

IMPACT STATEMENT

Legislation title: Authorize City Attorney to file litigation on behalf of the City as may be required to protect its legal interests regarding the Streetcar crash on May 24, 2018 (Resolution)

Contact name: Naomi Sheffield

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Presenter name: Naomi Sheffield

Purpose of proposed legislation and background information:

The City and Vigor Works, LLC (“Vigor” formerly Oregon Ironworks, Inc.) entered into a Contract 30000696; For Purchase of Six (6) Streetcars (the “Contract”). On May 24, 2018, the City’s Streetcar No. 24, purchased by the City from Vigor pursuant to the Contract derailed after colliding with cars at or near Southeast Taylor on Southeast Grand in Portland, Oregon (the “Incident”). The operator of Streetcar No. 24 was unable to stop the streetcar because the master controller was stuck in the propulsion position. Inspection following the Incident showed that the non-serviceable stop screw within the master controller dislodged and became stuck. This caused the throttle handle to jam, preventing the operator from slowing the streetcar. The deadman system similarly did not function to stop the streetcar.

As a result of the defective master controller on Streetcar No. 24, the City has incurred at least the following approximate damages:

Category	Amount of Damages
Repair to Streetcar 24	\$212,710.21
City Property/Infrastructure Damage	\$27,944.86
Lost Ticket Revenue (ongoing)	\$250,000.00

Financial and budgetary impacts:

There is no direct financial or budgetary impact of this Resolution. The City Attorney will participate through her own staff of lawyers, and there are minimal out-of-pocket expenses necessary, which can be paid for out of the City Attorney’s current budget.

Community impacts and community involvement:

This Resolution involves direction from the Council to its lawyers in the City Attorney’s Office, based on privileged attorney-client communications, so there was no public outreach or input.

100% Renewable Goal:

Not applicable.

Budgetary Impact Worksheet

Does this action change appropriations?

- ☐ **YES:** Please complete the information below.
- ☒ **NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount