

ORDINANCE No. 188303

*Authorize an agreement with LMK Enterprises to provide inversion built trenchless sewer repair liner system for five-years not to exceed \$5,000,000 (Ordinance)

The City of Portland Ordains:

Section 1. The Council finds:

1. Nineteen years ago the City began experimentation with trenchless sewer repair technologies. While there were several different types and/or methods for spot repair, the City found that LMK Enterprises, Inc. (LMK) provides a specially designed and patent protected trenchless technology which has been found to be a very safe and efficient trenchless sewer repair system. Over the past nineteen years the City has saved millions of dollars and numerous man hours in repair times as well as commuter disruptions and delays using this repair method.
2. American Society for Testing and Materials (ASTM) Standards #F2599-06 and F2561 are the current standards for lining a spot section repair of mainline pipe by using a cured-in-place-pipe (CIPP) inverted liner, and lateral lining while simultaneously renewing the main to lateral connection. LMK is the only company that meets both of these ASTM standards.
3. In accordance with City of Portland Code 5.33.220.D.1 the City is authorized to award a contract for Special Procurements without competition for Manufacturer Direct Supplies. LMK is the inventor, manufacturer, and only distributor of this trenchless technology and continues to research the systems which the City uses while also manufacturing and distributing materials, resins, and proprietary equipment in support of these systems. LMK owns over 60 patents protecting the methods, supplies, and proprietary equipment used in these systems.
4. In 2009, the City purchased two Robotic Schwalm cutters at approximately \$200,000 each. The Robotic Schwalm cutters are used in conjunction with the trenchless technology patented by LMK. Provision of parts and service for these robotic systems will be a part of the scope for the new contract with LMK.
5. Awarding a contract to LMK will allow the City to continue its efficient inversion process by utilizing the knowledge, skills, equipment, and training previously obtained, thereby minimizing disruption to the Portland Bureau of Transportation's (PBOT) operations while efficiently managing the services required. The supplies, equipment and services are required so the PBOT Maintenance Operations group will be able to continue "spot repairs" and "main to lateral" on piece repairs throughout the City.
6. The Bureau's level of confidence in the cost estimate for this project is high.

NOW, THEREFORE, the Council directs:

- a. The Chief Procurement Officer is authorized to execute a Price Agreement with LMK Enterprises to provide LMK® inversion built liner system product line for a five-year contractual not to exceed \$5,000,000, provided the agreement has been approved as to form by the City Attorney's Office.
- b. The Mayor and City Auditor are hereby authorized to pay for the contract from the BES Maintenance Operation Adopted Budget.

Section 2. The Council declares that an emergency exists to prevent disruption in the operations resulting in less efficient service to the City's customers and a delay in the delivery of essential City services; therefore, this Ordinance shall be in full force and effect from and after its passage by Council.

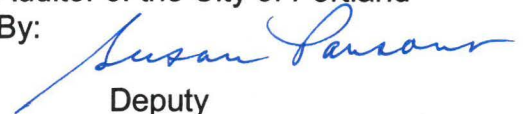
Passed by the Council: APR 05 2017

Commissioner Mayor Ted Wheeler
Prepared by: Theresa Green
Date Prepared: March 29, 2017

Mary Hull Caballero

Auditor of the City of Portland

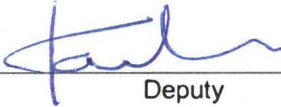
By:


Deputy

Agenda No. **188303**
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 Title

trenchless sewer
repair

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INTRODUCED BY Commissioner/Auditor: Mayor Ted Wheeler	CLERK USE: DATE FILED MAR 28 2017
COMMISSIONER APPROVAL Mayor—Finance and Administration - Wheeler WD Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Eudaly	Mary Hull Caballero Auditor of the City of Portland By:  Deputy
BUREAU APPROVAL Bureau: Tom Rinehart, CAO TR Bureau Head: Bureau of Revenue and Finance: Ken Rust, CFO KR Prepared by: Theresa Green Date Prepared: March 20, 2017 Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/> Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input type="checkbox"/> City Auditor Office Approval: required for Code Ordinances City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter Council Meeting Date; April 5, 2017	ACTION TAKEN:

AGENDA TIME CERTAIN <input type="checkbox"/> Start time: _____ Total amount of time needed: _____ (for presentation, testimony and discussion) CONSENT <input type="checkbox"/> REGULAR <input checked="" type="checkbox"/> Total amount of time needed: 0-5 min (for presentation, testimony and discussion)	FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS: <table border="1"> <thead> <tr> <th></th> <th>YEAS</th> <th>NAYS</th> </tr> </thead> <tbody> <tr> <td>1. Fritz</td> <td><input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>2. Fish</td> <td><input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>3. Saltzman</td> <td><input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>4. Novick Novick</td> <td><input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>Hales Wheeler</td> <td><input checked="" type="checkbox"/></td> <td></td> </tr> </tbody> </table>		YEAS	NAYS	1. Fritz	<input checked="" type="checkbox"/>		2. Fish	<input checked="" type="checkbox"/>		3. Saltzman	<input checked="" type="checkbox"/>		4. Novick Novick	<input checked="" type="checkbox"/>		Hales Wheeler	<input checked="" type="checkbox"/>	
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