



CITY OF CARSON

Legislation Text

File #: 2020-476, Version: 1

Report to Mayor and City Council

Tuesday, July 07, 2020

Consent

SUBJECT:

CONSIDER APPROVAL OF SETTLEMENT AGREEMENT IN THE MATTER OF NORMA JONES V. CITY OF CARSON, ET AL., LOS ANGELES SUPERIOR COURT CASE NO. 19STCV08241 (CITY COUNCIL)

I. SUMMARY

This report concerns settlement of the litigation in the matter of Norma Jones v. City of Carson, et al. (LASC Case Number 19STCV08241). The plaintiff alleged various injuries to her knee and chest resulting from a trip and fall on a cut-off signpost in the sidewalk located at or near 1325 E. Carson Street. In addition, the plaintiff alleged subsequent injuries to her pelvis and decline in her mental health related to the trip and fall incident.

The Council initially authorized the settlement in closed session on June 16, 2020, and staff is now reporting back to the Council with the written settlement agreement for final Council approval to resolve the litigation (Exhibit 1). The fiscal impact to the City is \$250,000 - the expended self-insured retention (SIR).

The City's excess insurance policy through CSAC-EIA, now known as PRISM, provides coverage for settlements and defense costs subject to a \$250,000 self-insured retention. After the City pays the settlement sum of \$750,000 and final defense costs, the excess insurance carrier will reimburse the City all sums over the SIR.

II. RECOMMENDATION

TAKE the following actions:

1. Approve the settlement agreement (Exhibit 1).
2. Authorize the City Manager to execute the settlement agreement, and any related documents, to resolve the litigation.

III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

IV. BACKGROUND

Plaintiff, a 78 year-old woman, alleged a trip and fall on a cut-off signpost on the sidewalk at or near 1325 E Carson Street. Plaintiff allegedly fell on her left knee cap, and required surgery to repair her patella. Plaintiff further alleged that while knee was healing, she slipped and fell down her front porch and broke her pelvis. Following her hospital stay, Plaintiff was in skilled nursing facilities for most of 2019. While in the skilled nursing facilities, Plaintiff's mental health allegedly declined. Plaintiff alleged her dementia was exacerbated or accelerated by the incident.

Terms for settlement of the litigation, subject to City Council approval, were agreed upon with Plaintiff through mediation on May 18, 2020. The City Council approved the settlement during closed session on June 16, 2020. Staff is now reporting back with a written settlement agreement, signed by the Plaintiff, for the Council's final approval, and is requesting authorization for the City Manager to fully execute the agreement and any related documentation.

The fiscal impact to the City is the amount of its Self-Insured Retention (\$250,000), which has been expended in the City's defense of this matter. The settlement sum of \$750,000 and defense costs will be reimbursed by the City's excess insurer, CSAC-EIA, now known as PRISM subject the SIR. If the Council approves the settlement agreement, it would then be subject to Court approval before the settlement sum is paid, because of the fact that the Plaintiff lacks mental capacity and her daughter has power of attorney to act on her behalf.

V. FISCAL IMPACT

The fiscal impact to the City is \$250,000 SIR. The settlement sum of \$750,000 and total defense costs will be reimbursed by the City's excess insurer, PRISM, formerly known as CSAC-EIA, subject to the SIR.

VI. EXHIBITS

1. Settlement Agreement Between NORMA JONES ("Plaintiff") and Defendant CITY OF CARSON ("Defendant").

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