

## **Exhibit F: RFP Supplement--Truck Lease and Insurance information**

As noted on Page 6, of the full RFP, SMRLA currently leases a 26-foot box truck from Ryder.

The current lease expires 6/15/2024.

There are several options concerning the leased truck which will be discussed as part of the negotiation with the selected organization:

- SMRLA maintains and pays for lease; Contracted organization uses the truck until the end of the lease in June 2024;
- SMRLA maintains and pays for lease; Contracted organization uses the truck until the end of the lease in June 2024; Contractor reduces cost of service to cover cost of truck lease, maintenance, and insurance;
- Contractor subleases the truck from Ryder until the conclusion of the lease in June 2024;
- SMRLA pays for full termination of the lease;
- Contracted organization pays for full termination of the lease;
- SMRLA and the contracted organization split payment for full termination of the lease;
- Beginning of negotiated contract for delivery is delayed until after the truck lease expires (June 15, 2024);
- Other options as negotiated

### **Response from Ryder:**

If a vendor is selected and the Ryder lease is no longer needed, there is a penalty for early termination of the lease which includes paying the fixed rate of the lease portion until the end of the lease with the possibility of a termination fee as well. SMRLA is currently paying \$2236.58 per month (a May termination would be around \$31,312.00).

Regarding the sublease option, the other party would have to be evaluated and approved from a Credit standpoint. If you were to hire a 3<sup>rd</sup> party to do your deliveries without subleasing you would still be liable for any damages which could occur on the vehicle.

### **SMRLA response concerning truck insurance:**

If a contractor is providing the truck and the labor, SMRLA would not be responsible for insurance on the vehicle, the contractor would.

If SMRLA continues leasing the truck, and the contractor is providing labor only, the situation would remain status quo (current status). SMRLA would be required to have the auto insurance on the truck, and SMRLA would need to provide their insurance company with the driver's name and license.

In FY2022, insurance on the truck ran about \$4,800.