



SCHOOL BOARD ACTION REPORT

DATE: June 22, 2018
FROM: Dr. Larry Nyland, Superintendent
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For Introduction: June 27, 2018
For Action: June 27, 2018

1. TITLE

Authorization for Lawsuit Settlement

2. PURPOSE

The purpose for this Board Action Report is to obtain authority to settle a lawsuit filed by a former student who alleged she was abused and sexually assaulted by a former Seattle School District No. 1 (“District”) teacher between 1993 and 1995.

3. RECOMMENDED MOTION

I move that the School Board authorize the Superintendent to take all necessary actions to resolve the lawsuit brought by Plaintiff (King County Superior Court Case Number 17-2-19350-0) against the District, which would include payment of District settlement funds in the amount of \$450,000 in exchange for a dismissal of the lawsuit and waiver and release of all claims. Immediate action is in the best interest of the District.

4. BACKGROUND INFORMATION

a. Background

Plaintiff is a former District student at Broadview-Thomson Elementary School (“Broadview-Thomson”). She alleges she was inappropriately touched by a former teacher at the school. She claims her injuries occurred between 1993 and 1995. She claims the District failed to properly supervise the former teacher, who is now deceased.

This case is currently scheduled for trial in King County Superior Court in July 2018. Based on all the relevant facts, it is the recommendation of the General Counsel’s Office and the outside counsel defending the District that this lawsuit should be settled now for \$675,000, rather than allowing this case to proceed to trial. This dispute has been in mediation for over two weeks and with the assistance of the mediator this mutually agreeable figure was reached. The District has previously settled lawsuits brought by other students connected to this former teacher. A private insurance carrier is contributing \$225,000 to the settlement, although the carrier argues their policy from the 1993-1995 time frame does not require coverage for the alleged events. The private carrier has been paying defense costs.

If the Superintendent is authorized to settle this case, a Settlement/Release will be signed by the Plaintiff, which will release all claims and dismiss the lawsuit against the District. The District will also resolve all disputes between it and the insurance carrier during this process.

b. Alternatives

If authorization to settle is not granted, the District will proceed to trial. The damages requested by the Plaintiff will increase. This option is not recommended as the amount of any jury verdict becomes uncertain.

c. Research

Prior District settlements in cases involving this same teacher.

5. FISCAL IMPACT/REVENUE SOURCE

Fiscal impact to this action will be \$450,000.

The revenue source for this motion is general fund dollars. Legal has budgeted sufficient funds to pay this settlement.

Expenditure: One-time Annual Multi-Year N/A

Revenue: One-time Annual Multi-Year N/A

6. COMMUNITY ENGAGEMENT

With guidance from the District's Community Engagement tool, this action was determined to merit the following tier of community engagement:

Not applicable

Tier 1: Inform

Tier 2: Consult/Involve

Tier 3: Collaborate

7. EQUITY ANALYSIS

Not Applicable.

8. STUDENT BENEFIT

This action allows the District to resolve this lawsuit, which creates financial certainty for the District. It also compensates a former student for injuries allegedly sustained while a student at the District.

9. WHY BOARD ACTION IS NECESSARY

- Amount of contract initial value or contract amendment exceeds \$250,000 (Policy No. 6220)
- Amount of grant exceeds \$250,000 in a single fiscal year (Policy No. 6114)
- Adopting, amending, or repealing a Board policy
- Formally accepting the completion of a public works project and closing out the contract
- Legal requirement for the School Board to act on this matter
- Board Policy No. _____, [TITLE], provides the Board shall approve this item
- Other: _____

10. POLICY IMPLICATION

Per Board Policy No. 6220, Procurement, any contract over \$250,000 must be brought before the Board for approval.

11. BOARD COMMITTEE RECOMMENDATION

This motion was discussed at the Executive Committee Meeting on June 14, 2018. The Committee understood that this may come before the Board last minute if a settlement amount was agreed upon. While the content of this motion was not discussed at the committee meeting, the possibility of needing to add an agenda item last minute was noted.

12. TIMELINE FOR IMPLEMENTATION

Upon approval of this motion, the District will enter into a release/settlement agreement with the Plaintiff and thereafter pay its share of the settlement amount, \$450,000, to Plaintiff.

13. ATTACHMENTS

None