

**FOREST LAKE AREA SCHOOLS
FOREST LAKE, MN 55025**

May 5, 2016

AGENDA ITEM: 10.1

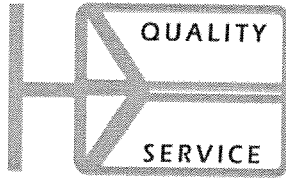
TOPIC: School Bus Leasing

BACKGROUND: The Minnesota Department of Education allows Bus Leasing. Limited funding has forced school districts to examine alternatives ways to replace older school buses. Forest Lake Area Schools has been leasing regular and special education busses for several years. The school district's finance committee supports using bus leasing to replace some of the district's aging fleet.

PROCESS: The Transportation Department is requesting permission to lease 14 new, 2017 - 77 passenger school buses to replace the expiring 2015 models currently under lease, using the Minnesota State Bid Contract with Hogleund Bus Company.

The Transportation Department is also requesting permission to lease 9 new, 2017 - 77 passenger school buses and trade in 9 2001 buses using the Minnesota State Bid Contract with Hogleund Bus Company.

RECOMMENDATION: The Administration recommends leasing buses from Hogleund Bus Company according to the description above and portions of the attached document.



HOGLUND BUS & TRUCK

The Transportation Specialists

March 3, 2016

Forest Lake ISD
 Attn: John & Steve
 Phone: 651-982-8190
 Fax: 651-982-8114

RE: School Bus Quotes

We appreciate this opportunity to work with you to solve your transportation needs. Below are the lease & purchase options that we have talked about.

77 Passenger Lease Options					
Model Year: 2017 IC CE 'New'					
Years	Mileage Limitation	Bonus Mileage	Payment Type	Payment Before Tax	Est. Payment After Tax
2 Year	20,000 Yearly	\$.59 Per Mile	Annual	\$14,256.00	\$15,253.92
(Regular Buses)					
Model Year: 2017 IC CE 'New'					
Years	Mileage Limitation	Bonus Mileage	Payment Type	Payment Before Tax	Est. Payment After Tax
2 Year	20,000 Yearly	\$.59 Per Mile	Annual	\$14,560.00	\$15,579.20
(Trailer Hitches)					
77 Passenger Released Options					
Model Year: 2015 IC CE 'Current'					
Years	Mileage Limitation	Bonus Mileage	Payment Type	Payment Before Tax	Est. Payment After Tax
2 Additional Years	20,000 Yearly	\$.59 Per Mile	Annual	\$14,188.00	\$15,181.16
(Regular Buses)					
Model Year: 2015 IC CE 'Current'					
Years	Mileage Limitation	Bonus Mileage	Payment Type	Payment Before Tax	Est. Payment After Tax
2 Additional Years	20,000 Yearly	\$.59 Per Mile	Annual	\$14,319.00	\$15,321.33
(Trailer Hitches)					

77 Passenger IC CE Lease Returns For Purchase		
Year	Number of Units	Sell Price
2015	6	\$61,167.00
Regular Buses		
Tax/Licensing Fees Not Included		

Note: Licensing Fees Not Included in Pricing Above and Invoiced Separately.

Please keep in mind the added value we have to offer your school in addition to the best product.

- Tech help line
- Online service manuals
- Mobile service
- Maintenance agreements available
- Full service body shop
- Double shifts and extended service
- Parts inventory over 1 million for all makes and models, most items next day delivery
- No charge training opportunities at our sites and/or yours

We thank you again for this opportunity to bid! If you have any questions, please don't hesitate to call us at 763-271-2952 and ask for Doug Erdmann or Jason Anderson.

Sincerely,
The Hoglund Team

Jason Anderson

Bus Sales Manager
salesmanager@hoglundbus.com
Cell: 612-940-3477
Office: 763-271-8750

Doug Erdmann

Metro Salesman
dougerdmann@hoglundbus.com
Cell: 612-756-3335
Office: 763-271-2956