



KOSRAE UTILITIES AUTHORITY EQUIPMENT RENTAL POLICY:

The KUA may provide equipment rental services to customers outside of the areas normally served by KUA, if the following requirements are met:

KUA

1. The KUA may provide equipment rental services to Customers if KUA determine that the particular equipment is free from any scheduled works on KUA projects, Maintenance Services and Job Order Request by customers.
2. The KUA will prepare the cost estimates for the equipment hours requested for prior payment from customer before renting the specific equipment to perform the requested services.
3. The KUA Equipment shall be operated by KUA employee designated by the Operation Manager.
4. The KUA shall have the discretion to disapprove renting services request if the nature of the work request will not be safe and pose probable damages to KUA equipment or the Equipment Operator as determined by KUA.

CUSTOMER:

1. The Customer shall make the request for equipment rental services to the Customer Service at least a week in advance before renting the equipment from KUA.
2. The Customer shall pay in advance the estimated cost of equipment hours requested before the particular equipment is provided. The labor hours of the equipment operators shall be compensated directly by the Customer if work request is performed after working hours or during weekend.
3. The Customer will be responsible to reimburse KUA for cost of repairing the rented equipment if damaged during the renting period.

Equipment Rental Fee Schedule:

1. Bucket Truck Equipment \$45.00 per hour
2. Digger Derick Truck \$45.00 per hour
3. Chipper Equipment \$40.00 per hour
4. Backhoe Equipment \$35.00 per hour

Effective date:

The Equipment Rental Policy shall be effective upon approval by the majority of the KUA Board of Directors.

The Equipment Rental Policy is approved during the Board Meeting on January 30, 2004..

Fred N. Skilling
General Manager