



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

June 6, 2019

AGENDA ITEM: 9.3

TOPIC: School Bus Leasing & Bus Purchasing

BACKGROUND: The Minnesota Department of Education allows Bus Purchasing utilizing the Minnesota State Bid Contract with Hoglund Bus Company. The school district's finance committee supports this bus purchase and leasing to replace some of the Districts' aging fleet.

PROCESS: The Transportation Department is requesting permission to lease (22) new, 2020 - IC CE 77 passenger school buses from Hoglund Bus Company.

The Transportation Department is also requesting permission to trade (5) 2004 buses and (3) 2005 buses and purchase (12) 2018 - 77 passenger school buses using the Minnesota State Bid Contract with Hoglund Bus Company. These buses were previously under lease with Hoglund Bus Company. The District cost will be \$62,500 per bus plus taxes, title & licensing fees. Two years ago, these leased buses were listed at \$92,700 per bus plus fees.

RECOMMENDATION: Administration recommends approval of leasing and purchasing buses from Hoglund Bus Company according to the description above and the attached document.



Prepared For:

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Presented By:

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PO Box 249
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Date: 4/15/19

School Bus Financial Quotes

77 Passenger Lease					
Model Year: 2020 IC CE					
Years	Mileage Limitation	Bonus Mileage	Pymt Type	Pymt Before Tax	Est. Pymt After Tax
2 Year	20,000 Yearly	\$.73 Per Mile	Annual	\$16,470.00	\$17,705.25
(22 Units / Per Unit Price)					
Title / Licensing Fees Not Included In All Lease Quotes And Will Be Invoice Separately					

2018 Model Year: 77 Passenger Lease Return Purchase (12 Units) - Sell Price: \$61,500.00 Each
Note: Tax / Title / Licensing Fees Not Included In Pricing

Trade Evaluations

	Model Year	VIN	Trade Value
Bus #3	2004	3B951544	\$800.00
Bus #9	2004	3B951550	\$1,200.00
Bus #33	2004	3B951546	\$1,200.00
Bus #39	2004	3B951547	\$1,200.00
Bus #55	2004	3B951548	\$1,200.00
Bus #5	2005	4B970398	\$1,200.00
Bus #27	2005	4B970399	\$1,200.00
Bus #42	2005	4B970400	\$1,200.00
TOTAL VALUE:			\$9,200.00

Buyer Signature: _____