

**CITY OF WHITTIER, ALASKA
RESOLUTION 2025-029**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHITTIER, ALASKA, AUTHORIZING THE PURCHASE OF A 2025 CAT 160 MOTOR GRADER INCLUDING ASSOCIATED EQUIPMENT, FREIGHT, HYDRAULIC PLOW AND SNOW WING, AND SIX-YEAR EXTENDED WARRANTY, FINANCED VIA CAPITAL LEASE IN THE AMOUNT OF \$445,750 PLUS INTEREST, AS APPROVED IN THE 2025 BUDGET

WHEREAS, the 2025/2026 Biennial Operating budget includes funding for the purchase of a motor grader for an estimated cost of \$600,000 funded over seven years in estimated annual payments of \$85,714; and

WHEREAS, Whittier Municipal Code 3.32.210(E) *Sole Source Procurement* authorizes the purchase of equipment utilizing competitive bids from other governmental units, and the City will utilize the State of Alaska's competitive procurement contract with NC Machinery for the purchase of a 2025 Caterpillar Model 160-15AWD motor grader, associated equipment including a 12' Henke front hydraulic plow and 12' Henke snow wing, on-site operator training, freight FOB Whittier, a 1-year new CAT warranty, plus a six-year/3000 hour CAT premier extended warranty; and

WHEREAS, the purchase price of \$445,750 will be financed over a period of six years rather than the budgeted seven years, with annual payments of \$84,559.05 paid in advance, with a single balloon payment in year seven of \$1.00, and with an interest rate of 5.49% for a total interest cost of \$61,605.30 and an all-in purchase price of \$507,355.30, saving approximately \$93,000 over what was budgeted, during the life of the loan.

NOW, THEREFORE, THE WHITTIER CITY COUNCIL HEREBY RESOLVES:

Section 1. The City Manager is hereby authorized to enter into a contract with NC Machinery to purchase a 2025 new CAT 160-15AWD as configured in Quote No. 4908287 as described more fully above, and to execute each document necessary to consummate the purchase, including, but not limited to the Purchase Agreement and the Financial Services Agreement to finance the equipment at the rate of 5.49%, in substantial form as attached hereto.

Section 2. The annual required payments of \$84,559.05, including interest, are lower than the budgeted annual payments of \$85,714; therefore, no additional appropriation is needed, and payments will be for a period of six rather than the estimated seven years, with a nominal \$1.00 final payment in year seven.

Section 3. Funding for these annual payments is included in the FY2025/2026 Biennial Budget, account 14-400-9575 principal and 14-400-6265 interest.

Section 4. This resolution shall be effective immediately upon adoption.

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PASSED AND APPROVED by a duly constituted quorum of the Whittier City Council
on this 19th day of August, 2025.

Daniel Blair
Mayor

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Shelby Carlson
City Clerk

(City Seal)