

ACTION ITEM MEMO

Port of Tacoma Commission



Item No: 5B (Consent Agenda)

Meeting Date: 2/1/24

DATE: January 19, 2024

TO: Port of Tacoma Commission

FROM: Eric Johnson, Executive Director
Heather Burgess, Port of Tacoma General Counsel

SUBJECT: Carl W. Paddock v. Port of Tacoma, Pierce County Superior Court Cause No. 20-2-04767-3, Proposed Settlement Agreement

A. ACTION REQUESTED (Consent Agenda)

Request Commission approval to resolve pending litigation in the amount of \$165,000 in the matter of Carl W. Paddock v. Port of Tacoma, Pierce County Superior Court Cause No. 20-2-04767-3, including authorization for the Executive Director to execute the proposed settlement agreement.

B. BACKGROUND

A former Port employee brought claims of age discrimination, hostile work environment, retaliation, and defamation against the Port following his termination in 2017. The Port denies these claims. However, considering the risks and cost of litigation to take this matter to trial potentially outweighing the cost of the proposed settlement and disruption to the workplace from required involvement of Port personnel, the proposed settlement is recommended.

The proposed settlement is subject to the terms specified in the parties' settlement agreement, is a resolution of disputed claims, and would result in a dismissal with prejudice of all claims that were or could have been made in the lawsuit.

C. FINANCIAL IMPLICATIONS

The Port's insurance retention has been exhausted in this matter, and payment of \$165,000 is fully covered by the insurance carrier.