

Portland, Oregon

# FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to City Budget Office. Retain copy.)

1. Name of Initiator Susan Cline		2. Telephone No. 503-823-5257	3. Bureau/Office/Dept. OMF/Risk Management
4a. To be filed (hearing date):  June 12, 2013	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 CBO 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 Ival Castle in the sum of \$200,000 involving The Water Bureau. (Ordinance)

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

This ordinance will close OMF Risk Management File No. 2010-0066; 2010-0250

**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 \$200,000. The source of funding is the City's Workers' Compensation 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 workers' compensation claims filed against the City of Portland by Ival Castle. The City Attorney's Office and Risk Management have concluded that it is not appropriate to have public involvement in settlement negotiations regarding Workers' Compensation claims 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?**

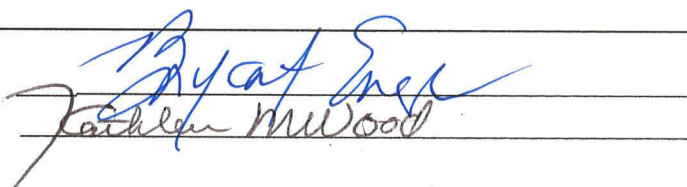
**d) Who designed and implemented the public involvement related to this Council item?**

**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 Workers' Compensation Claims 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

Charlie Hales, Mayor  
Kate Wood, Risk Manager  
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186117

**DATE:** June 5, 2013  
**TO:** Mayor Charlie Hales  
**FROM:** Susan Cline  
503-823-5257

#### FOR MAYOR'S OFFICE USE ONLY

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

**RE: \*Pay claims of Ival Castle in the sum of \$200,000 involving The Water Bureau. (Ordinance)**

- 1. INTENDED WEDNESDAY FILING DATE:** June 12, 2013
- 2. REQUESTED COUNCIL AGENDA DATE:** June 26, 2013
- 3. CONTACT NAME & NUMBER:** Susan Cline, 503-823-5257
- 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

Over the course of his employment, Mr. Castle filed multiple Workers' Compensation claims for numerous medical conditions. Mr. Castle has received all benefits due for accepted conditions. These benefits include medical services, disability payments and modified duty work under BHR 7.08. The City determined that the most recent claims were not compensable under the Oregon Workers' Compensation rules and denied them. They became the subject of litigation. Ultimately, the Oregon Workers' Compensation Board ordered the City to accept two of the conditions in one of the denied claims. The Board upheld the City's determination of non-compensability for the remaining conditions in that claim. And the Board upheld the City's denial of the second claim.

Mr. Castle can appeal the Board's decision upholding the City's denials to the Oregon Court of Appeals. In order to avoid future litigation both parties agreed to mediation by an Administrative Law Judge at the Oregon Workers' Compensation Board. A settlement, agreeable to the injured worker, the bureau, City Attorney and Risk Management has been reached.

This proposed settlement resolves all outstanding issues in litigation including attorney fees. The claimant retains his right to future medical benefits for his accepted work-related conditions which the City is required to pay by State and Federal law. This proposed settlement covers payment for both temporary and permanent disability payments. It also includes the value of some vocational rehabilitation services.

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.

*Equal Employment Opportunity and Affirmative Action Employer*

**8. FINANCIAL IMPACT**

Approval of the settlement would result in a payment of \$200,000 from the Workers' Compensation claim fund.

**9. RECOMMENDATION/ACTION REQUESTED**

Approve settlement of Ival Castle Bodily Injury Claims in the sum of \$200,000.