

STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION



DIVISION OF HIGHWAYS

**FULLY OPERATED
EQUIPMENT RENTAL PROPOSAL**
(Form RE-1)

1. The undersigned contractor, hereinafter designated as the Contractor, shall furnish to the Department of Transportation the fully-operated equipment described in paragraph 10 herein, in quantities as may be needed from time to time by the Department of Transportation and for such periods as may be necessary.

The Contractor shall furnish equipment in good operating condition and operated by properly trained and qualified personnel. The Personnel operating the equipment shall be the responsibility of the contractor and the contractor shall be responsible for employees during the performance of the contract. Subcontractors may be permitted under this agreement with prior approval of the Engineer. The personnel shall be subject to the directions of the Department of Transportation. The Department of Transportation may refuse delivery or may return any equipment found to be defective and/or inadequately operated.

Contractors at all levels, prime, subcontractor, or second tier subcontractor, shall within seven calendar days of receipt of monies, resulting from work performed on the project or services rendered, pay subcontractors, second tier subcontractors, or material suppliers, as appropriate. This seven-day period begins upon knowledgeable receipt by the contracting firm obligated to make a subsequent periodic or final payment. These prompt payment requirements will be met if each firm mails the payment to the next level firm by evidence of postmark within the seven-day period.

This provision for prompt payment shall be incorporated into each subcontract or second tier subcontract issued for work performed on the project or for services provided. Failure of any entity to make prompt payment as defined herein may result in termination of the fully operated equipment rental agreement.

The Contractor certifies and understands that by his/her signature on this agreement that he/she and the contracting firm he/she represents has not been banned, debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal, State, or local agency.

2. Contractor shall comply with Article 107-22 of the Standard Specifications, and all applicable Federal, State, and local laws, ordinances, and regulations governing safety, health, and sanitation, and shall provide all safeguards, safety devices, and protective equipment, and shall take any other

needed actions, on his own responsibility that are reasonably necessary to protect the life and health of employees (including subcontractor employees), and the safety of the public, and to protect property in connection with the performance of the work covered by the contract.

3. The contractor shall be responsible for providing transportation for all equipment to and from all job sites assigned by the Department of Transportation at no cost to the Department of Transportation; and, no equipment owned nor personnel employed by the Department of Transportation may be used in the transportation or operation of the contractor's equipment.
4. This Rental Equipment Agreement shall commence on the date the Department of Transportation issues a purchase order and shall be effective for a period of one (1) year. At the option of the Department of Transportation, this agreement may be extended additional periods of one (1) year each up to a maximum total contract time of three (3) years, at the same prices, terms and conditions.
5. Rental shall be on an hourly basis in accordance with the rates set out in paragraph 10 herein. All charges shall be determined to the nearest one-quarter (1/4) hour based upon the time the equipment was in actual productive operation. The contractor will not be paid for downtime due to meals, equipment failure, unsatisfactory weather, nor any other conditions.
6. Contractor shall be responsible for all costs or charges incurred in the operation and maintenance to the equipment during the rental period.
7. The contractor shall defend, indemnify and hold harmless the North Carolina Department of Transportation, its officers and employees from any claim, demand, suit, liability, judgment and expense (including attorney's fees and other costs of litigation) arising out of or relating to injury, disease, or death of persons or damage to or loss of property resulting from or in connection with the negligent performance of this contract by the contractor, its agents, employees, and subcontractors or any one for whom the contractor may be responsible. The obligations, indemnities and liabilities assumed by the contractor under this paragraph shall not extend to any liability caused by the negligence of the Department of Transportation or its employees. The contractor's liability shall not be limited by any provisions or limits of insurance set forth in this contract.

The contractor shall indemnify and hold harmless the Department of Transportation from any claim, demand, suit, liability, judgment, and expense involving damage or loss to the contractor's equipment (including vandalism, theft, fire, and acts of God) arising out of or relating to work performed under this agreement. The obligations, indemnities and liabilities assumed by the contractor under this paragraph shall not extend to any liability caused by the negligence of the Department of Transportation or its employees. The contractor's liability shall not be limited by any provisions or limits of insurance set forth in this contract.

The contractor further agrees to indemnify the Department of Transportation for any damages to the roadway, highway signs, highway equipment and other property owned or in possession of the Department of Transportation, brought about by reason of the negligent operation of the leased equipment. The contractor further agrees to indemnify and save harmless the Department of Transportation, its officers and employees from any claims or amounts recovered by any of the contractor's employees under the Worker's Compensation Act.

Pursuant to N.C.G.S. 97-19, all contractors of the Department of Transportation are, prior to beginning services, required to show proof of coverage issued by a workers' compensation insurance carrier, or a certificate of compliance issued by the Department of Insurance for self-insured subcontractors stating it has complied with N.C.G.S. 97-93.

INSURANCE REQUIREMENTS

During the term of the contract, the contractor at its sole cost and expense shall provide commercial insurance of such type and with such terms and limits as may be reasonably associated with the contract. As a minimum, the contractor shall provide and maintain the following coverage and limits:

- a. **Worker's Compensation** – The contractor shall provide and maintain Worker's Compensation Insurance in accordance with North Carolina laws. The minimum limit for employer's liability coverage is \$1,000,000.00, covering all of Contractor's employees who are engaged in any work under the contract. If any work is subcontracted, the contractor shall require the subcontractor to provide the same coverage for any of its employees engaged in any work under the contract. The North Carolina workers compensation laws require employer's with three or more employees to have proof of coverage. Owner/Operators or companies with two or less employees are not required to obtain worker's compensation insurance.
- b. **Commercial General Liability** – The contractor shall provide and maintain, during the term of this contract, comprehensive general liability insurance which shall protect the contractor and the Department of Transportation from claims for accidental death, bodily injury, or property damage which may arise from any defect or malfunction of the equipment provided. The same provision shall apply to any subcontractor equipment approved by the Engineer. The insurance coverage provided for all construction equipment and shall be in the amount of \$1,000,000 (minimum) per occurrence. Proof of coverage shall be submitted to the Department.
- c. **Automobile – Automobile Liability Insurance**, to include liability coverage, covering all owned, hired and non-owned vehicles, used in connection with the contract. The minimum combined single limit shall be \$150,000.00 bodily injury and property damage; \$150,000.00 uninsured/under insured motorist; and \$1,000.00 medical payment.

Providing and maintaining adequate insurance coverage is a material obligation of the contractor and is of the essence of this contract. All such insurance shall meet all laws of the State of North Carolina. Such insurance coverage shall be obtained from companies that are authorized to provide such coverage and that are authorized by the Commissioner of Insurance to do business in North Carolina. The contractor shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing North Carolina laws or this contract. The limits of coverage under each insurance policy maintained by the contractor shall not be interpreted as limiting the contractor's liability and obligations under the contract.

8. The contractor shall be responsible for the equipment provided in this contract at all times and at all locations during the term of the contract. The contractor shall have no claim against the Department of Transportation for any expense involving damage or loss to the contractor's equipment (including vandalism, theft, fire, and acts of God) arising out of, or relating to, work performed under this agreement.
9. Contractor agrees to furnish any or all of the equipment described in paragraph 10 subject to availability and the terms of this proposal.

10. Rental for Fully-Operated Equipment shall be for the following counties and at the following rates:

LIST OF COUNTIES

LIST OF EQUIPMENT AND PRICES

LINE ITEM	QTY	DESCRIPTION	CAPACITY	YEAR MODEL	HOURLY RATE
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					

NOTE: CONTRACTOR MAY USE ADDITIONAL SHEETS AS NECESSARY

11. All rates are considered firm and may not be increased for the term of this agreement. However, the contractor has an option to lower any rate upon notification in writing to the Department of Transportation, Division of Highways field office. The field office shall forward the notification of lowered prices to the Department of Transportation Purchasing Office; where the old rate shall be

17. This proposal and the Department of Transportation purchase order indicating its acceptance shall constitute the rental agreement as executed below:

COMPANY NAME: _____
(Type or Print)

TITLE OF PERSON SIGNING: _____

NAME OF PERSON SIGNING: _____
(Type or Print)

SIGNATURE: _____
(Authorized Company Representative)

EMAIL ADDRESS: _____

ADDRESS OF COMPANY: _____
(Street)

(City) (State) (Zip Code)

Telephone Number Federal Tax I.D. Number Social Security Number

WITNESSED BY: _____ DATE: _____

DISTRIBUTION:
ORIGINAL – with Purchase Requisition
SECOND COPY – Contractor
THIRD COPY – Division Engineer
FOURTH COPY – Field Engineer