



**RM OF LUMSDEN NO. 189**  
**AGREEMENT TO GRANT PERMISSION TO CARRY OUT**  
**WORK ON MUNICIPAL ROADS**

This agreement made this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

Between:

The Rural Municipality of Lumsden No. 189  
("the RM")

and

\_\_\_\_\_  
("the Grantee")

Whereas, pursuant to section 12 of *The Municipalities Act*, S.S. 2005, c. M-36.1 ("the Act"), the RM has the direction, control and management of all roads within the RM, other than provincial highways;

And whereas the decisions as to whether or not to develop such roads and, if developed, the standard to which such roads will be constructed and maintained, are for the Council of the RM to make;

And whereas once a road allowance is developed the RM is, by virtue of section 343 of the Act, obliged to keep the same in a reasonable state of repair and may be civilly liable for all damages sustained by any person by reason of a failure to do so;

And whereas the Grantee from time to time needs to access for agricultural purposes, and in order to do so needs to make use of roads which are either not developed or which are not maintained to a level adequate to meet the Grantee's needs;

And whereas the RM is prepared to permit the Grantee to carry out maintenance work on such roads, on the condition that the Grantee agree to indemnify the RM from any claims arising out of the work done on the same by the Grantee;

Now therefore this agreement witnesses as follows:

1. In consideration of the covenants hereinafter contained, the RM hereby grants to the Grantee permission for the Grantee by its employee, agents, servants, contractors, or subcontractors to carry out maintenance work on the roads described in Schedule "A" hereto.

2. For the purposes of this agreement, the term "maintenance work" shall be deemed to include and limited to the following work described in Schedule "B" hereto.

3. Notwithstanding that the RM has granted to the Grantee permission to do the above described work, the roads remain under the direction, control and management of the RM, and the Grantee agrees that it will observe all weight restrictions, speed limits, road bans, road closures and any other restrictions that may be imposed on the use of the roads, whether imposed by the RM or by any other public authority.
4. The RM will endeavour to notify the Grantee when anticipated bans, closures or other restrictions are to be imposed.
5. The RM shall not be liable for any loss or damage occurring to the Grantee as a result of the imposition of the said limits, bans, closures, and restrictions or of the failure to give reasonable notice thereof to the Grantee.
6. The Grantee agrees that if damage or destruction to a road covered by this agreement, as determined by the RM acting reasonably, results from the exercise by the Grantee and its employees, agents, servants, contractors, and subcontractors of the rights herein granted, the Grantee shall, at the RM's request, restore the road to its previous condition. If the Grantee fails to comply with such instruction within a reasonable time to be determined by the RM, the RM may restore the road to its previous condition at the expense of the Grantee. In such event, the Grantee will reimburse the RM the RM's costs of the restoration within thirty (30) days of receiving the RM's invoice therefor. Should the Grantee fail to pay such costs, the RM's General Penalty Bylaw shall apply.
7. The Grantee shall indemnify the RM against all actions, proceedings, claims, demands and costs suffered by the RM directly resulting from the exercise by the Grantee, its employees, agents, servants, contractors, or subcontractors, of the rights herein granted, unless such action, proceeding, claim, demand or cost is a direct result of the negligence or misconduct of the RM, its employees, agents, servants, contractors or subcontractors.
8. If the Grantee is in default of any provisions herein, and such default continues for a period of thirty (30) days after receipt of notice from the RM to remedy such default or fails to remedy the default with all due diligence thereafter, the RM may without limiting any other remedies it may have, terminate this Agreement and the Grantee shall be deemed to have forfeited any and all rights hereunder.
9. It shall be the responsibility of the Grantee to maintain and keep in force during the term of this Agreement, for the benefit of the RM, the following insurance:
  - (a) Automobile Liability Insurance covering bodily injury (including passenger hazard) and property damage arising from the operation of owned or non-owned vehicles used on the road in the course of operations by the Grantee, with a limit of liability of not less than *\$2,000,000 (two million dollars)* for any one accident or occurrence; and
  - (b) Comprehensive General Liability Insurance covering the liability of the Grantee for bodily injury and property damage arising from operations of the Grantee in connection with this Agreement (other than the operation of vehicles), with a limit of liability of not less than *\$1,000,000 (one million dollars)* for any one accident or occurrence.
10. Upon demand by the RM, the Grantee shall provide the RM a Certificate of Insurance as evidence of the insurance required by the preceding clause. Insurance policies referred to in paragraph 9(b) above shall include a waiver of subrogation in favor of the RM and its agents and employees.

11. As an alternative to the insurance policies referred to in paragraphs 9(a) and 9(b), if acceptable to the RM, the Grantee may self-insure against the risks normally covered by such policies.

12. The Grantee shall use its best efforts to ensure that any of its contractors and agents using the Road, that are not covered by the insurance policies set forth in paragraphs 9(a) and 9(b) maintain insurance in accordance with the provisions of paragraphs 9(a) and 9(b) during those contractors' use of the roads.

13. The insurance policies shall be endorsed to provide that in the event of any change that could affect the interests of the RM, or in the event of their cancellation, the insurers shall notify the RM thirty (30) days prior to the effective date of such change or cancellation.

14. If the RM and the Grantee cannot agree on any of the matters referred to in paragraph 6 and any other matters that the parties decide in writing to be decided by arbitration, the matter(s) at issue may be submitted to arbitration, the decision of which shall be final and conclusive provided that, in all respects, the provisions of the Arbitration Act of the Province of Saskatchewan, as amended from time to time, shall apply. The costs of any arbitration are to be determined and awarded as the arbitrator(s) may, in their sole discretion, decide.

15. Notices and invoices to be given under this Agreement shall be in writing and may be mailed or electronically transmitted, addressed to the parties as follows:

RM: RM of Lumsden No. 189  
PO Box 160, Lumsden SK, S0G 3C0  
Bus: (306) 731-2404  
Fax: (306) 731-3572  
e-mail: [rm189@sasktel.net](mailto:rm189@sasktel.net)  
Attention: Monica Merkosky, CAO

GRANTEE: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Bus: (\_\_\_\_) \_\_\_\_\_  
Fax: (\_\_\_\_) \_\_\_\_\_  
e-mail: \_\_\_\_\_  
Attention: \_\_\_\_\_

16. Notwithstanding any provision to the contrary herein contained, this Agreement or any Addendum/Addenda may be terminated upon a minimum of thirty (30) days prior written notice given by either party to the other. Such notice shall state the termination date of the Agreement or Addendum/Addenda. Upon termination of this Agreement or any Addendum/Addenda thereto, all applicable rights and obligations as between the RM and the Grantee shall terminate except that the

Grantee shall remain liable to the RM for all of its obligations and liabilities arising pursuant to this Agreement prior to the date of such termination.

17. The RM shall inspect the Road upon termination of this Agreement and/or any Addendum and shall notify Grantee of any damage to the Road, excluding normal wear and tear, which shall be repaired in accordance with paragraph 6.

18. This Agreement, as amended from time to time by agreement in writing of the parties, shall be the entire agreement between the RM and the Grantee as to the matters herein and all previous promises, representations, or agreements between the parties, whether oral or written, shall be deemed to have been replaced by this Agreement.

The parties have executed this Agreement as of the day and year first above written:

\_\_\_\_\_

\_\_\_\_\_

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

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

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

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