CITY ATTORNEY'S OFFICE CITY COUNCIL AGENDA MEMORANDUMEN NO.

TO:

Mayor and City Council

FROM:

Michael D. Bernard, City Attorney

SUBJECT:

Settlement of Palma Claim

DATE:

November 3, 2005

SUMMARY AND RECOMMENDATIONS

An Ordinance authorizing settlement of a claim filed by Lilly Palma in the amount of \$87,500.00. Staff recommends the approval of this Ordinance.

BACKGROUND INFORMATION

On April 17, 2004, a Public Works employee driving a City owned dump truck struck the back of Ms Palma's vehicle after she stopped behind another vehicle on northbound New Laredo Highway. Ms Palma's vehicle struck the vehicle ahead of her. Ms Palma was rendered semi-unconscious, removed from her vehicle by bystanders, and taken to Santa Rosa Hospital where she was admitted for a closed head trauma and concussion. Claimant received therapy for approximately 7 months.

Claimant accrued \$33,480.48 in medical bills to date with at least \$15,000.00 estimated in future medical bills. The Third Party Administrator negotiated a settlement in the amount of \$87,500.00

This claim settlement was discussed with City Council during an executive session on October 20, 2005. Staff recommends settlement

POLICY ANALYSIS

This action is consistent with the policy of settling claims, if appropriate, to avoid litigation.

FISCAL IMPACT

If this settlement is approved, funding for the settlement in the amount of \$87,500.00 is available in the City's self insured fund and will be made payable to Lilly Palma and her attorney of record, Wayne Wright.

COORDINATION

This item was coordinated with the Office of Management and Budget, Finance Department, and Public Works Department.

SUPPLEMENTARY COMMENTS

The settlement agreement will be signed by Ms. Palma and her attorney upon approval from Council.

Michael D. Bernard

City Attorney

J. Rolando Bono

City Manager