR” – sample attached) or equivalent as soon as reasonably possible after receipt of the lawsuit.

4. Member Agencies shall provide written status reports every ninety days thereafter or when a significant development occurs that could change the value of a claim or lawsuit, whichever occurs first. Status reports should include all current financial information including the amount paid to date in legal fees and cost, the members current reserve amounts and an estimate of any anticipated Ultimate Net Loss based on the information then available. Further, Member Agencies will ensure that status reports are complete and contain sufficient information for the Claims Administrator to properly evaluate the claim or lawsuit and keep the Claims Committee informed of key developments that may require its action. If Member Agencies fail to comply with these requirements, the Claims Administrator will promptly alert the Claims Committee and may request intervention.
5. Member Agencies shall provide photos, video, diagrams, reports, estimates, statements, deposition transcript and/or summaries, motions for summary judgment, adjudication, dismissal, and/or demurrers, as well as any appellate briefs, orders/rulings/judgments, for inclusion in the file maintained by the Claims Administrator and for transmission to all relevant excess carriers, all within ninety (90) days of receipt of the listed materials.

Member Agencies may provide verbal updates to ACCEL and/or its excess carriers as long as such reports are acceptable to both ACCEL and the excess carriers. Where ACCEL or any excess carrier requests a written report, the Member Agency shall provide a written report to satisfy the duty to cooperate with the excess carriers and therefore to ensure that coverage remains intact.

6. ACCEL's Litigation Manager will provide Members with a loss runs to review at least twice a year. The valuation dates will be 9/30 and 3/31. The Claims Administrators will send the loss runs within seven (7) days after the valuation date to the Members. Members are to notify the Claims Administrators if any of the claims should be reclassified into a different tier within thirty (30) days.

V. Coverage Determinations, Alerts and Limits

The Claims Administrator will promptly evaluate all reported claims to determine whether coverage is available under the Authority's MOC.

Partial Coverage, No Coverage, and Reservations of Rights:

If ~~this~~ review by the Claims Administrator reveals a potential coverage issue(s), the Claims Administrator will send the affected Member Agency a partial disclaimer of uncovered damages and provide a copy to the Program Administrator. Where review of the claim indicates that the entire claim, a portion of the claim, or any involved individuals may not be entitled to any coverage, the Claims Administrator will send a Coverage Alert letter warning of the potential for no coverage under the relevant Memorandum of Coverage.

Upon further review of claim details, the Claims Administrator will request Claims Committee approval to issue a reservation of rights letter that clearly states the basis and justification for the finding; a copy of the letter will be provided to the Program Administrator and each Claims Committee Member. The Claims Chair has Authority to approve the issuance of a Reservation of Rights letter if circumstances dictate that the Claims Committee may not be able to approve. Any Reservations of Rights approved by the Claims Chair will be presented to the Claims Committee for ratification at the next Claims Committee meeting. The Claims Committee, in turn, will apprise the Board of Directors of all Reservation of Rights letters issued to Member Agencies and will provide

regular status updates until matters resolve. All final denials of coverage must be approved by the Authority.

ACCEL's Retained Layer - Aggregate Limits

The Claims Administrator will periodically review the ACCEL claim inventory to determine the Member Agencies' status with regard to any Aggregate Limit imposed by a Memorandum of Coverage. Where any Member Agency has reached 50% of the Aggregate Limit based on a combination of claims paid to date and/or reserved for a specific coverage year, the Claims Administrator will provide written notice to the Program Administrator. The Program Administrator will review the information provided by the Claims Administrator and will thereafter provide written notice to the Member Agency concerning its progress towards the Aggregate Limit.

Where the Claims Administrator's periodic review indicates that any Member Agency has reached or exceeded the Aggregate Limit, the Claim Administrator will provide notice to the Program Administrators, who will then provide written notice to the Member Agency that the Aggregate Limit has been exhausted and that no additional coverage for that Program Year will be afforded to the Member Agency by the Authority. The Member Agency will be responsible for satisfying any retention to excess insurance coverage if applicable.

Coverage Disputes:

Member Agencies can dispute a Partial Disclaimer, Coverage Alert, Reservation of Rights, or Aggregate Limit letters by contacting the Authority's Board President and requesting that an item be placed on the next available Board of Directors meeting agenda to discuss the matter. In the event of a conflict (i.e., the Board President's Member Agency is disputing a reservation of rights letter), the Vice President will assume the Board President's responsibilities.

Upon review of claim details, if coverage is not clear and the Claims Administrator cannot make a coverage determination, the Claims Administrator will present the claim to the Claims Committee for review and potential approval of a coverage opinion. Further, if time is of the essence, a Member disputes ACCEL's coverage, the Claims Committee or Claims Committee Chair may authorize a coverage opinion. When a coverage opinion is solicited by ACCEL, ACCEL's Claims Committee will review the opinion and may authorize sharing with the affected Member. Coverage opinions will not be shared with the Member without the prior approval from the Claims Committee or Claims Committee Chair.

VI. Duty to Disclose a Potential Conflict of Interest

Members have a duty to disclose a conflict of interest if a conflict of interest or potential conflict exists.

VII. Settlement Authority Process

As stated in the ACCEL Bylaws Article XI Settlement of Claims:

All claims settlement recommendations shall be presented by the Claims Committee to the Board of Directors for its approval prior to final settlement.

ACCEL's Board will review claims covered by ACCEL's Memorandum of Coverage and take the following steps to review and grant authority to resolve claims:

1. The TPA will review claims for exposure to ACCEL's shared risk layer or above.
2. Claims which are likely to exceed the member retention and require ACCEL funds to resolve will be brought to the Claims Committee for review.
3. For claims in which an ACCEL reserve will be requested, the claim shall be brought to ACCEL's Board for review and action. If a reserve is approved, the reserve will be posted on ACCEL's loss run and indicates ACCEL's general level of approval to resolve the claim. The TPA may negotiate within the reserve amount, but subject to final settlement authority pursuant to paragraph 4 below.
4. If an opportunity to resolve a claim arises, and the amount is at or less than the approved reserve, ACCEL authorizes the following levels of final settlement authority.
Following exhaustion of the Member's SIR:
 - a. \$1,000,000 to \$1,999,999.99 - Claims Committee Chair or the President if the claim involves the Chair's own city.
 - b. \$2,000,000 to \$4,999,999.99 - Claims Committee
 - c. \$5,000,000 to Authority's Retained Limit or above - ACCEL Board
5. If a claim resolution exceeds the Board's approved reserve, including when there is no reserve set, the claim must be brought to the Board for discussion and potential action.
6. Where the Board has approved a reserve amount, the Board may take action to delegate authority to an Executive Committee Member or any Committee Chair and the Claims Litigation Manager to settle a claim where it determines that the circumstances of a claim warrant delegation of such authority to effect timely and efficient resolution of the claim.
7. Any claim involving ACCEL's funds requires a final report to the Board, informing the Board of the claim resolution and financial impact to ACCEL.
8. Claims payments will be processed in accordance with ACCEL's Accounting Guide.

Confirmation of Authority: Prior to attending a settlement conference, the Claims Administrator should provide written notification to the Member Agency and to the Claims Committee of the settlement plan including the details of the mediation or settlement conference, if applicable, the reserves set by ACCEL, confirmation on the potential target settlement value, and where applicable, confirmation that the remainder of the Member Agency SIR may be tendered in the course of finding a resolution.

VIII. Claims Reimbursement Requests

For claims that fall under the Policy Year 2015-16 and after, the Authority's MOC allows for a Member Agency to seek reimbursement from the Authority.

When seeking reimbursement Member Agencies are required to provide the Authority's Claims Administrator a summary as well as all invoices and documentation to substantiate the exhaustion of the Member SIR and the amount requested in the claim reimbursement.

The statement above does not change any agreement between the Authority and a Member Agency which allows the Member Agency (such as a flat fee agreement) to provide a summary report of the

amount requested as part of the claim reimbursement along with a signed affidavit that all bills have been reviewed for accuracy, appropriateness, and reasonableness.

The Authority will reimburse Members or credit their Self-Insured Retentions (SIRs) for reasonable attorney fees and necessary litigation expenses incurred while managing, investigating, defending or litigating covered claims.

ACCEL Members are required to notify the Claims and Program Administrators regarding any claim in which attorney rates are in excess of \$400/hour. The Program Administrators will agendaize the claim for the Claims Committee to review rates for reasonableness. The Committee may take action or provide direction.

To process claims reimbursement requests the following will occur:

- 1) Once prior written authorization is given to settle an excess case, or a judgment puts it into the Authority or other excess layers, the Member or its administrator must submit:
 - a) Copies of all settlement documents, including releases, annuity forms (if structured), and properly filed dismissals.
 - b) Copies of all itemized bills from defense attorneys, claims administrators, expert witnesses and any other cost bills. (*see attached sample billing procedures*)
 - c) Copies of valid evidence of payment properly matched to the bills and settlement documents. Valid evidence of payment can take the form of check copies, data processing runs, Member warrant registers, department payment records, TPA claim payment screen printout, identifying the following:
 - a. Check or warrant number
 - b. Issue date
 - c. Payee
 - d. Paid amount
- 2) A cover letter requesting reimbursement of the net amount after deducting the SIR, must be submitted with the above documentation.
- 3) Once the figures are reconciled, a check request will be made to reimburse the Member in the appropriate amount. When issued this check will be mailed to the Member contact person, with a copy to the claims administrator (if applicable).
- 4) If reimbursement has been approved for an occurrence that remains open, any additional reimbursements for defense costs and fees will be processed when bills exceed \$250,000.
- 5) If a Member requests an advancement on a reimbursement to prefund a large payment, the Claims Committee Chair has the authority to approve the prefunding request. If the claim involves the Chair's own city, the President will have authority to approve. The prefunding request must be in writing from the Member's Finance Director or Risk Manager.
- 6) If special circumstances arise, which require exceptions or interpretation, the Program Administrators will agendaize for Committee or Board consideration.

IX. Claims Audits

All Member Agencies are required to complete an annual claims audit. Such audits will be conducted by a qualified outside audit firm recommended by the Claims Committee and approved by the Authority. The cost of the audits will be shared equally by Member Agencies.

The Claims Auditor will issue a written report summarizing the findings and recommendations for each Member Agency. This report will be presented and approved by the Authority's Board of Directors at a regular Board meeting. The Authority may require a Member Agency to formally respond to an audit finding contained in the report. A Member Agency shall submit its response to the Authority within sixty days of the request.

X. Attachments

- 1) Sample CAR and Budget Form
- 2) Sample Billing Procedures

**APPENDIX 1
CASE ANALYSIS REPORT**

Caption of Lawsuit: _____

Court: _____

Court Case Number: _____

Date Suit Filed: _____

Date of Service: _____

Fast Track? ____ Yes ____ No

Excess TPA Claim Number: _____

Date of Loss: _____

Primary TPA Claim Number: _____

I. PARTIES

A. Plaintiffs:

B. City and City-Related Defendants:

C. Third-Party and Other Defendants:

II. TRIAL DATE AND OTHER IMPORTANT DATES

III. JURISDICTION AND EVALUATION

IV. TRIAL JUDGE AND EVALUATION

V. EVALUATION OF COUNSEL

A. Plaintiff's Attorney's Name and Evaluation:

B. City's Defense Attorney's Name:

C. Co-Defendants' Attorneys' Names and Evaluations:

VI. STATEMENT OF FACTS

VII. INJURIES

VIII. SPECIAL DAMAGES

A. Medical Expenses:

1. Past:

2. Future:

B. Loss of Earnings:

1. Past:

2. Future:

C. Other (specify);

IX. LIABILITY ALLEGATIONS

- A. Plaintiff's Contentions:**
- B. Defenses:**
 - 1. Legal Defenses:**
 - 2. Factual Defenses:**
- C. Plaintiff's Expert Witnesses and Opinions:**
- D. Defense Expert Witnesses and Opinions:**

X. VERDICT EXPOSURE

- A. Chances of Defense Verdict:**
[Note: a percentage number shall be provided.]
- B. Gross Verdict Range as to all Defendants:**
- C. Potential Offsets and Credits:**
- D. Net Verdict Range to City after Offsets, Credits and Allocation of Fault:**
- E. Plaintiff's Attorney's Fees (if applicable):**
- F. Punitive Damages (if applicable):**

XI. SETTLEMENT HISTORY

- A. Last Demand:**
- B. Last Offer:**
- C. History of Settlement Negotiations:**

XII. RECOMMENDATIONS OF COUNSEL

- A. Reasonable Settlement Value:**
- B. Proposed Litigation Strategy:**
- C. Other Recommendations:**

XII. BUDGET

- A. Fees and Costs Invoiced to Client as of the Date of this Report:**
- B. Fees and Costs from this Date to Trial:**
- C. Fees and Costs of Trial:**
- D. Initial Case Budget:**
- E. Experts' Fees and Costs to Date:**

F. Experts' Fees and Costs through Trial:

G. Litigation Budget Summary Form (see Attachment 1):

XIII. MISCELLANEOUS

A. Does Complaint Conform to the Tort Claim Filed?

(If not, specify differences)

B. Is Indemnification, Subrogation, or Contribution Available?

(If so, specify by whom, and in what amounts)

Attachment

1 – Litigation Budget Summary Form

ATTACHMENT 1 -- LITIGATION BUDGET SUMMARY FORM

Name of Attorney: _____ Case Name: _____

Est Hrs / Cost

1. **Preliminary Activity**
(Review File, Interview Witnesses, Case Analysis, Litigation Plan, Budget)
2. **Initial Pleadings**
(Answer, Cross-Complaint, Demurrer)
3. **Fact Finding – Information Gathering**
(Document Review, Research, Strategy Development, Sub Rosa, Travel)
4. **Discovery**
(Interrogatories, Depositions [by individual], Other Requests)
5. **Law & Motion and Pre-Trial Activity**
(Motions [specify], Arbitrations, Settlement Conferences, Mediations, Court Hearings, Pre-Trial Reports)
6. **Experts**
(Identify Each Expert [if known] and Area of Expertise)
7. **Documentation – Administrative Support**
(Correspondence, Copies, Faxes, Other Costs)
8. **Trial Activity**
(Trial Preparation, Trial Attendance, Briefings, Exhibits, Post-Trial Report)

TOTAL

BUDGET SUMMARY:

- | | |
|---|----|
| 1. Preliminary Activity | \$ |
| 2. Initial Pleadings | \$ |
| 3. Fact Finding-Information Gathering | \$ |
| 4. Discovery | \$ |
| 5. Law & Motion and Pre-Trial Activity | \$ |
| 6. Experts | \$ |
| 7. Documentation – Administrative Support | \$ |
| 8. Trial Activity | \$ |

TOTAL

\$ _____

SUBMITTED BY:

Defense Counsel:

_____ Date: _____

Signature

Printed Name

SAMPLE DEFENSE COUNSEL GUIDELINES – Billing Procedures

BILLING PROCEDURES

All invoices are to be submitted on a [monthly/quarterly] basis and directed to [name of person or position to whom invoices should be sent]. Billings that do not comply with the billing guidelines will not be paid. Payment of any bill by the [entity name and/or the TPA] does not constitute a waiver of the [entity name's] right to question, dispute, obtain reimbursement, compromise, or request repayment or future credit, for any bill or invoice previously paid.

Invoices for counsel fees and expenses should be submitted [monthly/quarterly], within thirty (30) days of the end of the billing period. Final invoices should be submitted within thirty (30) days from receipt of a filed Dismissal. Defense Counsel is responsible for obtaining all outstanding invoices from outside vendors, including experts, before submitting the final bill. Receipts must be submitted for all travel and other expenses.

Firm staffing on all cases should be as limited as possible. Absent prior approval, the [entity name] will not pay for more than one (1) attorney performing the same task. For example, the [entity name] will not pay for two (2) or more attorneys to attend the same deposition. Work should be assigned to those individuals who are most appropriate for the task in terms of their competency and experience.

There should be no more than two (2) attorneys and one (1) paralegal performing work on a case at any given time. Other firm personnel may occasionally have to work on a case due to job departures, vacations, illnesses, schedule conflicts, etc., but this is the exception, not the rule. [Entity name] will not pay for “training” time for new attorneys or “learning” time or “orientation” time as new billers become involved in a matter and are learning the facts and issues. If a firm has summer associates, their time should not be billed to a case without first being approved by the [entity name and/or TPA]

A. Invoices

Invoices should accurately itemize, in detail, all work performed on a matter. Each invoice must include the following:

- Law firm name and address
- Date of the bill
- Law firm tax identification number
- The TPA and/or entity claim number
- Plaintiff(s) name(s)
- Each billing entry must state the name or initials of the timekeeper who performed the work, the date the work was performed, the hours billed, a detailed description of the services performed, and the total amount billed for that entry
- Attorneys and paralegals should bill actual time spent in increments, no greater than 1/10th of an hour for each entry
- Summarize at the end of the bill, the number of hours for each specific biller

- Summarize at the end of the bill the totals for fees, costs, and experts
- Narrative or block/bundled billing is not permitted
- Final bills should be clearly marked
- Invoices must reflect activity for only one (1) case
- Billing entries should be listed chronologically in order of occurrence and not sub-divided by individual or task
- If a number of different tasks are undertaken in one day, each task must be separately identified with a specified time for performing that task, e.g., “telephone conference with John Doe (.30); Attend conference with Jane Doe (1.20), etc.”
- Entries regarding telephone conferences must specify the participants and the subject matter discussed

Vague descriptions such as “work on file,” “telephone call,” “conference,” and “research,” without further explanation, are not acceptable.

Vendor invoices (e.g. experts, mediators, photocopy services, court reporters, and others) in an amount up to [insert amount here] dollars (\$XXXX) per case should be paid by the law firm and included with the monthly attorney billing. Defense Counsel must review and approve all vendor invoices.

B. Maximum Allowable Charges and Travel

The following guidelines are provided regarding maximum allowable charges:

- The [entity name] will only pay the actual cost incurred for reasonable expenses without any markups.
- A firm may conduct necessary and appropriate research up to five (5) hours per case without prior approval by the [entity name and/or its TPA].
- Photocopy costs should not exceed ten cents (\$0.10) per page. Firms are expected to limit the making of photocopies and, wherever cost effective, to use the resources of designated copy services. Billing entries for photocopies must provide the number of copies made, the per page rate, and the total amount billed.
- Mileage should be billed at the applicable Federal rate at the time of travel. The invoice should state the number of miles actually driven.
- Telephone and Fax: Actual long distance charges only. No charges for an incoming fax and no per-page fax charge.
- Air travel is limited to coach or economy rate. Receipts for airfare should allow a reviewer to identify the fare as economy/coach class.
- Rental cars are acceptable only if such vehicles are the most economical means of accomplishing necessary business. Reimbursement is limited to the mid-size class.
- Incidentals, such as movies, alcohol, and entertainment are not allowed.
- Travel time shall be pro-rated if the travel includes time spent on non-[entity name] business.

C. Disallowed Charges

In addition to items listed above in sections A and B, the [entity name] will not reimburse for the following:

- Local telephone calls and all cellular phone charges.
- Routine postage, such as the U.S. Postal Service rates for letters. Any necessary extraordinary postage charges (such as certified mail, overnight service, or oversized packages) must be delineated on the bill with an explanation of the nature and purpose of the charge. Any postage charges that are not explained will not be reimbursed.
- File opening, file organization, or other administrative charges.
- Interoffice conferences between members of the firm, including assigning files or tasks to members of the firm.
- Case administration (e.g. reviewing status of assignments given to associates and paralegals; directing associates, paralegals, or secretaries; preparing or reviewing bills).
- Clerical tasks (e.g. transcription, pulling files, photocopying documents, arranging for copying, labeling documents for production, communication with court clerks, updating master case caption, preparing proofs of service, indexing pleadings, faxing).
- Meals, except in conjunction with out-of-town travel (alcohol will not be reimbursed in conjunction with any travel).
- Routine legal research, including issues considered to be common knowledge among reasonably experienced counsel in the local jurisdiction.
- All work customarily performed by secretaries and other administrative personnel including but not limited to, photocopying, date stamping documents, scanning documents, transcription, retrieving files, indexing pleadings, updating case captions, making travel arrangements, calendaring, and preparing bills/invoices.
- Subscription services (e.g. Westlaw, Lexis-Nexis, or other legal database charge).
- Responding to requests from [entity name and/or TPA] and/or their auditors relating to case file management and/or billing issues.



Item No. C.1.b
Claims Committee
March 3, 2026

LITIGATION UPDATE

ISSUE: At today's meeting, Ben Oram, ACCEL Litigation Manager will provide another update because the Committee requested these to be provided quarterly.

RECOMMENDATION: This is an information item; no action is necessary.

FISCAL IMPACT: No financial impact is expected.

BACKGROUND: The Program Administrators discussed services with prior ACCEL's Claims Chair, Tracey Matthews. As a result of that discussion, ACCEL requested that George Hills provide a quarterly update.

ACCEL has not previously received litigation updates as part of our litigation management services but has received updates at strategic planning meetings.

The Litigation Update documents are posted on the ACCEL Website in the Members' Only section.

ATTACHMENT: Litigation Update from George Hills

Summary

1. *Update to Cal. Code of Civil Procedure §231.7: peremptory challenges*
2. *Agustin v. Golden Empire Transit Dist.: public transit not insurers of safety*
3. *Rancho Cucamonga Central School Dist. v. Superior Ct.: negligent supervision standard*
4. *Romero v. County of Kern: Labor Code §1102.5 – internal claim process must be clear*
5. *Mendoza v. Bd. of Retirement of the Ventura County: IDR required mitigation of damages*
6. *Krovoza v. City of Davis: park equipment and exemption from CEQA*
7. *Gonzalez v. City of Phoenix: Police use of hobble devices may lead to excessive force*
8. *Carroll v. City and County of San Francisco: benefit formulas not discriminatory*
9. *Case v. Montana: Legal standard for police welfare checks*
10. *L.A. Police Protective League v. City of L.A.: Statutory warnings re free speech*
11. *Black v. L.A. County Metropolitan Transp. Authority: Gov Claims Act re: public corporations*

Cases and Analysis

SIGNIFICANT UPDATE ON USE OF PEREMPTORY CHALLENGES

Section 231.7 of the California Code of Civil Procedures governs the grounds upon which an attorney may dismiss a potential juror from service and has always prohibited dismissal based on race, ethnicity, gender, gender identity, sexual orientation, national origin, religious affiliation, or membership in any of those groups.

Section 231.7 was updated effective 1/1/2026 by Senate Bill 645. The amended section now prohibits use of a Peremptory Challenge to dismiss potential jurors on the following additional grounds:

- (1) Expressing a distrust of or having a negative experience with law enforcement or the criminal legal system.
- (2) Expressing a belief that law enforcement officers engage in racial profiling or that criminal laws have been enforced in a discriminatory manner.
- (3) Having a close relationship with people who have been stopped, arrested, or convicted of a crime.
- (4) A prospective juror's neighborhood.
- (5) Having a child outside of marriage.
- (6) Receiving state benefits.
- (7) Not being a native English speaker.
- (8) The ability to speak another language.
- (9) Dress, attire, or personal appearance.

(10) Employment in a field that is disproportionately occupied by members listed in subdivision (a) or that serves a population disproportionately comprised of members of a group or groups listed in subdivision (a).

(11) Lack of employment or underemployment of the prospective juror or prospective juror's family member.

(12) A prospective juror's apparent friendliness with another prospective juror of the same group as listed in subdivision (a).

(13) Any justification that is similarly applicable to a questioned prospective juror or jurors, who are not members of the same cognizable group as the challenged prospective juror, but were not the subject of a peremptory challenge by that party. The unchallenged prospective juror or jurors need not share any other characteristics with the challenged prospective juror for peremptory challenge relying on this justification to be considered presumptively invalid.

LIABILITY FOR BUSES AS COMMON CARRIERS - LIMITATIONS

Agustin v. Golden Empire Transit Dist.

Docket: F088135(Fifth Appellate District)

Opinion Date: November 26, 2025

Judge: Donald R. Franson Jr.

Areas of Law: Personal Injury

Summary Rules:

While public bus operations are subject to a higher standard as a common carrier, they do not become an insurer of passenger safety. Normal bus movements which lead to injury do not establish liability.

Facts:

The plaintiff, an experienced bus rider, was injured when she fell while standing on a public bus operated by a transit district. She had stood up and moved toward the rear door in anticipation of her stop, holding a bag in one hand and a phone in the other. Security camera footage showed she was not holding onto a railing at the time the bus made a routine turn, lost her balance, and fell. The driver was not alleged to have made any unusual maneuver, nor did other passengers appear affected. The plaintiff claimed the driver operated the bus negligently and failed to warn her to hold on or sit down.

After the incident, the plaintiff filed a lawsuit in the Superior Court of Kern County, asserting causes of action for motor vehicle negligence against both the driver and the transit district (the latter on a vicarious liability theory). The defendants moved for summary judgment, relying heavily on the bus's video recording to argue that the bus's movement was ordinary and that the plaintiff's own actions were the proximate cause of her injury. The plaintiff argued that factual disputes remained, that the heightened duty of care for common carriers was not met, and that expert opinion and the doctrine of *res ipsa loquitur* created triable issues for the jury. The Superior Court granted summary judgment for the defendants, concluding there was no evidence of negligence by the driver and that the plaintiff's own conduct was the sole proximate cause of her injury.

Holding and Analysis:

On appeal, the Court of Appeal of the State of California, Fifth Appellate District, reviewed the case de novo. The court affirmed the lower court's judgment, holding that, while common carriers owe a heightened duty of care, that duty does not make them insurers of passenger safety for ordinary vehicle movements. The court further held that evidence, including the video, established the driver did not breach the applicable duty, and the plaintiff's own negligence was the sole proximate cause of her injury. The court also ruled that neither comparative negligence nor *res ipsa loquitur* doctrines applied under these facts. Judgment for the defendants was affirmed.

NEGLIGENT SUPERVISION LIABILITY

Rancho Cucamonga Central School Dist. v. Superior Ct.

Docket: E084855(Fourth Appellate District)

Opinion Date: December 3, 2025

Judge: Michael J. Raphael

Areas of Law: Personal Injury

Summary Rules:

A claim of negligent supervision by a public agency requires knowledge of the person's dangerous propensities.

Facts:

A former student alleged that the director of his school's childcare program sexually abused him during the 2001-2002 school year, both on campus and at her residence. The childcare program was operated by West End YMCA on the school's campus, and the director was employed by West End YMCA, not by the school district. The student, as plaintiff, brought suit against several parties, including the school district, asserting multiple causes of action related to negligence and abuse.

The Superior Court of San Bernardino County reviewed the district's motion for summary judgment or summary adjudication on four causes of action asserted against it. The court granted summary adjudication in favor of the district on two causes—negligent hiring/retention and failure to perform mandatory duties—but denied it as to the first (negligent supervision of students) and fourth (negligent supervision/failure to warn, with respect to Johnson) causes of action. The school district sought writ relief from the partial denial, specifically contesting the denial as to the fourth cause of action.

Holding and Analysis:

The California Court of Appeal, Fourth Appellate District, Division Two, reviewed the petition for writ of mandate. The appellate court focused solely on the fourth cause of action, which alleged negligent supervision of the program director. Applying the standard from *C.A. v. William S. Hart Union High School Dist.*, the Court of Appeal held that liability for negligent supervision requires actual or constructive knowledge by the district's supervisory employees of the individual's dangerous propensities. The record contained no evidence that any district employee had actual or constructive knowledge of the director's inappropriate conduct. Accordingly, the appellate court granted the writ of mandate and directed the superior court to enter summary adjudication in favor of the district on the third, fourth, and seventh causes of action, awarding costs to the district.

WHISTLE BLOWER RETALITION – Labor Code § 1102.5

Romero v. County of Kern

Docket: F088325(Fifth Appellate District)

Opinion Date: December 15, 2025

Judge: Thomas DeSantos

Areas of Law: Government & Administrative Law, Labor & Employment Law

Summary Rules:

Internal claim processes of a public entity must be clear on what is needed before a defense of failure to exhaust can be established.

Facts:

A firefighter employed by a county for over two decades reported safety violations concerning the maintenance of fire extinguishers on county fire engines. After raising these concerns with his superiors, he was barred from working in fire prevention, which he believed was retaliation for his whistleblowing activities. Although he filed internal complaints with the county's Office of Human Resources and the Civil Service Commission, he withdrew his appeal after assurances that his concerns would be addressed. Later, he was investigated for alleged misconduct and ultimately terminated for violations of county rules. He then filed a claim under the Government Claims Act, which the county rejected.

The Superior Court of Kern County granted the county's motion for judgment on the pleadings, finding that the plaintiff's failure to exhaust the internal administrative remedies—specifically, by not appealing his dismissal to the Civil Service Commission—barred his whistleblower retaliation lawsuit. The court denied the plaintiff's request for leave to amend his complaint, holding that he could not allege exhaustion of remedies.

Holding and Analysis:

The Court of Appeal of the State of California, Fifth Appellate District, reviewed the case. It held that the plaintiff was not required to exhaust the county's internal administrative remedies before bringing his whistleblower retaliation claims because the county's ordinances and rules did not provide a clearly defined process for submitting, evaluating, and resolving such claims. The court distinguished between general disciplinary appeals and procedures for discrimination or harassment claims, noting that there was no specific administrative remedy for whistleblower retaliation. Consequently, the appellate court reversed the judgment and remanded the matter with instructions to deny the county's motion for judgment on the pleadings. The holding clarifies that, where an internal administrative process does not address a particular type of claim, exhaustion of that process is not required before filing suit.

INDUSTRIAL DISABILITY RETIREMENT

Mendoza v. Bd. of Retirement of the Ventura County

Docket: B327347(Second Appellate District)

Opinion Date: December 29, 2025

Judge: Kenneth Yegan

Areas of Law: Government & Administrative Law, Public Benefits

Summary Rules:

IDR claimant must mitigate damages, including undergoing surgery, of IDR may be denied.

Facts:

The appellant, a Ventura County Deputy Sheriff, suffered two work-related back injuries in 2014 and 2015. Medical evaluations revealed degenerative disc disease and herniation at the L5-S1 level. Multiple physicians recommended surgical intervention, and the County authorized surgery to address his condition. However, the appellant declined the recommended procedures, citing concerns about surgical outcomes and referencing anecdotal experiences of colleagues. Later, his condition progressed, and more extensive surgery was suggested, but authorization for additional procedures was denied due to insufficient evidence. Despite ongoing pain, the appellant also declined to participate in a recommended home exercise program and a work hardening regimen. After the appellant applied for service-connected disability retirement, his application was challenged by the County and assigned to VCERA's hearing officer for review. During the administrative hearing, the appellant testified about his refusal of surgery and physical therapy, while medical experts presented conflicting views on his prognosis and ability to return to work. The hearing officer found that the appellant had unreasonably refused recommended medical treatments with a high probability of success, and that his refusal likely worsened his condition, making him ineligible for service-connected disability retirement benefits. The Board adopted these findings and denied his application.

Holding and Analysis:

The Superior Court of Ventura County denied the appellant's petition for a writ of administrative mandate, concluding that his unreasonable refusal of authorized surgery and other treatments constituted valid grounds to deny benefits under the doctrine of avoidable consequences/mitigation of damages. The California Court of Appeal, Second Appellate District, Division Six, affirmed this decision. The court held that a disability retirement application may be denied if the disability is caused, continued, or aggravated by an unreasonable refusal to undergo medical treatment, even if the refused treatment is no longer effective due to the passage of time.

PUBLIC NUISANCE - CEQA

Krovoza v. City of Davis

Docket: C100103(Third Appellate District)

Opinion Date: December 30, 2025

Judge: Stacy Boulware Eurie

Areas of Law: Environmental Law

Summary Rules:

Placement of playground equipment in a park which creates noise is exempt from CEQA requirements under the "unusual circumstances" exemption.

Facts:

The dispute centers on the City's decision to relocate a piece of playground equipment known as the Sky Track within Arroyo Park, Davis, California, due to noise complaints from nearby residents. After its installation in 2019, the City received complaints about excessive noise, particularly at night, and responded by commissioning noise studies and implementing mitigation measures, such as restricted hours and physical sound dampening. These measures proved challenging to enforce, leading the City to investigate alternative locations within the park. Expert analysis indicated that relocating the Sky Track to a specific area (Location B) would reduce noise levels at the nearest residences compared to its previous location.

Following approval by the City Council to move the Sky Track and the filing of a notice of exemption under three categorical exemptions from the California Environmental Quality Act (CEQA), the plaintiffs challenged the exemption. They filed a verified petition for writ of mandate in the Superior Court of Yolo County, arguing that the unusual circumstances exception to the categorical exemption should apply because of the potential for significant noise impacts. The Superior Court denied the petition, finding substantial evidence that the project fell within the scope of the exemptions and that relocating the equipment would reduce, not increase, noise impacts, thus failing to establish unusual circumstances.

Holding and Analysis:

On appeal, the California Court of Appeal, Third Appellate District, reviewed whether the unusual circumstances exception was triggered. The court held that mere violation of the City's noise ordinance does not itself amount to substantial evidence of a significant environmental effect. Furthermore, it found no substantial evidence to support a fair argument that relocating the Sky Track would create a significant adverse noise impact. The court affirmed the lower court's judgment, concluding that the City acted within its discretion and complied with CEQA's exemption procedures.

POLICE USE OF FORCE – HOBBLE DEVICE

Gonzalez v. City of Phoenix

Docket: 24-2510

Opinion Date: January 8, 2026

Judge: Gabriel Sanchez

Areas of Law: Civil Rights

Summary Rules:

The continued use of passive force (hobble device) against a detained and helpless detainee constitutes excessive force.

Facts:

The case involves the death of Ramon Timothy Lopez following an encounter with Phoenix Police Department officers. After receiving reports of erratic behavior, officers pursued Lopez in a foot chase, subdued him, and restrained him with handcuffs and a RIPP hobble device. This restraint bent Lopez's body into a hogtied position while he was face down. Despite Lopez's distress and visible signs of medical need, officers transported him in the back of a patrol vehicle in this position. He became unresponsive during transport and was later pronounced dead at the hospital. The medical

examiner attributed his death to cardiac arrest in the context of methamphetamine intoxication, heart disease, and physical restraint.

Plaintiff Laura Gonzalez, Lopez's mother, filed suit in the United States District Court for the District of Arizona against the City of Phoenix and several officers, asserting claims under federal and state law, including excessive force under the Fourth Amendment. The district court granted summary judgment in part, dismissing claims of false arrest, Monell liability, and others, but denied summary judgment on the excessive force claim related to the officers' actions after the RIPP restraint was applied, including the transportation of Lopez in the prone, hogtied position.

Holding and Analysis:

On appeal, the United States Court of Appeals for the Ninth Circuit reviewed the district court's denial of qualified immunity. The Ninth Circuit affirmed the denial, holding that a reasonable jury could find the officers' use of the RIPP restraint and the manner of transport unreasonable and excessive, given Lopez's lack of resistance and medical distress. The court found that precedent in the Ninth Circuit clearly established that continued use of force or refusal to alleviate its harmful effects against a helpless detainee constitutes excessive force. The case was remanded for further proceedings.

DISCRIMINATION RE RETIREMENT SYSTEM CALCULATIONS

Carroll v. City and County of San Francisco

Docket: A169408M(First Appellate District)

Opinion Date: January 14, 2026

Judge: Tracie L. Brown

Areas of Law: Class Action, Constitutional Law, Contracts, Labor & Employment Law

Summary Rules:

Formulas used to calculate retiree benefits which include age in the calculation are not discriminatory when the formulas focus on credit for years of service.

Facts:

Several individuals who were employed by the City and County of San Francisco and were at least 40 years old when hired brought a class action lawsuit alleging that the City's method for calculating disability retirement benefits under its retirement system discriminated against employees based on age. The system employs two formulas; Formula 1 is used if it yields a benefit exceeding a percentage threshold, while Formula 2 is used if the threshold is not met. Plaintiffs argued that Formula 2, which imputes years of service until age 60, resulted in lower benefits for those who entered the retirement system at age 40 or older, in violation of the California Fair Employment and Housing Act (FEHA).

After initial proceedings in the San Francisco City and County Superior Court—including a demurrer sustained on statute of limitations grounds and subsequent reversal by the Court of Appeal—the plaintiffs filed an amended complaint asserting FEHA claims for disparate treatment and disparate impact, as well as claims for declaratory relief, breach of contract, and equal protection violations. The trial court certified a class and denied summary judgment due to triable issues of fact. A bench

trial followed, where both parties presented expert testimony on whether Formula 2 disparately impacted older employees.

Holding and Analysis:

The Court of Appeal of the State of California, First Appellate District, Division Four, reviewed the trial court’s findings. It affirmed the judgment, holding that plaintiffs failed to prove intentional age discrimination or disparate impact under FEHA. The court found that Formula 2 was motivated by pension status and credited years of service, not by age, and that plaintiffs’ evidence was insufficient as it was based on hypothetical calculations rather than actual data. The trial court’s denial of plaintiffs’ request to amend their complaint after trial was also upheld, as any alleged error was not reversible on the record. The judgment in favor of the City was affirmed.

SUPREME COURT OF THE UNITED STATES – LEGAL STANDARD FOR POLICE WELFARE CHECKS

Case v. Montana

Docket: 24-624

Opinion Date: January 14, 2026

Judge: Elena Kagan

Areas of Law: Constitutional Law

Summary Rules:

Warrantless entry into a home to conduct a welfare check is authorized when there is an objectively reasonable basis for believing that an occupant is seriously injured or threatened with injury.

Facts:

After receiving a report from his ex-girlfriend that he was threatening suicide and may have shot himself, law enforcement officers in Montana responded to William Case’s home. The officers were aware of Case’s mental health and substance abuse history, as well as prior threats of suicide and confrontations with police. Upon arrival, they received further details about the phone call from Case’s ex-girlfriend, observed an empty handgun holster, a notepad resembling a suicide note, and noted Case’s lack of response to their attempts at contact. Believing Case might be injured or at risk of imminent harm, the officers entered the home without a warrant to render emergency aid. During their search, Case emerged from a closet holding an object that appeared to be a gun, prompting an officer to shoot and injure him. A handgun was found near where Case had been standing.

Case was charged with assaulting a police officer and moved to suppress the evidence obtained from the warrantless entry, arguing a Fourth Amendment violation. The trial court denied the motion, finding the entry justified by emergency circumstances. A Montana jury convicted Case. On appeal, the Montana Supreme Court upheld the conviction, applying its “community caretaker doctrine” and concluding that police may enter a home for a welfare check if “objective, specific and articulable facts” lead an experienced officer to suspect peril. The court rejected the argument that probable cause was required for such an entry, distinguishing emergency aid situations from criminal investigations.

Holding and Analysis:

The Supreme Court of the United States reviewed the case to clarify the legal standard for warrantless home entry to render emergency aid. The Court held that officers may enter a home without a warrant if they have an “objectively reasonable basis for believing” that an occupant is seriously injured or imminently threatened with such injury. It declined to require probable cause in this context and affirmed the judgment of the Montana Supreme Court, finding the officers’ entry reasonable under the Fourth Amendment.

FIRST AMENDMENT – WARNING OF CRIMINAL PENALTIES COULD CHILL FREE SPEECH**L.A. Police Protective League v. City of L.A.**

Docket: S275272M

Opinion Date: January 22, 2026

Judge: Joshua Groban

Areas of Law: Civil Rights, Constitutional Law

Summary Rules:

Statutory warnings which include notice of criminal penalties in an advisory may unconstitutionally chill free speech.

Facts:

The case concerns a California statute that makes it a crime to knowingly file a false allegation of police misconduct and requires complainants to sign an advisory warning of potential criminal liability before their complaint is accepted. The Los Angeles Police Protective League sought an injunction compelling the City of Los Angeles to enforce this advisory requirement. The City had previously entered into a consent decree with the federal government prohibiting enforcement of the advisory, and even after the consent decree expired, continued not to require the advisory due to concerns about the statute’s constitutionality.

The Superior Court of Los Angeles County, relying on the California Supreme Court’s earlier decision in *People v. Stanistreet*, granted the injunction and ordered the City to require the statutory advisory. The California Court of Appeal affirmed, adhering to *Stanistreet*’s reasoning that had upheld the statute’s constitutionality. The City then petitioned to the Supreme Court of California, arguing that subsequent federal decisions—especially *Chaker v. Crogan* by the Ninth Circuit—cast serious doubt on the continuing validity of *Stanistreet* and the constitutionality of the statute.

Holding and Analysis:

Reviewing the case, the Supreme Court of California reconsidered its prior *Stanistreet* decision in light of more recent U.S. Supreme Court rulings, including *United States v. Alvarez* and *Free Speech Coalition, Inc. v. Paxton*. The court held that the statutory scheme—combining criminal penalties with a mandatory and prominently worded advisory—created a consequential risk of chilling truthful or well-intentioned complaints of police misconduct. The court concluded that this risk triggered heightened constitutional scrutiny under the First Amendment. The statute failed intermediate scrutiny because it was not narrowly tailored and burdened substantially more speech than necessary to serve the state’s legitimate interests. The court therefore reversed the judgment of the Court of Appeal.

GOVERNMENT CLAIMS ACT APPLIES TO PUBLIC BENEFIT CORPORATION

Black v. L.A. County Metropolitan Transp. Authority

Docket: B339694(Second Appellate District)

Opinion Date: December 2, 2025

Judge: Helen Bendix

Areas of Law: Business Law, Contracts, Government & Administrative Law, Labor & Employment Law, Non-Profit Corporations

Summary Rules:

A publicly operated nonprofit public benefit corporation must separately register as a public agency before it can assert that a defense that plaintiff was non-compliant with the Government Claims Act.

Facts:

The plaintiff was an employee who brought claims for wrongful termination, Labor Code violations, and breach of contract against two defendants: the Los Angeles County Metropolitan Transportation Authority (MTA) and the Public Transportation Services Corporation (PTSC). MTA had created PTSC, a nonprofit public benefit corporation, to provide retirement and employment benefits to certain workers and to manage employees who support MTA's transportation functions. The plaintiff did not file a prelitigation claim under the Government Claims Act (GCA) before suing these entities.

The Superior Court of Los Angeles County first granted a motion for judgment on the pleadings in favor of both defendants, finding that the plaintiff had not alleged compliance with the GCA's claim presentation requirements. The plaintiff was given leave to amend but continued to argue that PTSC was not a public entity subject to the GCA, and that even if it was, the claims presentation requirement should not apply because PTSC had not registered as required by statute. The trial court sustained a demurrer without leave to amend, finding both defendants to be public entities and that PTSC was not required to register separately from MTA. The court entered judgment for both defendants.

Holding and Analysis:

On appeal to the California Court of Appeal, Second Appellate District, Division One, the plaintiff did not challenge the judgment in favor of MTA but contested the ruling as to PTSC. The appellate court held that PTSC qualifies as a public entity for purposes of the GCA's claims presentation requirement, given its creation and control by MTA. However, the court found that if PTSC failed to register properly on the Registry of Public Agencies—including with county clerks where it maintains offices—this would excuse the plaintiff's noncompliance with the GCA. The judgment for MTA was affirmed, but the judgment for PTSC was reversed and remanded to allow the plaintiff to amend his complaint.