



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

June 7, 2018

AGENDA ITEM: 9.8

TOPIC: School Bus Leasing & Bus Purchasing

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

PROCESS: The Transportation Department is requesting permission to lease 18 new, 2019 - 77 passenger school buses to replace the expiring models currently under lease, using the Minnesota State Bid Contract with Hogleund Bus Company.

The Transportation Department is also requesting permission to purchase 16 of the 2017 - 77 passenger school buses that were previously under lease with Hogleund Bus Company

The Transportation Department is also requested permission to lease 10 new, 2019 - IC CE Lift school buses using the Minnesota State Bid Contract with Hogleund Bus Company.

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



Prepared For:
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Presented By:
 Hoglund Bus Co., Inc.
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 Doug Erdmann

Date: 3/26/18

School Bus Financial Quotes

77 Passenger Lease					
Model Year: 2019 IC CE					
Years	Mileage Limitation	Bonus Mileage	Payment Type	Payment Before Tax	Est. Payment After Tax
2 Year	20,000 Yearly	\$.69 Per Mile	Annual	\$14,994.00	\$16,043.58
(15 Regular Buses)					
77 Passenger Lease - Trailer Hitches					
Model Year: 2019 IC CE					
Years	Mileage Limitation	Bonus Mileage	Payment Type	Payment Before Tax	Est. Payment After Tax
2 Year	20,000 Yearly	\$.69 Per Mile	Annual	\$15,359.00	\$16,434.13
(3 Trailer Hitches)					
Lift Bus Lease					
Model Year: 2019 IC CE					
Years	Mileage Limitation	Bonus Mileage	Payment Type	Payment Before Tax	Est. Payment After Tax
5 Year	20,000 Yearly	\$.79 Per Mile	Monthly	\$1,204.00	\$1,288.28
(6 Lift Buses)					
Lift Bus Lease - Air Conditioning					
Model Year: 2019 IC CE					
Years	Mileage Limitation	Bonus Mileage	Payment Type	Payment Before Tax	Est. Payment After Tax
5 Year	20,000 Yearly	\$.79 Per Mile	Monthly	\$1,273.00	\$1,362.11
(4 Lift Buses - AC)					
Title / Licensing Fees Not Included In All Lease Quotes And Will Be Invoice Separately					
Purchase 77 Passenger Lease Returns					
Model Year: 2017 IC CE					
Sell Price: \$60,454.00 Each (16 Units)					
Trade Value: \$23,300.00 Each (2014 Units - #45, #51, #53, #65, #73, #82)					
Trade Value: \$1400.00 Each (2002 Units - #4, #18, #28, #31, #58)					
Note: Tax / Title / Licensing Fees Not Included In Pricing					

Accepted: _____

Buyer: _____