

**BOARD OF UTILITIES COMMISSIONERS**

1800 E. Wardlow Road, Long Beach, CA 90807
562.570.2300 | LBUilities.org

December 19, 2024

Recommendation

Adopt Resolution UT-1525 authorizing the General Manager to execute an agreement and any amendments with Sonsray Machinery, LLC, for the purchase of CASE parts and as-needed repair services for CASE equipment in an annual amount not to exceed \$200,000 for an initial term of one year, with the option to renew for two additional one-year periods at the discretion of the General Manager.

Executive Summary

The Long Beach City Charter allows alternative procurement methods, including bypassing traditional bidding processes when authorized by a Board Resolution.

The Long Beach Public Utilities Department (LBPUD) operates a fleet of 15 CASE equipment units. To maintain the validity of their warranties, repairs and maintenance require original equipment manufacturer (OEM) parts.

Sonsray Machinery, LLC, the sole manufacturer and provider of OEM parts and repair services for CASE equipment, has consistently met the Department's performance and service standards. A sole-source letter confirming their exclusivity has been provided. Sonsray has been a trusted service provider to LBPUD for several years, ensuring high-quality repairs and timely support.

Fiscal Impact

Costs associated with this agreement will be allocated to the Water and Sewer Funds from FY 2025 through FY 2028. While the exact annual expenditures are unknown at this time, the total expenditure during the three-year term will not exceed \$600,000. These costs are incorporated into the Water and Sewer Funds' FY 2025 budget and financial projections.

Tai Tseng
Assistant General Manager

B. Anatole Falagán
General Manager

Attachments

RESOLUTION NO. UT-1525

A RESOLUTION OF THE BOARD OF PUBLIC UTILITIES COMMISSIONERS OF THE CITY OF LONG BEACH AUTHORIZING THE GENERAL MANAGER TO EXECUTE AN AGREEMENT AND ANY AMENDMENTS WITH SONSRAY MACHINERY, LLC, FOR THE PURCHASE OF CASE PARTS AND AS-NEEDED REPAIR SERVICES FOR CASE EQUIPMENT IN AN ANNUAL AMOUNT NOT TO EXCEED \$200,000 FOR AN INITIAL TERM OF ONE YEAR, WITH THE OPTION TO RENEW FOR TWO ADDITIONAL ONE-YEAR PERIODS AT THE DISCRETION OF THE GENERAL MANAGER.

WHEREAS, the Charter of the City of Long Beach (the "City"), Section 1802, permits the City and its Boards to purchase services, supplies, materials, equipment, and labor with other government agencies by purchasing under their contracts on a voluntary and selective basis when authorized by resolution; and

WHEREAS, the Long Beach Public Utilities Department (LBPUD) operates a fleet of 15 CASE equipment units. To maintain the validity of their warranties, repairs and maintenance require original equipment manufacturer (OEM) parts; and

WHEREAS, Sonsray Machinery, LLC, the sole manufacturer and provider of OEM parts and repair services for CASE equipment, has consistently met the LBPUD's performance and service standards; and

WHEREAS, as a result, no useful purpose would be served by advertising for bids and to do so would constitute an idle and useless act and an unnecessary expenditure of public funds;

NOW, THEREFORE, the Board of Public Utilities Commissioners of the

OFFICE OF THE CITY ATTORNEY
DAWN MCINTOSH, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4664

1 City of Long Beach resolves and declares as follows:

2 Section 1. The above recitals are true and correct and are incorporated
3 herein by this reference.

4 Section 2. The Board hereby authorizes the General Manager to enter
5 into an agreement with Sonsray Machinery, LLC, for the purchase of CASE parts and as-
6 needed repair services for CASE equipment in an annual amount not to exceed Two
7 Hundred Thousand Dollars (\$200,000) for an initial term of one (1) year, with the option
8 to renew for two (2) additional one-year periods at the discretion of the General Manager.

9 Section 3. This Resolution shall take effect immediately upon its
10 adoption by the Board, and the Secretary to the Board shall certify the vote adopting this
11 Resolution.

12 I hereby certify that this Resolution was adopted by the Board of Public
13 Utilities Commissioners of the City of Long Beach at its meeting on
14 _____, 2024, by the following vote:

15 Ayes: Commissioners: _____

16 _____

17 _____

18 _____

19 _____

20 Noes: Commissioners: _____

21 Absent: Commissioners: _____

22 _____

23 _____

24 Secretary

25 Board of Public Utilities Commissioners

26 _____

27 _____

28 _____



Julie Anderson – Sr. Analyst, *Network Development Shared Services*

October 24, 2024

To Whom It May Concern:

This is to inform you that CNH Industrial America, LLC is the sole source manufacturer and supplier of CASE construction equipment and OEM parts for the CASE construction equipment brand in the United States. Sonsray Machinery, LLC is the sole source dealer of CASE construction equipment and is the sole source dealer for OEM sales, parts and service on CASE construction equipment in the City of Long Beach (Los Angeles County), California market.



Sincerely,

A handwritten signature in black ink that reads "Julie Anderson".

Julie Anderson

CNH America LLC
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Racine, WI 53402
Phone: 815-50141
Email: julie.anderson@cnhind.com