

IMPACT STATEMENT

Legislation title: *Authorize an agreement with LMK Enterprises to provide LMK® inversion built liner system product line for a five-year contractual not to exceed \$5,000,000. (Ordinance)

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Presenter name: Christine Moody, Chief Procurement Officer

Purpose of proposed legislation and background information:

The purpose of this action is to authorize a contract with LMK Enterprises, Inc., to provide bulk sewer liner supplies and epoxy to be used by PBOT Maintenance Operations in the repair of mainline sewer pipe by use of cured in place pipe inverted liners and in lateral lining repairs. Because LMK is the inventor, manufacturer, and distributor of this trenchless technology, this ordinance authorizes the City to award a contract for Special Procurements without competition for Manufacturer Direct Supplies. The contract has an estimated Not to Exceed cost of \$1,000,000 per year and \$5,000,000 for the contractual term of five (5) years.

Funded by the Bureau of Environmental Services, PBOT Maintenance Operations maintains the gravity-fed portion of the City's sanitary and stormwater collection system. LMK Enterprises, Inc., provides a specially-designed and patent protected trenchless technology which Maintenance Operations has used for many years, and has found to be a very safe and efficient trenchless sewer repair system.

Financial and budgetary impacts:

Funding for these expenditures is contained in the maintenance operation Adopted Budget, as part of a cooperative, interagency funding agreement with the Bureau of Environmental Services (BES). Amounts will be spent under the contract only as part of the sewer maintenance and repair program as authorized and funded by BES. Bureau of Environmental Services has appropriation in their FY 2017-2018 budget to cover the first year of anticipated expense associated with this action. Funding for subsequent years will be included in the base bureau budgets for those years. There are no long term impacts on either revenue or expense.

Community impacts and community involvement:

This action will not have a material community impact and there was no community involvement in its development. This action is a Special Procurement which does not require competition and is based on proven efficient practices successfully utilized by the Portland Bureau of Transportation for many years.

Budgetary Impact Worksheet**Does this action change appropriations?**

☐ **YES:** Please complete the information below.

☒ **NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

