

# EQUIPMENT RENTAL CONTRACT

Date: 12/15/2020

**Lessee:** City of Salinas

**Address:**  
426 Work Street  
Salinas, CA 93901

**Phone:** (831)970-7642 / (831) 758-7104

**Contact:** Ronald Patterson

**Lessor:** Enviro-Clean Equipment, Inc

**Address:**  
2395 NW Eleven Mile Avenue  
Gresham, OR 97030

**Phone:** (503) 491-3393

**Contact:** Frank Clanton

**Job address** at which leased property will be located and used: California State.

The above named lessor leases unto the above named lessee, and the lessee rents from lessor, subject to the terms and conditions hereinafter set forth and for commercial use only, the following described personal property, to wit:

TYPE	MAKE	NUMBER	REMARKS
<b>Vacuum Combo</b>	<b>VacCon VPD4216LHAEN 1300 Gallons 2021 Freightliner 114SD</b>	<b>SN:</b> 03208816 <b>VIN:</b> 1FVHG3DVXMHH9900 Miles: Chassis Hrs: Aux:	<b>Value: \$450,000.00</b> <b>Fuel Tank:</b>

Including the following extras and accessories:

For a term of **(4) four months beginning 12/15/2020**. Before entering into this lease, lessee has inspected the property and is satisfied that the property has been found to be in good, safe and serviceable condition.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Lessee (Customer)

## TERMS AND CONDITIONS

- RENTS.** Lessee agrees to pay rent for the use of said property at the rate of \$12,800.00 per (1) one month period for a minimum of (4) four months (12/15/2020 – 4/14/2021). **Rent is prepaid.** Subsequent rental payments shall become due and payable at the following times: Upon extension of lease. Extension of rental will be at the rate of \$12,800.00 per (1) one month rental. Equipment used in excess of 8 hours per day or 50 hours per week is subject to additional charges. Hours used above 50 per 7 day week will be billed at the rate of \$79 per hour. The lease period shall commence upon acceptance of the equipment and terminate upon return of same in good order and condition. All rents not paid when due shall bear interest after maturity at the highest lawful rate until paid.

2. **TITLE.** Lessor shall at all times retain title to the said personal property, and lessee shall have only the right to use it under the terms and conditions herein contained. Any equipment, replacements, repairs or accessories placed upon or attached to said personal property shall become a component part thereof as soon as installed or attached and title thereto shall be vested in lessor forthwith and included under terms of this lease. If said property is in any manner attached to real estate, it shall nevertheless remain personal property.
3. **LOCATION.** The leased property, or any part thereof, shall not be removed from the premises of the job address shown above and shall not be used at any other location or for any purpose other than provided herein unless lessee obtains prior written consent from lessor.
4. **MAINTENANCE.** During the term of this lease and any renewal thereof, lessee will at all times take proper care of said leased property, and shall be responsible to pay any and all costs of storage and upkeep. Lessee assumes responsibility for any and all damages to said property and agrees to pay for any and all repairs due to damage caused by Lessee. This shall include neglect of routine maintenance care while in Lessee's custody, care and control. Lessee agrees to maintain said leased property in proper, good, safe, and efficient working order. Lessee shall not make any alterations, additions or improvements to the leased property without Lessor's prior written consent.
5. **REPAIRS.** All necessary repairs and maintenance shall be performed by qualified technicians according to established and approved trade practices. Lessee shall contact and notify lessor of any major repairs needed, (exceeding \$1,000.00), prior to repairs being made.
6. **USE OF PERSONAL PROPERTY.** Lessee agrees to use the leased property in a safe and proper manner and in conformity with all laws, ordinances and trade practices pertaining thereto and in accordance with OSHA's safety rules and regulations. The unauthorized use of off road fuel is prohibited. Under no circumstance shall any vehicle be returned to the Lessor with off road fuel in it. The Lessee assumes all liability whatsoever associated with any waste or debris caused by the use or operation of this equipment, including: pick up; handling; transport and disposal. Any debris or waste generated or loaded into the equipment shall be properly disposed of by the Lessee. Lessee shall not permit same to be used or operated by incompetent or unqualified persons or subjected to careless or needless rough usage. Lessee shall not permit anyone to injure, alter, misuse, deface or remove the leased property or any part thereof. Lessor shall have no responsibility, direction or control over the manner of use, operation or possession of the leased property by lessee and accordingly lessee hereby expressly assumes all responsibility for claims asserted by any person growing out of the use, operation or possession of the said property, and further hereby expressly agrees to defend against and hold lessor harmless from any and all such claims. **LESSEE AGREES THAT ITS USE OF THE SAID PROPERTY SHALL BE CONSTRUED AS AN ABSOLUTE ACKNOWLEDGEMENT OF LESSEE THAT WHEN DELIVERED TO LESSEE BY LESSOR THE EQUIPMENT WAS IN GOOD ORDER AND REPAIR.**
7. **LESSEE'S RIGHT TO ASSIGN-SUBLET.** Lessee may not assign this lease or sublet said leased property at any time.
8. **LESSOR'S RIGHTS ON TERMINATION.** Upon the termination for any reason and in any manner whatsoever of this lease, or of any renewal hereof, lessor shall be entitled to the immediate possession of said leased property and lessee agrees forthwith to deliver same to lessor at lessor's address above, complete and in the same appearance, good order and condition, reasonable wear and tear alone excepted; should lessee fail to do so, lessor shall have the rights set forth within for default and remedies. Lessee's liability for said rentals shall continue until said leased property is delivered to lessor, or possession thereof is recovered by lessor, in the condition aforesaid.
9. **INDEMNITY.** Lessee assumes liability for, and hereby agrees to indemnify, protect and defend, at lessee's own expense, including responsible attorney's fees, any and all liabilities, losses, damages, claims and actions brought against either or both parties hereto for damages to persons or property caused by the leased property or by its operation, (including but not limited to, latent and other defects and whether or not discovered by lessee or lessor), and agrees to hold lessor, its employees, officers and directors free and harmless of and from any and all claims and demands that may arise or be occasioned to any person or to any property by or through the use of the leased property during the term of this lease or any renewal hereof. The indemnities and assumption of liabilities and obligations herein provided for shall continue in full force and effect notwithstanding the expiration or other termination of this lease. Lessee is an independent contractor and nothing contained in this lease shall authorize lessee or any other person to use any item of said leased property so as to incur or impose any liability or obligation for or on behalf of Lessor.
10. **LEASE ONLY.** No agreement for the sale of said property to lessee has been made or is to be implied.
11. **INSPECTION.** At the sole option of the lessor, and without obligation on its part, lessor shall at all times have the right of free access to the leased property for the purposes of inspecting it, watching its use or operation or determining the nature and extend of its use.
12. **FREEDOM FROM LIENS.** Lessee agrees not to permit said leased property to become subject to attachment, execution or other process or to be used for any unlawful or illegal purpose or for hire; not to create or permit to be created or filed any lien, adverse claim or security interest of any character against the same, without written consent of lessor first obtained.
13. **TAXES.** Lessee agrees to pay all license fees, (except vehicle license plate), use and other taxes and assessments of every character connected with, levied or assessed against said personal property, this contract and the indebtedness represented hereby. Any sums payable by the lessee under the terms hereof which are not paid by the lessee but are paid by the lessor shall bear interest at the highest lawful rate until repaid and said sums with interest shall be repaid to the lessor forthwith on demand.
14. **LABELS.** If the lessor supplies label plates or other markings showing lessor's ownership of said property, lessee shall affix same to said property; if such markings are already attached, lessee shall not disturb same; lessee shall keep such labels or markings prominently displayed at all times.
15. **LATE PAYMENTS.** Lessor's acceptance of part or late payments shall not constitute or be construed as a waiver of the lessee's default or as a waiver of time as the essence of this contract or of any subsequent defaults of lessee hereunder.
16. **RISK OF LOSS.** From the acceptance date until the return date, lessee shall bear the sole risk of loss, theft, damage or destruction of the leased property; and no loss, theft, damage or destruction of the leased property shall relieve lessee of the obligation to pay lease payments or any other obligation under this lease. If the leased property or any part thereof is destroyed, altered, damaged, lost or stolen, whether with or without fault on the part of the lessee, lessee shall pay to the lessor, at the address as shown on the reverse hereof, a sum equal to the manufacturer's suggested list price for the same or similar property.
17. **INSURANCE.** Lessee shall procure and maintain for the duration of the lease such insurance, as lessor shall request upon the leased property, in such forms of policies and in such amounts as lessor may require, from time to time. Lessee must provide proof of said insurance in the form of an insurance binder listing the lessor and leased property as an additional insured.

Lessee hereby assigns to lessor all monies payable under such insurance, including any return or unearned premiums, which may be due upon cancellation of any such insurance for any reason whatsoever. Lessee directs said insurer to pay to lessor any amounts so due, and appoints lessor as his attorney-in-fact in obtaining, adjusting settling and canceling such insurance and endorsing any draft or check which may be payable to lessee by any such insurer. Lessee hereby certifies to the lessor that lessee and any occupants are insured for the following minimum coverage's: A. Bodily injury, \$1,000,000.00 per person/\$3,000,000.00 per incident. B. Property Damage, \$50,000.00 per incident. C. Medical payments, \$5,000.00 per incident. D. Uninsured Motorist, \$30,000.00 per person/\$60,000.00 per incident. E. Comprehensive deductible, \$250.00. F. Collision Deductible, \$500.00. (Current value of this machine is \$450,000.00). Lessee agrees and understands that he is liable for all damage to both the interior and exterior of the personal property they have leased. In the case of a self-insured municipality, a letter shall be provided verifying coverage's provided by the municipality.

18. **ACCEPTANCE PROCEDURES AND DELIVERY.** At the time the leased property is delivered to the job site indicated above, lessee shall have an authorized representative at the job site to verify and acknowledge the accuracy of lessor's listing of the leased property as shown above and on any schedule attached hereto. Lessee's failure to have an authorized representative available to acknowledge the accuracy of said listing or lessee's use of leased property shall constitute a waiver of lessee's right to object to lessor's listing of Property and shall be deemed an acceptance of the listing as accurate for purposes of this lease. If the property is delivered in more than one installment, the procedures outlined in this paragraph shall be followed for each installment. The term "acceptance date" as used in this lease shall mean the date lessor delivers Equipment to the lessee.

19. **DEFAULT.** Each of the following events shall be an "event of default" for purposes of the lease: (a) Lessee fails to pay any rental or any other payment hereunder when due, and such failure continues for ten (10) days; (b) Lessee breaches any covenant, obligation or agreement herein, and such breach continues for ten (10) days after written notice thereof; (c) the death, dissolution, merger, consolidation or termination of existence of lessee or any guarantor; (d) Lessee or any guarantor becomes insolvent or makes the assignment for the benefit of creditors; (e) any proceeding in bankruptcy, receivership or insolvency is commenced by or against lessee or any guarantor or any property of either; (f) the loss, theft, substantial damage or destruction of the leased property; (g) the making of any execution, levy, seizure or attachment incurred by lessor in exercising any of its rights or remedies hereunder.

20. **REMEDIES.** If an event of default shall occur, lessor shall have the right, but shall not be obligated to exercise any one or more of the following remedies: (a) to sue for and recover all rents and other amounts then due or thereafter occurring under this lease; (b) to take possession of any or all of the leased property, wherever it may be located, without demand or notice, without any court order or other process of law, and without incurring any liability to lessee for any damages occasioned by such taking of possession. In addition, lessor may enter any place or premises where the leased property or any part thereof may be found and remove same, in which event lessee waives any trespass and right of action by reason of such entry and removal; (c) to terminate this lease; and (d) to pursue any other remedy now or hereafter existing at law or equity. Notwithstanding any such action that lessor may take, including taking possession of any or all of the leased property, lessee shall remain liable for the full performance of all of its obligations hereunder. In addition, to the foregoing, lessee shall pay lessor all costs and expenses, including reasonable attorney's fees.

21. **ASSIGNMENTS.** Lessor may, without lessee's consent, assign or transfer this lease or any of the said leased property any rent, or any other sums due or to become due and in such event lessor's assignee or transferee any defense, setoff, recoupment, claim or counterclaim it has against lessor, whether arising under this lease transaction or otherwise. Lessee hereby waives any notice of any said assignment or transfer by lessor and consents thereto.

22. **ENTIRE UNDERSTANDING.** This lease comprises the entire lease and agreement between the parties and it is acknowledged that there are not further understandings, representations, warranties, promises, verbal or otherwise, pertaining to this lease or to the said property.

23. **AMENDMENT.** This lease shall not be amended, altered, modified, terminated or otherwise changed in any manner except for in writing and signed by both parties.

24. **WAIVER.** No failure on the part of the lessor to exercise, and no delay in exercising any right or remedy hereunder shall operate as a waiver thereof or of any right or remedy of lessor. If lessor shall grant any extension of the time of payment or other indulgence to lessee, such act or acts shall apply only in the particular instance and shall not operate as a continuing waiver of lessor's right hereunder.

25. **SEVERABILITY.** If any provision hereof, or the application of any provision to any person or circumstance, is held invalid or unenforceable by any court of competent jurisdiction, the remainder hereof, and the application of such provision to other persons or circumstances, shall remain valid and enforceable.

26. **NOTICES:** Except as otherwise provided herein, any written notice or demand of lease payment under this lease shall be given to a party by mailing it by certified or registered mail to the party at its address set forth above, or at such address as the party may provide in writing from time to time. Any notice or demand so mailed shall be effective when deposited in the United States mail, duly addressed and with postage prepaid.

27. **JOINT AND SEVERABILITY.** If more than one Lessee is named in this lease, the liability of each shall be joint and several.

28. **GOVERNING LAW.** This lease shall inure to the benefit of and shall be binding upon lessee's heirs, personal representatives, successors and assigns and all rights of lessor under this lease and to the said property may be exercised by any assignee hereof. This lease shall be governed by and interpreted in accordance with the laws of the State of Oregon.

29. **BINDING EFFECT.** This lease shall inure to the benefit of and shall be binding upon lessee's heirs, personal representatives, successors and assigns and all rights of lessor under this lease and to the said property may be exercised by any assignee hereof.

30. **STRIKES AND WORK STOPPAGES.** Notwithstanding lessee's inability to use and operate the leased property due to delays occasioned by war, fire, flood, accident, Acts of God, strike, lockout, other labor troubles or other like causes beyond the control of lessor, lessee shall remain obligated to lessor to pay the monthly lease payments and to perform its obligations and agreements under this lease throughout any said periods of delay.

31. **WARRANTIES.** THE LESSOR, NOT BEING THE MANUFACTURER OF THE LEASED PROPERTY NOR THE MANUFACTURER'S AGENT, MAKES NO EXPRESSED OR IMPLIED WARRANTY OF ANY KIND WHATSOEVER WITH RESPECT TO THE LEASED PROPERTY, INCLUDING BUT NOT LIMITED TO: THE MERCHANTABILITY OF, OR ITS FITNESS FOR ANY PARTICULAR PURPOSE; THE DESIGN OR CONDITION OF THE PROPERTY: THE QUALITY OR CAPACITY OF THE PROPERTY: THE WORKMANSHIP OF THE PROPERTY: COMPLIANCE OF THE PROPERTY WITH THE REQUIREMENTS OF ANY LAW, RULE SPECIFICATION OR CONTRACT PERTAINING THERETO: PATENT INFRINGEMENT: OR LATENT DEFECTS.