

ORDINANCE No. 187989

*Authorize Settlement Agreement for breach of contract with Receivables Performance Management, LLC for \$55,000 (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. On September 1, 2004, the City of Portland entered into Contract No. 35561 with Active Credit Services, Inc. for the purpose of collecting on past-due accounts on behalf of the City.
2. In April 2008, Active Credit Services, Inc. sold its assets to Receivables Performance Management, LLC, and Contract No. 35561 was amended to substitute Receivables Performance Management, LLC in the place of Active Credit Services, Inc.
3. In June 2011, the City terminated Contract No. 35561 with Receivables Performance Management, LLC.
4. Subsequently, the City and Receivables Performance Management, LLC. entered into discussions concerning final payment under Contract No. 35561.
5. In March 2012, Receivables Performance Management, LLC. filed a Complaint in the Multnomah County Circuit Court (Case No. 1203-02831), naming the City of Portland as the defendant, claiming a breach of contract, seeking damages in the amount of \$141,952.57 and requesting that the Court order the City to provide an accounting of all revenue collected by the City for accounts assigned to Receivables Performance Management, LLC for collection.
6. The City and Receivables Performance Management, LLC agreed to submit the case for binding arbitration before Arbitration Services of Portland and in June 2013 filed a Stipulated Judgment of Dismissal without Prejudice in the Multnomah County Circuit Court.
7. In order to avoid future litigation costs, provide financial and legal certainty, the City and Receivables Performance Management, Inc. have reached a settlement, contingent on approval by the City Council. The terms are reflected in the draft Settlement Agreement attached hereto as Exhibit A.
8. Staff recommends that the City Council authorize the settlement as a reasonable resolution of this matter.

NOW, THEREFORE, the Council directs:

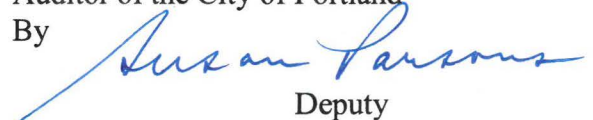
- a. The Director of the Revenue Division is authorized to execute a Settlement Agreement identical or substantially similar to that attached to this ordinance as Exhibit A.
- b. The Revenue Division is authorized to pay \$55,000 to Receivable Performance Management, LLC under the fully executed settlement agreement.

Section 2. The Council declares that an emergency exists because the public interest would be served by the City and Receivables Performance Management, LLC promptly resolving this matter; therefore, this Ordinance shall be in full force and effect from and after its passage by Council.

Passed by the Council: SEP 21 2016

Mayor Charlie Hales
September 8, 2016

Mary Hull Caballero
Auditor of the City of Portland
By


Deputy

1040

5/40

Agenda No.

ORDINANCE NO.

187989

Title

Agreement for
breach of contract

*Authorize Settlement with Receivables Performance Management, LLC (Ordinance)

for \$55,000

INTRODUCED BY
Commissioner/Auditor:
Charlie HalesCLERK USE: DATE FILED **SEP 13 2016**

COMMISSIONER APPROVAL

Mayor—Finance and Administration - Hales

Position 1/Utilities - Fritz

Position 2/Works - Fish

Position 3/Affairs - Saltzman

Position 4/Safety - Novick

Mary Hull Caballero
Auditor of the City of PortlandBy: 

Deputy

ACTION TAKEN:

BUREAU APPROVAL

Bureau: Mayor Hales

Prepared by: Franco Lucchin
Date Prepared: 9/8/2016

Impact Statement

Completed ☒ Amends Budget ☐

Portland Policy Document

If "Yes" requires City Policy paragraph stated
in document.Yes ☐ No ☒City Auditor Office Approval:
required for Code OrdinancesCity Attorney Approval:
required for contract, code, easement,
franchise, comp plan, charter Council Meeting Date **September 20,**
2016

AGENDA

TIME CERTAIN ☐

Start time:

Total amount of time needed:
(for presentation, testimony and discussion)**CONSENT** ☒**REGULAR** ☐Total amount of time needed: **N/A**
(for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA

COMMISSIONERS VOTED
AS FOLLOWS:

		YEAS	NAYS
1. Fritz	1. Fritz	<input checked="" type="checkbox"/>	
2. Fish	2. Fish	<input checked="" type="checkbox"/>	
3. Saltzman	3. Saltzman	<input type="checkbox"/>	<input type="checkbox"/>
4. Novick	4. Novick	<input checked="" type="checkbox"/>	
Hales	Hales	<input checked="" type="checkbox"/>	