

Portland, Oregon

## FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

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

1. Name of Initiator John Buehler		2. Telephone No. 503-823-5256	3. Bureau/Office/Dept. OMF/Risk Management
4a. To be filed (hearing date): May 1, 2013	4b. Calendar (Check One) Regular    Consent    4/5ths <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>		5. Date Submitted to Commissioner's office and FPD Budget Analyst:
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 GSL Properties, Inc. in the sum of \$12,526 involving Bureau of Environmental Services. (Ordinance)

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

This ordinance will close OMF Risk Management File No. G2011-0238-01

**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 \$12,526.15. 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.)*

<b>Fund</b>	<b>Fund Center</b>	<b>Commitment Item</b>	<b>Functional Area</b>	<b>Funded Program</b>	<b>Grant</b>	<b>Sponsored Program</b>	<b>Amount</b>

**[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 claim filed against the City of Portland by GSL Properties, Inc.. 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?**

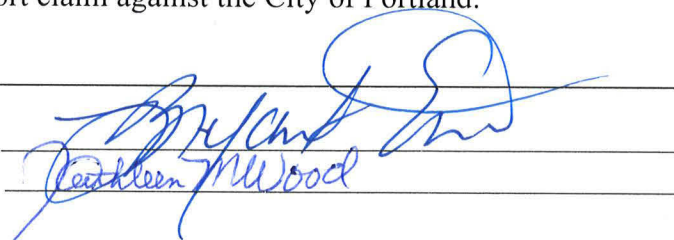
**d) Who designed and implemented the public involvement related to this Council item?**

**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 claim against the City of Portland.

Bryant Enge, Director, BIBS  
Kate Wood, Risk Manager



APPROPRIATION UNIT HEAD (Typed name and signature)



## CITY OF PORTLAND, OREGON

### Office of Management and Finance Risk Management Services

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Kate Wood, Risk Manager  
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186021

**DATE:** April 16, 2013  
**TO:** Mayor Charlie Hales  
**FROM:** John Buehler  
503-823-5256

#### FOR MAYOR'S OFFICE USE ONLY

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

**RE: \*Pay claim of GSL Properties, Inc. in the sum of \$12,526 involving Bureau of Environmental Services. (Ordinance)**

1. **INTENDED WEDNESDAY FILING DATE:** May 1, 2013
2. **REQUESTED COUNCIL AGENDA DATE:** May 15, 2013
3. **CONTACT NAME & NUMBER:** John 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 sewer backup claim by GSL Properties, Inc., through National Subrogation Services. The damage occurred at the claimant's commercial building located at 2164 SW Park Place in September 2010. The verified amount of property damage was \$25,052.30. The claimant's property insurer paid the repair costs, and then brought a subrogation claim against the City. This settlement resolves that claim for 50% of the verified damages.

The backup at this location occurred in a clay pipe sewer segment that was initially installed in 1889. The cause of the backup was a combination of heavy rains and a root blockage in the connection between the lateral and the main. Following the backup, City crews dug up and replaced the lateral and part of the main.

#### 8. FINANCIAL IMPACT

Approval of the settlement would result in a payment of \$12,526.15 from the liability fund.

#### 9. RECOMMENDATION/ACTION REQUESTED

Approve settlement of GSL Properties, Inc. property damage claim in the sum of \$12,526.15.