

Portland, Oregon  
**FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT**  
**For Council Action Items**

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

1. Name of Initiator Becky Chiao		2. Telephone No. 503-823-6124	3. Bureau/Office/Dept. OMF/Risk Management
4a. To be filed (hearing date): July 7, 2011	4b. Calendar (Check One) Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/>		5. Date Submitted to Commissioner's office and FPD Budget Analyst: June 29, 2011
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

1) **Legislation Title:** \*Pay Claim of John Demarco, involving PBOT.

2) **Purpose of the Proposed Legislation:**

This ordinance will close OMF Risk Management File No. G2009-0423-01 for a total of \$43,000.

3) **Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?**

- |  |                                    |                                    |                                |
|--|------------------------------------|------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast             | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East  |
| <input type="checkbox"/> Central City                  |                                    |                                    |                                |

**FINANCIAL IMPACT**

4) **Revenue:** Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

This legislation will have no impact on City revenue.

5) **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. If there is a project estimate, please identify the **level of confidence**.)

Cost to the City is \$43,000. The source of funding is the City's Insurance and Claims Fund. All cost of the settlement is in the current fiscal year.

6) Staffing Requirements:

- 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.

- 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 Fund Center column if new center needs to be created. Use additional space if needed.)

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

**8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:**

- YES: Please proceed to Question #9.  
 NO: Please, explain why below; and proceed to Question #10.

This Ordinance settles a tort lawsuit filed against the City of Portland by John Demarco. The City Attorney's Office and Risk Management have concluded that it is not appropriate to have public involvement in settlement negotiations regarding tort claims or lawsuits against the City.

**9) If "YES," please answer the following questions:**

- a) What impacts are anticipated in the community from this proposed Council item?
- b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?
- c) How did public involvement shape the outcome of this Council item?
- d) Who designed and implemented the public involvement related to this Council item?
- e) Primary contact for more information on this public involvement process (name, title, phone, email):

**10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.**

No future public involvement is anticipated or necessary. Approval by City Council of this Ordinance will fully settle a tort lawsuit against the City of Portland.

Jeff Baer, Director, BIBS  
 Kate Wood, Risk Manager

*Kevin L. Runt, CAO*  
*Kathleen M. Wood*

APPROPRIATION UNIT HEAD (Typed name and signature)



**CITY OF PORTLAND, OREGON**

**Office of Management and Finance  
Risk Management Services**

Sam Adams, Mayor  
Kate Wood, Risk Manager  
1120 S.W. Fifth Avenue, Room 709 • Portland, OR 97204-1912  
Phone: 503-823-5101 • Fax: 503-823-6120  
[www.portlandonline.com](http://www.portlandonline.com)

**DATE:** June 28, 2011

**TO:** Mayor Sam Adams

**FROM:** Becky Chiao  
503-823-6124

**FOR MAYOR'S OFFICE USE ONLY**

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

**RE:** \*Pay Claim of John Demarco, involving PBOT (emergency) *KLR*

- 1. INTENDED THURSDAY FILING DATE: July 7, 2011
- 2. REQUESTED COUNCIL AGENDA DATE: July 13, 2011
- 3. CONTACT NAME & NUMBER: Becky Chiao, 503-823-6124
- 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 will settle a lawsuit and cross claims between John Demarco, the City of Portland and property owner Corey Brunish. The case arose after Mr. DeMarco, an elderly gentleman tripped and fell on a tree well in the sidewalk outside of Mr. Brunish's property on SE Hawthorne Blvd.

After falling, Mr. Demarco required surgery and a stay in an assisted living facility incurring medical bills in the approximate amount of \$68,000. Mr. Demarco's attorney filed against Mr. Brunish as trustee for a trust that owns the adjacent property and the City of Portland alleging negligence. The property owner, represented by Brunish, and the City filed cross claims against each other.

After a mediation session with Judge Riggs, a tentative settlement was agreed upon in which both the city and Mr. Brunish would pay \$43,000 each to settle the claim and dismiss claims against each other. Both the City Attorney's office and Risk Management recommend settlement of this claim in this amount.

**8. FINANCIAL IMPACT**

Approval of the settlement would result in a payment of \$43,000 from the liability fund.

**9. RECOMMENDATION/ACTION REQUESTED**

Approve settlement of John Demarco bodily injury lawsuit in the sum of \$43,000.

Please notify the City of Portland no less than five (5) business days prior to events for ADA accommodation at 503-823-5101, TTY at 503-823-6868, or by the Oregon Relay Service at 1-800-735-2900.