



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

June 1, 2017

AGENDA ITEM: 9.3

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 buses 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 requested permission to lease 25 new, 2018 - 77 passenger school buses to replace the expiring 2016 models currently under lease, using the Minnesota State Bid Contract with Hoglund Bus Company.

The Transportation Department also requested permission to purchase 8 of the 2016 - 77 passenger school buses that were previously under lease with Hoglund Bus Company.

The Transportation Department also requested permission to lease 8 new 2018 – IC CE Lift school buses using the Minnesota State Bid Contract with Hoglund Bus Company.

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



April 21, 2017

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: 2018 IC CE					
Years	Mileage Limitation	Bonus Mileage	Payment Type	Payment Before Tax	Est. Payment After Tax
2 Year	20,000 Yearly	\$.59 Per Mile	Annual	\$15,331.00	\$16,404.17
(27 Regular Buses)					
Model Year: 2018 IC CE					
Years	Mileage Limitation	Bonus Mileage	Payment Type	Payment Before Tax	Est. Payment After Tax
2 Year	20,000 Yearly	\$.59 Per Mile	Annual	\$15,675.00	\$16,772.25
(3 Trailer Hitches)					
Lift Bus Lease Options					
Model Year: 2018 IC CE					
Years	Mileage Limitation	Bonus Mileage	Payment Type	Payment Before Tax	Est. Payment After Tax
5 Year	20,000 Yearly	\$.69 Per Mile	Monthly	\$1,144.00	\$1,224.08
(8 Lift Buses)					
Purchase 77 Passenger Lease Returns					
Model Year: 2016 IC CE					
Sell Price: \$62,045.76					
Trade Value: \$1800.00 Each (2002 Units)					
(Note: Sell Price Is After Tax & Trade Value Taken Off)					

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

116 E. Oakwood Drive • PO Box 249 • Monticello, MN 55362
 Main 763.295.5119 • Fax 763.295.4992
 Sales 800.866.3105 • Parts 800.866.3104 • Service 866.286.1320
 www.hoglundbus.com



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.

Sincerely,

Doug Erdmann

Metro Salesman

dougerdmann@hoglundbus.com

Cell: 612-756-3335

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