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191440

Emergency Ordinance

*Pay settlement of Peso Investments, LLC property damage claim for \$90,000 involving the Bureaus of Environmental Services and Transportation

Passed

The City of Portland ordains:

Section 1. The Council finds:

1. Peso Investment, LLC through attorney Mark Jurva, and Peso Investment's insurer, Truck Insurance Exchange, through attorney Eric Virshbo, have filed a claim against the City for damages resulting from stormwater flooding involving the Portland Bureau of Environmental Services and the Portland Bureau of Transportation on December 20, 2020.
2. The claim has been investigated by Risk Management Services. The investigation indicates there is risk the City may be found liable. Therefore, in order to avoid the risk of an adverse jury award, we feel it is prudent to compromise the claim at this time.
3. Risk Management Services recommends the claim be compromised for the total sum of \$90,000, subject to the claimant providing the City with a release in a form to be approved by the City Attorney.

NOW, THEREFORE, the Council directs:

- A. The Mayor and City Auditor are hereby authorized to draw and deliver a check in the amount of \$90,000 made payable to MacMillan Scholz & Marks, LLC attorneys for Truck Insurance Exchange.
- B. Risk Management Services will execute a payment authorization in the amount set forth in sub-paragraph (A) above.

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

Introduced by

[Mayor Ted Wheeler](#)

Bureau

[Management and Finance;](#)
[Revenue and Financial](#)
[Services; Risk Management](#)

Contact

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Requested Agenda Type

Regular

Date and Time Information

Requested Council Date

September 6, 2023

Time Requested

15 minutes

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
September 6, 2023

Auditor of the City of Portland
Simone Rede

Impact Statement

Purpose of Proposed Legislation and Background Information

This Ordinance settles a property damage claim brought by Peso Investments, LLC, and its insurer, Truck Insurance Exchange, resulting from stormwater flooding in southwest Portland.

Financial and Budgetary Impacts

This legislation will have no impact on City revenue.

Total cost to the City to settle the claim is \$90,000. The source of funding is the City's Insurance and Claims Fund. All cost of the settlement is in the current fiscal year. This Ordinance does not amend the budget.

Community Impacts and Community Involvement

This Ordinance settles a tort claim resulting from a stormwater backup at a blocked culvert involving the Portland Bureau of Environmental Services and the Portland Bureau of Transportation. No public involvement or input was sought regarding this Ordinance. The City Attorney's Office and Risk Management have concluded that it is not appropriate to have public involvement in settlement negotiations regarding tort claims or lawsuits against the City.

No future public involvement is anticipated or necessary. Approval by City Council of this Ordinance will fully settle a tort claim against the City of Portland.

100% Renewable Goal

This legislation will have no impact on City energy use.

Budget Office Financial Impact Analysis

Total cost to the City to settle the claim is \$90,000. The source of funding is the City's Insurance and Claims Fund. All costs of the settlement are in the current fiscal year.

Agenda Items

752 Regular Agenda in [September 6, 2023 Council Agenda](https://www.portland.gov/council/agenda/2023/9/6)
(<https://www.portland.gov/council/agenda/2023/9/6>)

Passed

Commissioner Rene Gonzalez Yea

Commissioner Mingus Mapps Yea

Commissioner Carmen Rubio Absent

Commissioner Dan Ryan Yea

Mayor Ted Wheeler Yea