



EQUIPMENT RENTAL AGREEMENT

THIS AGREEMENT DATED FOR REFERENCE this \_\_\_\_ day of \_\_\_\_\_,

FILE/CONTRACT NO.: \_\_\_\_\_ CLIENT NO./IDENTIFIER \_\_\_\_\_

BETWEEN: HER MAJESTY THE QUEEN in right of the Province of British Columbia, as represented by the Minister of

AND: (Name) (Business Address) (City, Province) (Postal Code) (Phone No.) (Cellular Phone No.) (Fax No.) W.C.B. Registration No. (E-Mail Address) (herein called the "Contractor")

(Ministry Location & Address) (herein called the "Province") Referred herein to as 'the Parties'

WHEREAS:

- A. The Province requires the use of certain equipment from time to time for work on various projects. B. The Contractor has agreed to rent to the Province on an "as and when" required basis, certain equipment on the terms and conditions contained herein. C. The Province's obligation to pay money to the contractor is subject to the Financial Administration Act, which makes that obligation subject to an appropriation being available in the fiscal year of the Province, during which payment becomes due.

Accordingly, the parties agree as follows:

1. Equipment and Rental Rate

(a) The Contractor will supply to the Province, when requested, the following equipment (the 'Equipment') at the all found rates, exclusive of the Provincial Sales Tax (PST) and Goods and Services Tax (GST), [drawn or adapted from the current Equipment Rental Rate Guide, referred to as The Blue Book published by the B.C. Road Builders and Heavy Construction Association] shown below. Use Schedule A when needed for additional equipment.

Table with 6 columns: Make & Type of Machine, Serial No., Year & Model, Rated Size & Capacity, Attachments & Crew, Hourly or Daily Rate [\$(PST & GST Excluded)]

(b) If the Province orders in writing any of the Equipment to be on standby, the Province will pay the applicable standby rate for the Equipment so indicated on Schedule A.

(b) The Equipment shall be used at a location (the Worksite) subsequently determined by the Province, and shown on the Project Time Report (Daily) NRS472, or the Project Time Report (Bi-Weekly) NRS472A.

2. Fuel, Lubricants, Maintenance, Parts and Repairs

The Contractor shall, at the Contractor's expense, supply all fuel, lubricants and parts for the Equipment and shall, at the Contractor's expense, carry out all necessary and appropriate maintenance and repairs to the Equipment.

(c) The Province shall determine the cost to be paid for mobilization and demobilization for each piece of Equipment per project. The amount to be paid shall be shown on the Project Time Report (Daily) NRS472, or the Project Time Report (Bi-Weekly) NRS472A. The cost shall include the loading, transporting and unloading of equipment from the Point of Hire to the Worksite and return to the Point of Hire.

3. Worksite and Point of Hire, Mobilization and Demobilization

(a) The Point of Hire shall be mutually agreed to between the Province and Contractor, and shown on the Project Time Report (Daily) NRS472, or the Project Time Report (Bi-Weekly) NRS472A.

(d) The Contractor shall pay and agree to the cost of transporting the Operator and Crew to and from the Worksite.

In signing this Agreement, the Contractor certifies that he/she understands the Additional Conditions appearing on the reverse of this form, and on any attachment hereto. The Parties have executed this Agreement as follows:

PROVINCE SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province

CONTRACTOR SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor, if a corporation)

(Authorized Representative/Expense Authority)

(Contractor or Authorized Signatory)

Print Name

Print Name

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

READ TERMS ON REVERSE SIDE

#### 4. Supervision of Work and Worksite

Any use of the Equipment at the Worksite shall be under the direction of an agent designated by the Province.

#### 5. Termination of Agreement

- (a) Unless otherwise agreed, the term of this Agreement shall end on March 31<sup>st</sup> of the year following the date this Agreement is signed.
- (b) The Province may, at its sole discretion, terminate this Agreement upon 24 hours notice. Payment by the Province of all monies then due and owing to the Contractor for the use of the Equipment under this Agreement shall discharge the Province from any and all liability to the Contractor under this Agreement.

#### 6. No Obligation to Proceed

- (a) If the Province requests the Contractor to provide Equipment for a specific project, the Contractor shall have the right to elect whether or not to so proceed, and the Contractor shall not be liable for breach of this Agreement if the Contractor elects not to proceed.
- (b) The Province shall not be obliged to request Equipment at any time, and the Province shall not be subject to any liability for breach of this Agreement if the Province decides not to do so.

#### 7. Payment of Invoices

- (a) Contractor shall submit written invoices in a form acceptable to the Province on a monthly basis or at other times as designated by the Province.
- (b) Invoices shall be based on the actual hours the Equipment is operated, plus an amount for mobilization and demobilization, plus standby time where applicable, as recorded on Daily Time Reports initiated by the Contractor's operator and certified correct by the Province, multiplied by the applicable rates (exclusive of PST & GST) and subject to any deductions as may be otherwise provided in this Agreement.
- (c) Under no circumstances shall the Province be obliged to pay charges in excess of \$100,000 under this Agreement.
- (d) Subject to performance and observance by the Contractor of the conditions set forth in this Agreement, the Province shall pay the amount of monies due to the Contractor in accordance with the Province's payment practices and the *Financial Administration Act*.
- (e) The Province will pay any applicable taxes payable under law or agreement with the relevant taxation authorities. Invoices must show the calculation of any applicable taxes payable by the Province in relation to the Work as a separate line item.
- (f) Interest less than \$5.00 will not be paid. No interest will be paid unless and until an account is overdue by at least 61 days. The overdue period shall be calculated from the date the Province approves payment or the date the invoice is received (whichever is the later) to the date the cheque is printed by the Ministry of Finance.

#### 8. Contractor's Indemnification and Insurance

- (a) The Contractor shall indemnify and save harmless the Province and its employees and agents from any losses, claims, damages, actions, causes of action, costs and expenses that the Province or any of its employees or agents may sustain, incur, suffer or be put to at any time either before or after this Agreement ends, where the same or any of them are based upon, arise out of or occur, directly or indirectly, by reason of any act or omission of the Contractor or of any agent, employee, officer, director or subcontractor of the Contractor in connection with this Agreement, excepting always liability arising out of the independent acts or omissions of the Province and its employees and agents.
- (b) The Province shall not be responsible for loss or damage occurring to the Equipment, regardless of how, when or where the damage occurs and, in signing this Agreement; the Contractor relieves the Province and its employees from any and all responsibility for such loss or damage.
- (c) The Contractor must, without limiting its obligations or liabilities and at its own expense, address the risk of physical loss and damage or both to the Equipment by either:
  - (i) purchasing and maintaining throughout the term of this Agreement insurance against such physical loss or damage or
  - (ii) acknowledging the Equipment is uninsured and accepting the risk of such physical loss or damage personally or corporately as the case may be and the Contractor waives all rights of recourse against the Province, or any of its employees, or agents.
- (d) The Contractor, in the event of any loss or damage, shall take reasonable steps to prevent further loss, including removal of the Equipment.
- (e) The Contractor shall provide, maintain and pay for Commercial General Liability insurance protecting the Province and the Contractor from and against any and all claims which may arise out of the Contractor's operation and handling of the Equipment, including operation and handling of drilling and blasting Equipment if applicable, during the rental period:
  - (i) The amount of such insurance shall be not less than \$2,000,000 inclusive of any one occurrence.
  - (ii) The Contractor shall provide the Province with evidence of such insurance prior to the commencement of Work under this Agreement,

and such evidence shall be in the form of a completed Province of British Columbia Certificate of Insurance.

#### 9. Miscellaneous

- (a) The Contractor shall do the following:
  - (i) At its own expense, obtain Workers' Compensation Board compensation coverage for itself, all workers and any shareholders, directors, partners or other individuals employed or engaged as a result of this Agreement,
  - (ii) If the Contractor does not have the benefit of mandatory workers compensation coverage under the *Workers' Compensation Act*, then the Contractor shall ensure that it applies for and obtains Personal Optional Protection under the *Workers' Compensation Act*.
  - (iii) Comply with all applicable occupational health and safety laws in relation to performance of the Contractor's obligations under this Agreement, including the *Workers' Compensation Act* in British Columbia or similar laws in other jurisdictions,
  - (iv) Shall be responsible for and pay for all fines, assessments, penalties, and levies made or imposed under the *Workers' Compensation Act* and regulations relating in any way to the work performed under this Agreement, and
  - (v) Upon request by the Province, provide proof of such compliance.
- (b) The Contractor shall, in connection with this Agreement:
  - (i) Establish and maintain accurate books of account and records (including supporting documents) to the satisfaction of the Province, and when requested, permit the Province, at any time during normal business hours, to copy and audit any one or more of the books or account or records (including supporting documents), and
  - (ii) Permit the Province, at all reasonable times, to inspect and copy any findings, data, specifications, drawings, working papers, reports, documents and material, whether complete or otherwise, that have been produced, received or acquired by the Contractor as a result of this Agreement.
- (c) By mutual agreement of the parties, this Agreement may be amended in writing.

#### 10. Drilling and Blasting Requirements

- (a) A blaster must be licensed with the appropriate class, under the Workers' Compensation Board, to carry out the work. The Contractor must produce evidence of the licence upon request of the Province.
- (b) The drilling equipment associated with this Work is hired at the rental rate shown in clause 1, which shall include driller/licensed blaster, a helper, support vehicles, drill steel, bits, grinders, blasting agent loading attachment as required, powder magazine and/or day box, blasting mats, signs, warning signal horns, tools, blasting machine and miscellaneous items required in the loading and blasting phase of the Work.
  - (i) The full rate shown in clause 1 will be paid for the hours that the Equipment and Crew are drilling and positioning, and when loading a blasting agent using the compressor;
  - (ii) One-half of the full rate will be paid for the hours loading explosives which do not require the compressor, and/or when the Crew and drilling equipment are required by the Supervisor to remain on-site but are not able to work.
- (c) The Contractor shall promptly remove all unused, damaged or deteriorated explosives or detonating devices, and shall remove any undetonated explosives upon completion of the Work.
- (d) A blasting log recording the loading details, including a diagram of the blast pattern, and post-site examination must be available upon request at the blast site. Upon completion of the project, the blasting log, if requested, will be given to the Province.
- (e) The Contractor shall ensure that all Equipment and operations comply with the *Motor Vehicle Act*, the *Motor Carrier Act* and all other applicable Federal Acts, including the *Explosive Act (Canada)* and all Regulations pursuant to these Acts.
- (f) The Contractor shall:
  - (i) Provide all explosives and detonators at cost plus 10%. The cost shall be exclusive of GST or other applicable tax paid or payable by you to the extent that you are entitled to claim credits (including GST input tax credits), rebates, refunds, or remissions of the tax from the relevant taxation authorities and the invoice must include a description of any such entitlement, and
  - (ii) Submit to the Ministry copies of the supplier's invoice(s) for the explosive materials actually used on the project, to verify the Contractor's costs.
- (g) The Contractor shall use only rock-drilling and blasting techniques which minimize disturbance to forest resources and existing improvements, minimize fly rock and reduce the potential for landslides or slope instability.



## PROCEDURES FOR COMPLETING AND USING THE EQUIPMENT RENTAL AGREEMENT

### NRS21 Equipment Rental Agreement

- The NRS21 may be used for one or more pieces of equipment owned by a particular supplier.
- The EES Client Number/Identifier field refers to existing FLNR Client Number or Key Identifier assigned in the BC Bid System.
- The equipment is listed in Clause 1(a) on the front page of the NRS21 and on Schedule A if additional space is needed.
- Rates must be negotiated for each project and for each piece of equipment, using as a guideline the rates set out in the annual *Equipment Rental Rate Guide*, referred to as *the Blue Book* published by the B.C. Road Builders and Heavy Construction Association.
- If during a project, the Province requires a piece of equipment to be on standby, a new Schedule A is used to list the equipment and show the agreed-to standby rate (\$/hr). The Schedule A is dated, signed by both parties, and attached to the NRS21.
- If during the life (term) of the NRS21, a particular supplier wishes to add additional pieces of equipment to the list already provided and shown in clause 1(a), the additional equipment may be added to Schedule A.
- **The Worksite, Point of Hire, cost of Mobilization, and Demobilization, referred to in clause 3, are shown on the time cards. See Time Cards NRS472 and NRS472A for more details.**
- Clause 5 deals with termination of the agreement.
- Clause 6 simply describes that just because an agreement is signed, there is no obligation, by either party, to use the equipment listed in the agreement.
- Clause 10 describes payment for drilling and blasting operations and payment of explosive materials.