

# **Rosenbauer International**

## **and**

# **The Menlo Park Fire Protection District**

## **Letter of Intent**

*Fire Board President Kiraly, Board Members & Fire Chief Schapelhouman*

Rosenbauer International has received confirmation for a very limited number of critical components needed for the construction of an electric fire truck from our main supplier Volvo Penta. The need for these components is being accelerated because of the massive demand by cities and municipalities globally, who are shifting away from the reliance on fossil fuels and vehicles powered by internal combustion motors.

The fire truck market globally, is only a fraction of this ever-increasing demand for these important and critical electric vehicle components. Rosenbauer International has diligently secured the commitments needed to receive the proper allocation of components necessary to fill our current production demands for the very limited 2020 pre-production units, which have now all been taken and filled.

The Menlo Park Fire Protection District has been a strong supporter and advocate for the Fire Fleet of the Future. District staff have provided critical feedback and important ideas on how to functionally improve safety, redundancy, reliability and the effectiveness of the current Concept Fire Truck (CFT), over the last two years.

Specifically, Menlo Fire Mechanic Rudy Torres has directly interacted with engineers at our production facility in Austria and provided dozens of suggestions that would directly improve the functionality and operational benefits of the CFT for the US Fire Service. Chief Schapelhouman has said that he is extremely interested in a “hands on”, collaborative and interactive design/build relationship, that will insure that the Fire District receives a specialized unit that will meet its current expectations and future needs.

Based upon this important and vital relationship, we have reserved one of the ten limited pre-production slots for 2021, for the Menlo Park Fire Protection District. All of

the other nine remaining slots have been filled, or are spoken for, with additional orders already being taken for 2022.

Therefore, if it is the intent of the Menlo Park Fire Protection District to purchase one (1) M91x electric fire vehicle from Rosenbauer, while the official purchase order and formal contract are being reviewed up by Menlo Park Fire Protection District's staff and Board, it is the intent of Menlo Park Fire Protection District to purchase one (1) M91x Fire vehicle as follows:

Production slot reservation payment	<b>US \$200,000</b>
First payment after the pre-construction meeting	<b>US \$100,000</b>
Pre-shipment payment after inspection at factory	<b>US \$700,000</b>
<u>Final payment after arrival &amp; inspection - Fire District</u>	<b><u>US \$112,900</u></b>
<b>Total Apparatus Cost</b>	<b>US \$1,112,900</b>

This 2021 pre-production commitment and reservation payment shall be fully refundable if after (3) months, from the date of payment, if contract negotiations cease, and no purchase order is issued or requested. The Menlo Park Fire Protection District shall process this reservation pre-payment invoice within 10 working days after receiving the Rosenbauer invoice.

Should that not occur, it is the intent of the Menlo Park Fire Protection District to utilize this \$200,000 pre-production and reservation payment offered to Rosenbauer International as part of the overall payment towards the full price.

This price does not include any Federal, State, City or local taxes or fees if applicable in your jurisdiction. Upon receipt of the Purchase Order, Rosenbauer International shall confirm the receipt of the Purchase Order to Menlo Park Fire Protection District. The balances due shall be paid as per the table and schedule shown above, with the final payment processed upon successful delivery and acceptance of the M91x Vehicle to the Menlo Park Fire Protection District.

Following the standard Menlo Park Fire Protection District accounts payable procedures. It is the intent of the Menlo Park Fire Protection District to take delivery of one (1) M91X electric vehicle from Rosenbauer through its local dealership, Burton's Fire Inc. approximately by the end of Q4, 2021.

This Letter of Intent is issued and signed by the Menlo Park Fire Protection District and representatives from Rosenbauer International and Burton's Fire Inc. on **December 17,**

**2019.** The official Purchase Order and signed contract shall be issued and published as quickly as the paperwork can be processed by Rosenbauer International.

## **Menlo Park Fire Protection District**

### ***Board President Kiraly***

Signature: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_

### ***Fire Chief Schapelhouman***

Signature: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_

## **Rosenbauer Group**

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_

## **Burttons Fire Inc.**

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_