

**FINANCIAL IMPACT STATEMENT
For Council Action Items**

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Susan Dorn		2. Telephone No. Ext. 33097		3. Bureau/Office/Dept. City Attorney	
4a. To be filed (date) 8/26/10		4b. Calendar (Check One) Regular Consent 4/5ths X □		5. Date Submitted to FPD Budget Analyst: 9/1/10	

1) Legislation Title:

Amend contract with Parsons Farnell & Grein LLP for outside legal counsel. Contract No. 30001303.

2) Purpose of the Proposed Legislation:

To continue to pay for legal services necessary for the litigation matter City of Portland v Kerr Contractors, MCCC 0810-14326.

3) Revenue:

Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If new revenue is generated please identify the source.

No.

4) Expense:

What are the costs to the City as a result of this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years) (If the action is related to a grant or contract please include the local contribution or match required)

Additional \$25,000 will be added to the contract. Funds are available thru Bureau of Environmental Services.

Staffing Requirements:

5) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation? (If new positions are created please include whether they will be part-time, full-time, limited term or permanent positions. If the position is limited term please indicate the end of the term.)

No.

6) Will positions be created or eliminated in future years as a result of this legislation?

No.

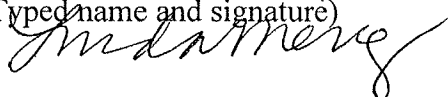
Complete the following section only if an amendment to the budget is proposed.

7) Change in Appropriations (If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate center codes and accounts that are to be loaded by accounting. Indicate "new" in Center Code column if new center needs to be created. Use additional space if needed.)

Fund	Center Code	Account	Amount	Project Fund	Project No.

APPROPRIATION UNIT HEAD (Typed name and signature)

Linda Meng, City Attorney





CITY OF
PORTLAND, OREGON
 OFFICE OF CITY ATTORNEY

Linda Meng, City Attorney
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 Portland, Oregon 97204
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 Fax No.: (503) 823-3089

DATE: August 23, 2010
 TO: Mayor Sam Adams *SD*
 FROM: Susan Dorn on behalf of Jim Van Dyke
 RE: *Amend contract with Parsons Farnell & Grein, LLP for outside legal counsel
 (Ordinance; amend Contract No. C30001303)

1. **INTENDED THURSDAY FILING DATE:** 8/26/10
2. **REQUESTED COUNCIL AGENDA DATE:** 9/1/10
3. **CONTACT NAME & NUMBER:** Susan Dorn, 33097
4. **PLACE ON:** CONSENT REGULAR
5. **BUDGET IMPACT STATEMENT ATTACHED:** Y N N/A (Bureau to provide)
6. **(1) ORIGINAL DRAFT COPY OF AMENDMENT ATTACHED.**
 AMENDMENT WILL BE APPROVED TO FORM PENDING COUNCIL'S APPROVAL.

7. BACKGROUND/ANALYSIS

Outside Counsel is required to assist the City Attorney's Office in regard to insurance issues in two related matters: 1) City of Portland v. Kerr Contractors, Inc., MCCC Case No. 0810-14326 and; and 2) Bituminous Casualty Corporation and Everest National Insurance Co. v. Kerr Contractors, Inc. and City of Portland, Civil Case 10-78-MO, filed in the Portland Division of the federal district court for the District of Oregon.

As the case has progressed, it has become apparent that the original amount of this contract will need to be amended to complete Council's work with the City. To continue paying outside counsel for their services, it is necessary to increase the amount of the contract by \$25,000, for a total not to exceed \$75,000. Barring unforeseen activities, it is anticipated that this increase will be sufficient through the conclusion of the matter.

8. FINANCIAL IMPACT

BES has funds available to continue payment for these expert services.

9. RECOMMENDATION/ACTION REQUESTED:

Passage of Ordinance will allow for continued payment of outside counsel services.