



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 8/12/25

REQUESTER: Jeanne Snider

PRESENTER: Jeanne Snider, Assistant City Attorney

ITEM TITLE: CONSIDERATION OF ADOPTION, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF RESOLUTION R-2526-20: A RESOLUTION OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, AUTHORIZING JOINT PETITION SETTLEMENT OF THE CLAIM FILED BY ALLEN W. SHELTON UNDER THE PROVISIONS OF THE WORKERS' COMPENSATION STATUTES OF THE STATE OF OKLAHOMA IN THE CASE OF *ALLEN W. SHELTON V. THE CITY OF NORMAN*, WORKERS' COMPENSATION COMMISSION CASE 2024-03110 X; DIRECTING THE LEGAL DEPARTMENT TO THEN FILE SUCH SETTLEMENT AND ALL ATTENDANT COSTS IN THE WORKERS' COMPENSATION COMMISSION, OKLAHOMA CITY, OKLAHOMA; AND AUTHORIZING AND DIRECTING THE FINANCE DIRECTOR TO SUBSEQUENTLY PURCHASE SUCH WORKERS' COMPENSATION COMMISSION JUDGMENT FROM THE RISK MANAGEMENT INSURANCE FUND.

BACKGROUND:

Allen W. Shelton is a Heavy Equipment Operator for the City of Norman's Stormwater Division of Public Works. He was hired as a Maintenance Worker I on April 5, 1999 and promoted to Heavy Equipment Operator on April 18, 2005. Mr. Shelton filed claim CM3-2024-03110 X with the Oklahoma Workers' Compensation Commission on June 6, 2024, alleging a single incident injury to the Left Shoulder, Whole Back, and Radicular to the Right Leg and Right Foot on May 14, 2024 from lifting a wet log. The claim was accepted and proceeded through the normal litigation process.

Prior to a trial being held, Mr. Shelton has agreed to a settlement in the total amount of \$15,552.00, representing 6 percent (\$7,776.00) permanent partial disability (PPD) to the Whole Body regarding the Left Shoulder, 6 percent (\$7,776.00) PPD to the Whole Body regarding the Whole Back, and 0 percent regarding Radicular to the Right Leg and Right Foot. This settlement is recommended for consideration by the City Council.

DISCUSSION:

Medical Treatment. Mr. Shelton was initially seen at Norman Regional Occupational Medicine the date of his injury and was treated conservatively as well as placed on light duty work

restrictions. A previous left shoulder injury which required surgical intervention in 2020 was reported. Upon follow-up and complaints of worsening symptoms to include left sided sciatica, he was sent for magnetic resonance imaging (MRI) for the Left Shoulder and Lumbar Spine on June 3, 2024. After review of the MRI imaging, he received a left shoulder subacromial steroid injection and for both the left shoulder and low back physical therapy was ordered. Due to continued symptomology without left sided sciatica, he was referred for orthopedic evaluation and treatment. Mr. Shelton was seen by Dr. Espinoza-Ervin on July 9, 2024 for the left shoulder and Dr. Fong on July 11, 2024 for the lumbar spine. Physical therapy was then ordered for the left shoulder as well as additional physical therapy for the lumbar spine. Mr. Shelton was released back to work without restrictions and at maximum medical improvement (MMI) for the left shoulder on August 26, 2024 and given a full work release and at MMI for the lumbar spine on September 10, 2024.

Issues for Trial. There is no question Mr. Shelton injured his Left Shoulder and Whole Back in the course of his employment with the City. The primary issues to be tried before the Workers' Compensation Commission are the extent of his injury and whether the injury is permanent in nature. PPD is a factual determination made by the Workers' Compensation Commission Trial Judge based on doctors' opinions and medical records regarding the extent of PPD.

Evaluations. Mr. Shelton was first rated by Dr. Lonnie Litchfield on October 16, 2024 and opined rating of 27 percent (\$34,992.00) PPD to the Lumbar Spine, 15 percent (\$19,440.00) PPD to the Left Shoulder, and entitlements to continued care in the form of pain management in regard to chronic pain and assignment of a pain management specialist for treatment as well as given entitlements for prescription medications or any treatments his treating physician deemed necessary. On December 12, 2024, he was rated by the medical expert for the City, Dr. Jones. He opined 1 percent (\$1,296.00) PPD to the Left Shoulder over and above his pre-existing left shoulder injury with surgery in 2020, 2 percent (\$2,592.00) PPD to the lumbar spine without radiculopathy, and no future medical treatment or vocational retraining warranted. The City's maximum impairment exposure for total PPD would be \$54,432.00.

Trial. The case proceeded through the normal litigation process; however, Mr. Shelton has agreed to a settlement of the case as outlined below. If a trial was held, the Judge could determine nature and extent to his injury and award permanent partial disability to include continued medical treatment.

Proposed Settlement. The proposed settlement closes Workers' Compensation Commission Case 2024-03110 X in a lump sum payment of \$15,552.00 (less attorney fee) representing the settlement amount discussed above. Pursuant to 85A O.S. § 31(7), for injuries occurring on or after July 1, 2019, a Multiple Injury Trust Fund assessment in the amount of \$466.56, representing (3%) of the permanent partial disability award shall be deducted and paid to the Oklahoma Tax Commission.

It is felt that the settlement is fair and reasonable. A settlement is beneficial to the City in that it is a full, final and complete settlement of any and all claims and closes out any continued medical treatment. This settlement is beneficial to Mr. Shelton in that it provides certainty for an award and would be paid in a lump sum rather than at a weekly rate over a period of time.

Furthermore, if the case was settled in this manner, the City would incur additional costs and fees of:

Workers' Compensation Administration Fund Tax in the amount of \$311.04; Special Occupational Health & Safety Tax in the amount of \$116.64, and Workers Comp Commission Filing fee in the amount of \$140.00. In addition, the City would incur an additional cost and fee for the Cleveland County Court Filing Fee in the amount of \$154.14.

These additional costs and fees total \$721.82, which brings the total cost of this settlement to the City to \$16,273.82. Adequate funds are available in the Order/Settlements Account (43330102-42131).

RECOMMENDATION:

For the reasons outlined above, it is believed the settlement is fair, reasonable, and in the best interest of the City. Acceptance of the settlement would require the payments as outlined above. If approved, the settlement amount would be paid to Mr. Shelton and his attorney in a lump sum. The settlement would be certified to the Cleveland County District Court to be placed on the property tax rolls for collection over the next three years in accordance with 85A O.S. § 107, 51 O.S. § 159, and 62 O.S. § 361, *et seq* and 85 O.S. § 313, 51 O.S. § 159, and 62 O.S. § 361, *et seq*. Certifying the order to the property tax rolls would, in effect, reimburse the City's Workers' Compensation Fund over the next three years.