

# SMOKY LAKE COUNTY



<b>Title:</b> Equipment Rental Agreement	<b>Policy No.:</b> A.04-01
<b>Section:</b> 14	<b>Page No.:</b> 1 of 15 <span style="float: right;"><i>E</i></span>

<b>Legislation Reference:</b>	Jubilee Insurance Agencies Ltd.
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<b>Purpose:</b>	To provide provision for Smoky Lake County to address risk management for involving rental activity of its equipment.
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## Policy Statement and Guidelines:

### 1. OBJECTIVES:

1.1 Smoky Lake County is responsible for introducing standards and processes that will encourage ongoing risk improvement, monitor and effectively manage the risk consideration to reflect safe rental practices and to help safeguard the interests of individuals.

1.2 The **Equipment Rental Agreement** is designed to provide substantial liability protection for Smoky Lake County when engaging in rental activities of its equipment.

Risk management consideration:

1.2.1 **Reflects safe rental practices:** The agreement schedules outline its own equipment rental forms, preventative maintenance checklists and training checklists.

1.2.2 **Protection of municipality:** Contractual protections include a clear assignment of responsibility to the renter for equipment loss or damage, broad waiver in the event of renter injury or harm to other parties and broad indemnity language that protects the municipality.

### 2. EQUIPMENT RENTAL AGREEMENT:

2.1 Smoky Lake County shall complete an Equipment Rental Agreement when renting its equipment, as per **Exhibit: Equipment Rental Agreement.**

2.2 The Equipment Rental Agreement is structured as follows:

- ▶ **Agreement - Business Terms:** Captures the basic terms of the rental, such as name of the Renter, rental period, description of the equipment being rented, signature of parties.
- ▶ **Schedule "A" - Additional Terms:** Contains the main contract provisions and protections that govern the rental agreement.
- ▶ **Schedule "B" – Equipment Inspection Form:** Insert pre-rental and post-rental inspection forms.
- ▶ **Schedule "C" – Preventative Maintenance Checklist:** Insert maintenance guidelines.
- ▶ **Schedule "D" – Training Checklist:** Insert training documents.

	Date	Resolution Number
Approved	July 27, 2009	# 670-09 - Page # 9035
Amended		
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EXHIBIT

EQUIPMENT RENTAL AGREEMENT

BETWEEN:

SMOKY LAKE COUNTY
(the "Owner")

AND:

(the "Renter")

of \_\_\_\_\_, Alberta

- 1. Schedules: The following Schedules form part of the Agreement: Schedule "A": Additional Terms, Schedule "B": Equipment Inspection Form, Schedule "C": Preventative Maintenance Checklist, Schedule "D": Training Checklist.
2. Equipment: The equipment rented under this Agreement is described as follows (the "Equipment"). Table with columns: Description, Serial Number.
3. Grant: The Owner has agreed to rent to the Renter, and the Renter has agreed to rent from the Owner, the Equipment, subject to the terms, covenants, and conditions contained in this Agreement.
4. Term: The term of the rent under this Agreement will be from \_\_\_\_\_ (time) on the \_\_\_\_\_ day of \_\_\_\_\_ (month), 20\_\_\_\_ (the "Start Date") to \_\_\_\_\_ (time) on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (the "Term").
5. Payment: The Renter will pay (check one): [ ] total rental for the Term in the sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_), payable upon execution of the Agreement, or [ ] monthly rental in the sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_), payable on the first (1st) day of each and every month of the Term commencing upon the Start Date,

(the "Rent") plus any other late fees or damages for damaged equipment. The Renter will pay all applicable GST and other taxes or assessments regarding the rent of the equipment.

\_\_\_\_ Renter's Initials

- 6. **Equipment Inspection** The Renter and Owner will complete the **Equipment Inspection Form** attached as **Schedule "B"** to the Agreement prior to taking possession of the Equipment, and again upon the return of the Equipment.
- 7. **Preventative Maintenance Checklist** The Renter shall be responsible for the performing such maintenance, cleaning or repair duties as may be required within the **Preventative Maintenance Checklist** attached as **Schedule "C"** to this Agreement, so as to ensure the Equipment is kept in optimal condition and safe for operation.
- 8. **Operating Instructions and Training** The Renter shall observe and comply with all operating and safety instructions provided from time to time by the Owner related to the transport, use storage and operation of the Equipment including, without restriction, the instructions provided to the Renter within the **Training Checklist** attached as **Schedule "D"** to this Agreement and signed by the Renter prior to taking possession of the Equipment.
- 9. **Special Terms** In addition to all of the terms, covenants, and conditions contained in this Agreement, the Owner and the Renter agree to the following additional terms, covenants and conditions:  


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- 10. **Notice** Any notice to be given by the Renter to the Owner shall be in writing and delivered to the Owner's designated representative at the address shown below.  
  
Any notice to be given by the Owner to the Renter may be verbal or in writing and delivered to the Renter or to any representative of the Renter at the address or phone number shown below.

**Granted by:**

**SIGNED, SEALED and DELIVERED** by the Owner, in the presence of:

**SMOKY LAKE COUNTY**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
Phone Number

Per: \_\_\_\_\_

Per: \_\_\_\_\_

**Accepted by:**

**SIGNED, SEALED and DELIVERED** by \_\_\_\_\_ **(NAME OF SIGNATORY)**, on his/her own behalf or on behalf of corporate Renter if a validly existing corporation, in the presence of:

**(Renter Name)** \_\_\_\_\_

Per: \_\_\_\_\_

Per: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
Phone Number

____ Renter's Initials
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SCHEDULE "A"



ADDITIONAL TERMS

1. Return of Equipment

1.1 On the expiry of the Term, the Renter shall immediately return the Equipment to the Owner which shall be clean, in proper working order, and in as good a condition as when received by the Renter. Any damage to the Equipment beyond reasonable wear and tear, including removal of any attachments, advertisements, accessories added to the Equipment after the Start Date shall, at the sole discretion of the Owner, be repaired or replaced by the Owner at the sole cost and expense of the Renter and the Renter shall pay all of the costs and expenses incurred by the Owner on demand.

1.2 If the Equipment is not promptly returned to the Owner by the end of the Term, the Renter will be deemed to have purchased the Equipment and will owe the Owner compensation equivalent to the replacement cost of the Equipment, as determined by the Owner, in its sole discretion.

2. Insurance, Operating Costs and Repairs

2.1 Throughout the Term, the Renter shall, at its sole cost and expense, insure the Equipment for full replacement cost (Owner to be noted as additional insured), exercise reasonable care in the use and servicing of the Equipment, and shall maintain, repair, overhaul, service and keep the Equipment in a condition equivalent to its condition at the Start Date, reasonable wear and tear only excepted, and in a fully operative condition and in good working order and ready for use for the intended purpose of the Equipment including, without restriction, replacing all damaged, lost or broken portions thereof with parts of equivalent quality.

2.2 The Equipment shall be at the risk of the Renter from the Start Date until the Owner takes physical possession of the Equipment and, except as hereinafter described, the Renter assumes the risk of liability and shall pay for any loss or damage arising from or pertaining to the possession or operation or use of the Equipment from any cause whatsoever and, without limiting the generality of the foregoing, liability or loss arising from fire, theft, loss, or destruction, of the Equipment or any part thereof.

2.3 In the event that the Equipment or part thereof is damaged, the Renter shall immediately notify the Owner, providing details of the damage suffered and the operable condition of the Equipment. Upon receipt of such notice, the Owner may, in its sole discretion, require the Renter to do any one or more of the following:

- a. return the Equipment to the Owner for inspection, assessment and repair;
- b. deliver the Equipment to an authorized repair contractor identified by the Owner for inspection, assessment and repair; or

c. attend to the repair of all or any portion of such damage, as may be directed by the Owner; all at the Renter's sole cost and expense.

3. Alterations

3.1 Except with the prior written consent of the Owner, the Renter shall not make any modifications or alterations to the Equipment. All modifications, alterations, parts, mechanisms, additions, and repairs made by the Renter to the Equipment shall be made at the Renter's expense and risk and the cost of rectifying them shall be borne by the Renter. The modifications, alterations, parts, mechanisms and repairs, whether conducted with or without consent of the Owner, shall immediately belong to and become the property of the Owner at no expense or cost whatsoever to the Owner.

4. Title to the Equipment

4.1 Title to the Equipment shall at all times remain in the name of the Owner. The Renter shall have no right, title or interest in the Equipment other than the right to maintain possession and use of the Equipment for the Term, subject always to the Renter's compliance with all terms, covenants, and conditions contained within this Agreement.

5. Liens

5.1 The Renter shall keep the Equipment free and clear of all seizures, forfeitures, liens, claims, pledges, debts or adverse claims of any nature and shall pay all license fees, registrations fees, assessments, charges and taxes, which may be levied or assessed directly or indirectly against or on account of the Equipment or any interest therein or use thereof.

6. Renter's Covenants

6.1 So long as this Agreement remains in effect, the Renter covenants:

- a. to cause the Equipment to be operated in a lawful manner and only by competent, qualified and where applicable, fully licensed operators;
- b. to cause the Equipment to be used only in a prudent and safe manner and only for the purpose for which they were designed;
- c. to furnish at its own expense all fuel, oils, lubricants and other labour or material necessary for the operation and maintenance of the Equipment;
- d. to not share the Equipment with any other person, nor lead, rent, lease or sublet the Equipment to any other person or user, without the express written consent or approval from the Owner;

\_\_\_\_\_ Renter's Initials

- e. upon the expiry of the Terms, to immediately return the Equipment to the Owner (the Renter shall not permitted to give the equipment to any other person or user prior to return to the Owner); and
- f. to promptly notify the Owner of any accident, damage, deficiencies or theft related to the Equipment, and/or of deficiencies in the Equipment.

**7. Events of Default**

7.1 If:

- a. the Renter becomes insolvent, bankrupt or if a receiver is appointed for the Equipment of the Renter or bankruptcy, re-organization, insolvency, liquidation or dissolution proceedings shall be instituted by or against the Renter;
- b. the Renter fails to make a payment as and when required under this Agreement; or
- c. the Renter shall be in default of any of its obligations hereunder and such default continues after the expiry of three (3) days' written notice by the Owner requiring the Renter to rectify such default, unless however, said default is not reasonably capable of being rectified within the said period and the Renter, acting reasonably, is working and continues to work diligently towards rectifying such material default;

the same shall constitute an Event of Default.

7.2 In addition to any other rights or remedies available, upon an Event of Default occurring, the Owner may take possession of the Equipment.

**8. Overdue Rent**

8.1 Any overdue payment of Rent or any other monies due under this Agreement to the Owner shall bear interest from the due date to date payment is received by the Owner at a rate of \_\_\_\_\_ percent \_\_\_\_\_% per annum.

Insert rate                      Insert percent

**9. Waiver and Indemnity**

9.1 The Renter hereby:

- a. waives any and all claims, rights or causes of action of every nature and kind at law or equity or under any statute that it has or may have in the future against the Owner or its Councillors, officers, employees and agents; and
- b. forever releases Owner or its Councillors, officers, employees and agents from any and all liability;

related to injury, death, property damage, property loss or any other loss or expense that may be suffered by the Renter or, to the extent legally possible, its employees, agents, next of kin or legal representatives, resulting directly or indirectly from, or in any way attributable to the condition of the Equipment and the sufficiency of

the Instructions or training provided by the Owner, or in any way attributable to the transportation, operation, maintenance, repair, use, misuse, nonuse of the Equipment by the Renter, its directors, officers, contractors, employees, servants, or agents or any other person that handles or uses the Equipment prior to its return to the Owner in accordance with this Agreement.

9.2 The Renter shall be liable for, and shall indemnify and save harmless the Owner, its Councillors, officers, employees and agents from any claim, damages, liability, cost, fee, penalty, action, cause of action, demand, damage to property, injury to person or death (including, without limitation to, legal fees of the Owner on a solicitor and his own client full indemnity basis), whether in contract or in tort, suffered or incurred by the Owner, its Councillors, officers, servants, employees or agents or by any other person, firm, partnership, corporation or entity resulting directly or indirectly from, attributable to, by reason of, arising out of, or in any way related to the transportation, operation, maintenance, repair, use, misuse, or nonuse of the Equipment by the Renter or any other person during the Term, whether or not Renter has permitted the person to use the Equipment, or from any breach of this Agreement or any other negligent act or omission or willful misconduct of the Renter or any of its directors, officers, servants, agents, contractors, or employees.

**10. General**

10.1 The headings to the articles and sections of this Agreement are solely for the convenience of the parties and are not an aid in the interpretation of the Agreement.

10.2 No consent or waiver, express or implied, by the Owner to or of any breach or default by the Renter in the performance by the Renter of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of obligations hereunder by the Renter. Failure on the part of the Owner to complain of any act or failure to act of the Renter, or to declare the Renter in default, irrespective of how long such failure continues, shall not constitute a waiver by the Owner of its rights hereunder.

10.3 If any term, covenant or condition of this Agreement or the application thereof to any party or circumstance is invalid or unenforceable to any extent, the remainder of this Agreement or application of such term, covenant or condition to a party or circumstance other than those to which it is held invalid or unenforceable shall not be affected thereby and each remaining term, covenant or condition of this Agreement shall be valid and shall be enforceable to the fullest extent permitted by law.

\_\_\_\_\_ Renter's Initials

10.4 This Agreement shall be governed by and construed according to the laws of the Province of Alberta. All legal proceedings arising from this Agreement shall be tried and directed by the court of competent jurisdiction in Alberta.

10.5 Time is of the essence of this Agreement and each of its provisions.

10.6 The terms and conditions set forth within this Agreement, together with the Schedules, shall constitute all of the terms and conditions of this Agreement, and there are not other terms, conditions, covenants, agreements, representations or warranties, either express or implied, arising between the parties hereto except as expressly set forth herein.

10.7 The Renter shall at all times and in all respects abide by all laws, bylaws, legislative and regulatory requirements of any governmental or other competent authority relating to the use or misuse of the Equipment.

10.8 The Renter's obligations contained in this Agreement shall survive the expiration or termination of this Agreement for any reason whatsoever until satisfied in full, and shall not be merged upon the execution of any other documentation by the parties.

10.9 This Agreement shall enure to the benefit of and be binding upon the parties hereto, their respective executors, administrators, successors and permitted assigns.

\_\_\_\_\_ *Renter's Initials*



**SCHEDULE “B”**

**EQUIPMENT INSPECTION FORM**

Applicable Equipment Inspection Forms are attached as Exhibits:

<b>Agricultural Service Board</b>		
<b>Equipment</b>	<b>Unit #</b>	<b>Inspection Exhibit</b>
Eco Bran Bait Spreader	Unit 450 Unit 451	Exhibit “A-I”
Herbicide Sprayer	Unit 418	Exhibit “B-I”
Livestock Weigh Scale	Unit 446	Exhibit “C-I”



EXHIBIT "A-I"

**EQUIPMENT INSPECTION FORM**

**ECO BRAN BAIT SPREADER - Unit # 450 / Unit # 451**

Pre-Inspection			Post-Inspection	
Satisfactory	Non-Satisfactory		Satisfactory	Non-Satisfactory
		Check for broken Welds		
		Check for broken Cables		
		Check for Oils		
		Check for Fuels		
		Check Guard on Fan		
Additional Information:				
		<div style="border-bottom: 1px solid black; width: 80%; margin: 0 auto;"></div> <i>Renter's Signature</i>		
Equipment Inspected by:	Signature			
Returned in Satisfactory Condition:				
		<div style="border-bottom: 1px solid black; width: 80%; margin: 0 auto;"></div> <i>Renter's Signature</i>		
Signature	Date			



EXHIBIT "B-I"

**EQUIPMENT INSPECTION FORM**

**HERBICIDE CENTURY SPRAYER - Unit # 418**

Pre-Inspection		Post-Inspection		
Satisfactory	Non-Satisfactory		Satisfactory	Non-Satisfactory
		Check for structural integrity		
		Check the hitch		
		Check for hoses		
		Check Nozzles and Tips		
		Check Tank for Cracks		
		Check Tires		
		Check Motor Gas / Oils		
Additional Information:				
Equipment Inspected by:	Signature	Renter's Signature		
Returned in Satisfactory Condition:				
Signature	Date	Renter's Signature		



EXHIBIT "C-I"

**EQUIPMENT INSPECTION FORM**

**LIVESTOCK WEIGH SCALE - Unit # 446**

Pre-Inspection			Post-Inspection	
Satisfactory	Non-Satisfactory		Satisfactory	Non-Satisfactory
		Check for Structural Integrity		
		Check the hitch		
		Check Tires		
		Check for Wiring		
		Check Load Cells		
		Control Panel		
Additional Information:				
			_____ <i>Renter's Signature</i>	
Equipment Inspected by:	Signature			
<b>Returned in Satisfactory Condition:</b>				
			_____ <i>Renter's Signature</i>	
Signature	Date			



**SCHEDULE "C"**



**PREVENTATIVE MAINTENANCE CHECKLIST**

Equipment:		Unit #	
Date of Maintenance Check: _____		Performed by:	
Check One:			
Yes	No	N/A	
			Check for broken welds
			Check for broken cables or belts or wiring
			Check all moving parts for broken pieces, etc.
			Grease all grease zerks
			Change oil
			Check tire pressures
			Ensure winches are in good working order
			Ensure pressurized hoses are in good working order
			Ensure that all protective guards / shields are in place
			Clearance and traffic lights in good working order
Repairs performed:			Date Repairs Performed:
Signature: _____			



**SCHEDULE "D"**

**TRAINING CHECKLIST**

Applicable Training Checklist Forms are attached as Exhibits:

Agricultural Service Board		
Equipment	Unit #	Training Checklist Exhibit
Eco Bran Bait Spreader	Unit 450 Unit 451	Exhibit "A-T"
Herbicide Sprayer	Unit 418	Exhibit "B-T"
Livestock Weigh Scale	Unit 446	Exhibit "C-T"



EXHIBIT "A-T"

TRAINING CHECKLIST

ECO BRAN BAIT SPREADER - Unit # 450 / Unit # 451

- Start-up Procedures
- Remote switch operation
- Check Oils
- Check Fuels
- Check Wiring
- Operation Procedures

Check List Reviewed by:

Signature

Renter's Signature



EXHIBIT "C-T"

TRAINING CHECKLIST

HERBICIDE CENTURY SPRAYER - Unit # 418

- Start-up Procedures
- Check for leaks from fittings
- Check for weakness (Ballooning in hose)
- Wear protective clothing/goggles in case of spillage/hose failure
- Check to ensure trailer lights are operational
- Operation of sprayer system / handgun, boom buster nozzles
- Switching from truck hookup to pin hookup for tractor
- Remote switch operation

\_\_\_\_\_  
Check List Reviewed by:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Renter's Signature



EXHIBIT "C-T"

TRAINING CHECKLIST

LIVESTOCK WEIGH SCALE - Unit # 446

- Check the structural integrity
- Check wiring
- Check load cells
- On / Off Switch
- Operation Procedures – control panel

Check List Reviewed by:

Signature

Renter's Signature