

## FINANCIAL IMPACT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator <b>John W. Buehler</b>		2. Telephone Number <b>503-823-5256</b>	3. Bureau/Office/Department <b>OMF/Risk Management</b>
4a. To be filed (date) <b>February 10, 2010</b>	4b. Calendar (Check One) <div style="display: flex; justify-content: space-around;"> <span>Regular <input type="checkbox"/></span> <span>Consent <input checked="" type="checkbox"/></span> <span>4/5ths <input type="checkbox"/></span> </div>		5. Date Submitted to FPD Budget Analyst <b>February 3, 2010</b>

**1) Legislation Title:** \*Pay Claim of Portland State University.**2) Purpose of the Proposed Legislation:** This ordinance will close OMF Risk Management File No. G2009-0091-01 for a total of \$50,000.00. Please see memorandum for detail.**3) Revenue:****Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If new revenue is generated please identify the source.**

This legislation will have no impact on City revenue.

**4) Expense:****What are the costs to the City as a result of this legislation? What is the source of funding for the expense?** (Please include costs in the current fiscal year as well as costs in future years) (If the action is related to a grant or contract please include the local contribution or match required)

Cost to the City is \$50,000.00. The source of funding is the City's Insurance and Claims Fund. All cost of the settlement is in the current fiscal year.

**Staffing Requirements:****5) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** (If new positions are created please include whether they will be part-time, full-time, limited term or permanent positions. If the position is limited term please indicate the end of the term.)

No.

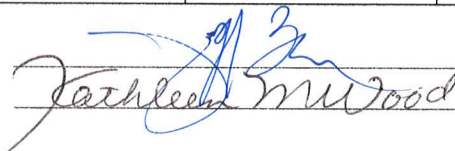
**6) Will positions be created or eliminated in future years as a result of this legislation?**

No.

**Complete the following section only if an amendment to the budget is proposed.****7) Change in Appropriations** (If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Center Code column if new center needs to be created. Use additional space if needed.)

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Amount

Jeff Baer, Director, BIBS  
 Kate Wood, Risk Manager





## CITY OF PORTLAND, OREGON

### Office of Management and Finance Risk Management Services

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Kate Wood, Risk Manager  
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183547

**DATE:** February 2, 2010

**TO:** Mayor Sam Adams

**FROM:** John W. Buehler *JB*  
503-823-5256

#### FOR MAYOR'S OFFICE USE ONLY

Reviewed by Bureau Liaison \_\_\_\_\_

**RE:** \*Pay Claim of Portland State University (emergency)

1. **INTENDED THURSDAY FILING DATE:** February 10, 2010
2. **REQUESTED COUNCIL AGENDA DATE:** February 17, 2010
3. **CONTACT NAME & NUMBER:** John W. Buehler, 503-823-5256
4. **PLACE ON:** ☒ **CONSENT** ☐ **REGULAR**
5. **BUDGET IMPACT STATEMENT ATTACHED:** ☒ **Y** ☐ **N** ☐ **N/A**
6. (3) **ORIGINAL COPIES OF CONTRACTS APPROVED AS TO FORM BY CITY ATTORNEY ATTACHED:** ☐ **Yes** ☐ **No** ☒ **N/A**

#### 7. BACKGROUND/ANALYSIS

This Ordinance settles a claim against the City by Portland State University based on a sewer backup at the Smith Memorial Student Union building in October, 2008. The University's direct loss was thoroughly documented at a total of \$63,238.28, which substantially exceeds the \$50,000 settlement amount. Under the Oregon Tort Claims Act in effect on the date of this loss, the City's exposure for this property damage claim is capped at \$50,000. ORS 30.270(1)(a).

Risk Management has evaluated the claim, including potential defenses to both liability and damages, and recommends that the claim be settled for the \$50,000 amount set forth in the proposed Ordinance.

#### 8. FINANCIAL IMPACT

Approval of the settlement would result in a payment of \$50,000.00 from the liability fund.

#### 9. RECOMMENDATION/ACTION REQUESTED

Submit the attached Ordinance for approval by City Council as an emergency ordinance.