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191091

Emergency Ordinance

*Authorize settlement in the matter of 3 Kings Environmental, Inc. claim for the sum of \$75,000 involving the Portland Bureau of Transportation

Passed

The City of Portland ordains:

Section 1. The Council finds:

1. In July 2020, 3 Kings Environmental, Inc. ("3 Kings") asserted a claim against the Portland Bureau of Transportation ("PBOT") for additional traffic control expenses on City Contract No. 30006623 for the St. John's Truck Strategy Phase II Project (the "Contract" or the "Project"). PBOT ultimately denied the claim and closed out the Contract in March 2022.
2. In June 2022, 3 Kings filed a demand for arbitration against PBOT with the American Arbitration Association, but PBOT averred and asserted that mediation was a prerequisite to litigation. PBOT and 3 Kings mediated the dispute in October 2022.
3. To fully resolve 3 Kings' claims without further legal proceedings and to avoid the legal and financial risks of litigation, the City Attorney's Office and PBOT recommend the payment of \$75,000 to 3 Kings in settlement of all potential claims against the City.

NOW, THEREFORE, the Council directs:

- A. PBOT is hereby authorized to enter into and execute a settlement agreement and release, in a form substantially similar to Exhibit A attached hereto, to resolve the potential claim by 3 Kings.

Section 2. The Council declares that an emergency exists in order to avoid undue and costly delay in settling this matter; therefore, this Ordinance shall be in full force and effect from and after its passage by the Council.

Introduced by

[Mayor Ted Wheeler](#)

Bureau

[City Attorney](#)

Contact

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Requested Agenda Type

Regular

Date and Time Information

Requested Council Date

December 7, 2022

Time Requested

10 minutes

Documents and Exhibits

 [Exhibit A](#) (128.83 Kb)

An ordinance when passed by the Council shall be signed by the Auditor. It shall be carefully filed and preserved in the custody of the Auditor (City Charter Chapter 2 Article 1 Section 2-122)

Passed by Council
December 7, 2022

Auditor of the City of Portland
Mary Hull Caballero

Impact Statement

Purpose of Proposed Legislation and Background Information

Ordinance to provide \$75,000 in settlement of all claims with 3 Kings Environmental, an ordinance is necessary because the contract is closed.

Financial and Budgetary Impacts

- This ordinance provides 75,000 for settlement of a claim.
- This work will be covered by project T00453 St. John's Truck Strategy Phase II.
- The funding is not currently in the budget and will be added in the Spring bump. The CIC has approved the use of SDC funds.
- The total amount of the change is \$75,000 and represents a settlement of all claims.
- It is necessary to take this to council because the existing contract is closed.

Community Impacts and Community Involvement

There are no community impacts to this settlement and there was no community involvement.

100% Renewable Goal

There is no impact to the City's renewable energy goals.

Budget Office Financial Impact Analysis

This settlement will cost the Portland Bureau of Transportation \$75,000. The Capital Improvement Committee (CIC) has approved the use of System Development Charges (SDCs) to cover this cost. The funding is not currently in the budget and will be added in the Spring Budget Monitoring Process (BMP).

Agenda Items

1024 Regular Agenda in [December 7, 2022 Council Agenda](#)

Passed

Commissioner Mingus Mapps Yea

Commissioner Carmen Rubio Yea

Commissioner Dan Ryan Yea

Commissioner Jo Ann Hardesty Yea

Mayor Ted Wheeler Yea