



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

May 2, 2013

AGENDA ITEM: 10.7

TOPIC: Bus Lease Renewals and Eight New Leases

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: Due to the increased age of the current fleet of buses, the Transportation Department is requesting permission to lease eight new, 77 passenger school buses and to trade-in eight of its' 1997 school buses using the Minnesota State Bid Contract with Hoglund Bus Company. The Transportation Department is also requesting to renew ten 77 passenger school bus leases and ten wheelchair lift buses with new buses from the Minnesota State Bid Contract with Hoglund Bus Company.

RECOMMENDATION: The Administration and the Finance Committee recommend leasing new buses according to the description above and the attached document from Hoglund Bus Company.



HOGLUND BUS & TRUCK

The Transportation Specialists

March 25, 2013

Forest Lake ISD
Attn: Jim, John, and Larry
Phone: 651-982-8190
Fax: 651-982-8114

RE: Purchasing a leased fleet with municipal financing on a two or three year term.

Dear Jim, John, and Larry:

We appreciate this opportunity to work with you to solve your transportation needs. Below are the lease options that we have talked about. The below lease quotes are good through summer delivery.

The value of the 1997 trade buses are \$1800 each for a total of \$14,400. The trade values are not included in the below pricing and we would cut a check back to the school district in that amount like last year.

Lift Buses			Sell Price: \$103,551.00
Years	Mileage Limitation	Payment Type	Lease Price Per Unit
2 Year	20K	Monthly	\$1,196.26
(10 Lift Buses)			

77 Passengers			Sell Price: \$86,731.00
Years	Mileage Limitation	Payment Type	Lease Price Per Unit
2 Year	15K	Annual	\$11,265.00
(14 Regular Buses)			

77 Passengers			Sell Price: \$88,067.00
Years	Mileage Limitation	Payment Type	Lease Price Per Unit
2 Year	15K	Annual	\$11,615.00
(4 Trailer Hitches)			

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

- Free ISIS
- Tech help line
- Online service manuals free
- Mobile service
- Maintenance agreements available
- Full service body shop
- Double shifts and extended service
- Parts inventory over 700k 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, Jason Anderson or Wayne Hoglund.

Sincerely,
The Hoglund Team

Jason Anderson

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