REQUEST FOR PROPOSALS

FOR

RFP # 104-22 Linen Rental Services

7/19/2021

Proposals must be received by
4:00 p.m. local time on August 13, 2021 at:
Newport Mesa Unified School District, Purchasing, 2985 Bear St., Bldg A
Costa Mesa, CA 92626
RFP Newport Mesa Unified School District Linen Rental Services
Submitted by Kleen Kraft Services  8/13/2021

Project Title  Linen Services
Invitation #104-22

Bid Due Date:  08/13/2021 4:00 PM (PDT)

Response Format:  Electronic

Project Type:  RFP (Request for Proposal)

Response Types:  Response PDF File

Type of Award:  Lump Sum

Categories
333312 - Commercial Laundry, Drycleaning, and Pressing Machine Manufacturing
812331 - Linen Supply
812332 - Industrial Launderers
License Requirements:  N/A
Department:  Purchasing
Scope of Services:  Provide linen rental services districtwide for custodial services

Address
2985 Bear St. Bldg A
Costa Mesa, California
County – Orange
## Table of Contents

<table>
<thead>
<tr>
<th>ITEM</th>
<th>PAGE #</th>
</tr>
</thead>
<tbody>
<tr>
<td>COVER LETTER</td>
<td>3</td>
</tr>
<tr>
<td>SUMMARY OF COMPANY</td>
<td>3</td>
</tr>
<tr>
<td>LEGAL IDENTIFICATION OF RESPONDENT</td>
<td>4</td>
</tr>
<tr>
<td>PERSONNEL</td>
<td>4</td>
</tr>
<tr>
<td>PROJECT SCOPE OF SERVICES</td>
<td>4</td>
</tr>
<tr>
<td>REFERENCES</td>
<td>5</td>
</tr>
<tr>
<td>DISCLOSURE OF CLAIMS</td>
<td>5</td>
</tr>
<tr>
<td>NON-COLLUSION DECLARATION</td>
<td>5</td>
</tr>
<tr>
<td>PUBLIC WORKS REGISTRATION</td>
<td>Attachment</td>
</tr>
<tr>
<td>COST PROPOSAL</td>
<td>Attachment</td>
</tr>
</tbody>
</table>
RFP Newport Mesa Unified School District Linen Rental Services
Submitted by Kleen Kraft Services 8/13/2021

Cover Letter and Summary of Company Information

Attention: Jonathan Geiszler

Kleen Kraft is submitting the required information and bid pricing for the opportunity to service the towel, mop, and mat business (linen services) for the Newport-Mesa Unified School District.

Family owned and operated since 1952, Kleen Kraft Services provides quality rental uniforms, mats, and more with the best service in the industry. The business began as a commercial laundry facility in downtown Los Angeles, gradually transitioning to a uniform rental service. In 2018, Kleen Kraft was certified by the State of California as an official Small Business Enterprise.

Kleen Kraft Services has thrived by providing an unparalleled level of customer service and product quality combined with an old-fashioned honest work ethic, teamwork, and technology enabling us to commit to provide our customers the most accountable, quality-oriented service in the industry.

Kleen Kraft offers a full range of linen items for cleaning, mechanics, and maintenance.
Identification Information and Personnel

Company Type: C Corp  
State: CA  
Name: Kleen Kraft Services  
IRS Tax ID: 953874619  
DUNS # 028536258  
Certified CA SBE #2010831  
Street Address: 5801 Sheila Street, Commerce, CA 90040  
Mailing Address: P O Box 91-1209, Commerce, CA 90091  
Website: www.kleenkraftservices.com  
Principal: Fred Antman, CEO  
Office Phone: 323-726-7676  
Office Fax: 323-726-8646  

Bidding Primary Contact  
Name: Marilyn McCarty  
Title: Marketing Manager  
Email: sales@kleenkraftservices.com  
Phone: 323-726-7676 ext 133

Additional Executive Staff  
V P / General Manager: Boris Zaidman  
Director Sales & Service: Bob Halstead  
Director of Operations: Rick Antman

Project Information  
Kleen Kraft Services has been providing towel and uniform rental services to businesses in the Southern California region for over 65 years. Service includes installation of products as specified, assigned regular driver and service representative; regular pick-up of used/dirty product, professional commercial laundering, and delivery of clean product. Service can be arranged weekly or every other week (EOW), however for the purpose of this RFP, all pricing will be based on a weekly delivery of product to 32-36 separate locations within the Newport-Mesa School District.
References and Representative Projects

Hacienda La-Puente School District
Scott Lee or Lynette Tejeda
dlowes@hlpusd.k12.ca.us

Getty Center Fitness Center
Robert Krueger
fitnesscenter@getty.edu

J Paul Getty Museum
Jeannie Danielson
jdanielson@getty.edu

Kaiser Permanente Hospital
Baltazar Barrias
Baltazar.x.barrias@kp.org

Puritan Bakery
Karla Zepeda
kzepeda@puritanbakery.com

Star Auto World
Roy Wells
rwells@star-mazda.com

Disclosure of Claims/Lawsuits

None
ATTACHMENT 1

SCOPE OF SERVICES

GENERAL SPECIFICATIONS: This specification establishes the standards of supply and services for general linen services utilized by the District. The Contractor shall provide linens and associated laundry services in accordance with this request for proposal.

The vendor’s primary responsibility will be to furnish the District with various towels, mops, and mats on a weekly basis in accordance with the attached item specifications. The successful contractor shall be responsible for the pick-up of all dirty rental items and replace these items with freshly cleaned items on a weekly basis.

The District has approximately five (5) administrative buildings and thirty-two (32) school sites to be serviced by this contract. The District has the right to alter or modify the items requested and used, both in character and quality, in its sole and absolute discretion without any notice provided to the Contractor. Quantities listed in this document are estimates provided to assist the bidder. **The District makes no guarantee as to the number and/or frequency of items to be obtained, used, rented or purchased pursuant to this contract.**

DELIVERY: Delivery and pick-up shall normally be made weekly, on a mutually agreed upon day, between the hours of 6:30 A.M. and 2:30 P.M., or within one (1) business day in the event or holiday. Contractor must correct all shortages or mistakes within twenty-four hours of each occurrence without additional charge. It should be noted that the District’s business hours are Monday through Thursday, 7:30 A.M. to 4:30 P.M.

DELIVERY TICKETS: The contractor shall submit an itemized delivery ticket with each delivery made. The ticket shall specify the number of items for each delivery to location as well as an itemized list of the items picked up from the same location.

The contractor shall not deliver or pick-up any items without the delivery ticket being signed. In the event that the District employee refuses to sign the ticket, the contractor’s driver shall immediately remove all newly delivered items from the delivery location and then shall immediately contact his supervisor.

The supervisor shall then immediately notify the designated District Administrator as to the problem incurred, the location and, if available, the name of the employee.

LOST RENTAL ITEMS:

A. The contractor may submit a complete accounting of missing items every six (6) months to the designated District Administrator.

B. The District may either locate the missing items and return them to the contractor or reimburse the contractor for the missing items provided there is sufficient documentation to verify the shortages and a proper invoice is submitted.

C. The District will not be liable for payment of any lost items for which it has not been notified.

D. Items lost by the contractor will be replaced at no charge to the District.
LIQUIDATED DAMAGE: The District reserves the right to deduct payment from the invoices or refuse payment and require an amended invoice be provided as liquidated damages based on the following schedule:

- Delivery Shortages – amount equal to the cost per item, per week.
- Failure to replace or repair damaged item - amount equal to the cost per item, per week.
- Failure to replace worn out, stained or otherwise unserviceable items - amount equal to the cost per item, per week.

The service information provided below is being provided to assist the vendor in preparing a Bid for services. Quantities listed below are subject to change. The District makes no guarantee as to the number and/or frequency of linens or services to be utilized pursuant to this contract.

<table>
<thead>
<tr>
<th>ITEM DESCRIPTION</th>
<th>ESTIMATED WEEKLY USAGE</th>
<th>COST PER ITEM PER WEEK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blue Microfiber Towels: (Size 12x12) Bidding 16x16 Blue</td>
<td>6000 each</td>
<td>$0.09 each</td>
</tr>
<tr>
<td>Orange Microfiber Towels: (Size 12x12) Bidding 16x16 Green</td>
<td>6000 each</td>
<td>$0.09 each</td>
</tr>
<tr>
<td>White Microfiber Towels: (Size 15x18) Bidding 14x18 White</td>
<td>3000 each</td>
<td>$0.09 each</td>
</tr>
<tr>
<td>Standard White/Blue Terry Towels Terry Towels Bidding White 16x19 Cotton</td>
<td>2500 each</td>
<td>$0.11 each</td>
</tr>
<tr>
<td>Wet Mop: 12oz Cotton loop end fiber Only 24 oz avail (bidding 24 oz for this item and next)</td>
<td>120 each</td>
<td>$1.26 each</td>
</tr>
<tr>
<td>Wet Mop: 24oz Cotton loop end fiber</td>
<td>120 each</td>
<td>$1.26 each</td>
</tr>
<tr>
<td>Microfiber Mop: 20” Bidding 18” Microfiber Mop</td>
<td>600 each</td>
<td>$0.44 each</td>
</tr>
<tr>
<td>Microfiber Mop: 36”</td>
<td>600 each</td>
<td>$0.94 each</td>
</tr>
<tr>
<td>Microfiber Mop Handle/Frame No Charge</td>
<td>120 each</td>
<td>$0.00 each</td>
</tr>
<tr>
<td>Dust Mops: 24” Continuous loop Cotton yarn Bidding 22” Green</td>
<td>120 each</td>
<td>$1.28 each</td>
</tr>
<tr>
<td>Dust Mops: 36” Continuous loop Cotton yarn Bidding 36” Orange</td>
<td>120 each</td>
<td>$1.84 each</td>
</tr>
<tr>
<td>Dust Mops: 48” Continuous loop Cotton yarn Bidding 48” Orange</td>
<td>120 each</td>
<td>$2.08 each</td>
</tr>
</tbody>
</table>
### Dust Mops:
- **60” Continuous loop Cotton yarn**
  - Estimated Quantity: 120 each
  - Cost Per Item: $3.61 each

### Standard Mat (Floor):
- **3x5 Phoenix fiber performance backer nitrile rubber base NFSI certified**
  - Estimated Quantity: 50 each
  - Cost Per Item: $1.53 each

### Standard Mat (Floor):
- **4x6 Phoenix fiber performance backer nitrile rubber base NFSI certified**
  - Estimated Quantity: 50 each
  - Cost Per Item: $2.64 each

### Standard Mat (Floor):
- **3x10 Phoenix fiber performance backer nitrile rubber base NFSI certified**
  - Estimated Quantity: 50 each
  - Cost Per Item: $3.67 each

### Traffic Mat (Floor):
- **3x5 NFSI Certified High Traction grooved pattern reducing mat movement 90 mil weight**
  - Estimated Quantity: 50 each
  - Cost Per Item: $1.62 each

### Traffic Mat (Floor):
- **4x6 NFSI Certified High Traction grooved pattern reducing mat movement 90 mil weight**
  - Estimated Quantity: 50 each
  - Cost Per Item: $3.06 each

### Traffic Mat (Floor):
- **3x10 NFSI Certified High Traction grooved pattern reducing mat movement 90 mil weight**
  - Estimated Quantity: 50 each
  - Cost Per Item: $4.09 each

### One Time Cost Items

<table>
<thead>
<tr>
<th>ITEM DESCRIPTION</th>
<th>Estimated Quantity</th>
<th>Cost Per Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mop Handle/Frame Microfiber Mops</td>
<td>120 each</td>
<td>$0</td>
</tr>
<tr>
<td>Mop Handle/Frame Dust Mops</td>
<td>240 each</td>
<td>$0</td>
</tr>
<tr>
<td>Mop Handle/Frame Wet Mops</td>
<td>240 each</td>
<td>$0</td>
</tr>
<tr>
<td>Setup Fees</td>
<td></td>
<td>$0</td>
</tr>
<tr>
<td>Lost/Replacement Fees</td>
<td>ARC</td>
<td>$547.96/week</td>
</tr>
<tr>
<td>Towel Container</td>
<td>No Charge</td>
<td></td>
</tr>
<tr>
<td>Weekly Service Charge</td>
<td>Fuel and Water Charges TBD</td>
<td>TBD at time of Actual Bid</td>
</tr>
</tbody>
</table>

### ADDITIONAL INFORMATION:
- The item counts listed in this document reflect quantities currently used by the District as of July 1, 2021. Quantities provided are approximate for bidding purposes only and could vary. No minimum or maximum number of items is implied nor guaranteed by the District.
- Any delivery charge beyond the weekly service charge must be included in the cost per item price. Additional charges not agreed to in advance by the District will not be allowed.
- The costs per item, as bid, will apply to any item identified and added during the
term of the Contract.

- Should the District elect to exercise any option to extend this Contract for an additional one (1) year period, the Parties shall negotiate pricing for such period prior to commencement of the additional one (1) year period. Negotiated price increases during the additional one (1) year period shall be effective on July 1 of such year and not exceed the percentage change in the United States Bureau of Labor Statistics Consumer Price Index “All Urban Consumers for Los Angeles, Riverside and Orange County, CA” (CPI) for the most recent twelve months for which statistics are available.

- Contract Renewal: The Contract may be extended by the District for up to four (4) consecutive one (1) year optional renewal periods under the terms and conditions of the original contract, upon execution of an Amendment to the Contract by both parties. Should the District elect to exercise the option to extend this agreement for an additional one (1) year period, the Parties shall negotiate pricing for such period prior to commencement of the additional one (1) year period. Negotiated price increases during the additional one (1) year period shall not exceed the percentage change in the United States Bureau of Labor Statistics Consumer Price Index “All Urban Consumers for Los Angeles, Riverside and Orange County, CA” (CPI) for the most recent twelve months for which statistics are available. This method of price negotiation shall apply to each extension period exercised. Actual option year pricing shall be negotiated with the successful Bidder(s) prior to exercising of any given optional year. Optional years shall become effective only upon execution of an agreement extension and issuance by the District of a duly authorized Purchase Order.
ATTACHMENT 2
NON-COLLUSION DECLARATION

The undersigned declares:

I am the Marketing Manager of Kleen Kraft Services, the party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on ___[Date]___, at __Commerce_____ [city], __________ [state].

Signed: __________

Print Name: __________

Marilyn McCarty
ATTACHMENT 3
PUBLIC WORKS CONTRACTOR REGISTRATION CERTIFICATION

Pursuant to Labor Code sections 1725.5 and 1771.1, all contractors and subcontractors that wish to bid on, be listed in a bid proposal, or enter into a contract to perform public work must be registered with the Department of Industrial Relations. See http://www.dir.ca.gov/Public-Works/PublicWorks.html for additional information.

No proposal will be accepted nor any contract entered into without proof of the contractor’s and subcontractors’ current registration with the Department of Industrial Relations to perform public work.

Proposer hereby certifies that it is aware of the registration requirements set forth in Labor Code sections 1725.5 and 1771.1 and is currently registered as a contractor with the Department of Industrial Relations.¹

Name of Proposer: Kleen Kraft Services

DIR Registration Number: ________________________________

Small Project Exemption: _____ Yes or _____ No

Unless Proposer is exempt pursuant to the small project exemption, Proposer further acknowledges:

1. Proposer shall maintain a current DIR registration for the duration of the project.

2. Proposer shall include the requirements of Labor Code sections 1725.5 and 1771.1 in its contract with subcontractors and ensure that all subcontractors are registered at the time of proposal opening and maintain registration status for the duration of the project.

3. Failure to submit this form or comply with any of the above requirements may result in a finding that the proposal is non-responsive.

Name of Proposer ________________________________

Marilyn McCarty, Marketing Manager

Dated_ August 13, 2021

¹ If the Project is exempt from the contractor registration requirements pursuant to the small project exemption under Labor Code sections 1725.5 and 1771.1, please mark “Yes” in response to “Small Project Exemption.”
CONTRACT SERVICES AGREEMENT
SIGNATURE PAGE

NEWPORT-MESA UNIFIED SCHOOL DISTRICT

By: ________________________________
Printed Name: ________________________________
Title: ________________________________
Dated: ________________________________

[INSERT CONTRACTOR NAME]
Kleen Kraft Services

By: Marilyn McCarty
   (Authorized Representative of Contractor)
Printed Name: Marilyn McCarty
Title: Marketing Manager
Dated: August 13, 2021
CONTRACT SERVICES AGREEMENT

EXHIBIT LIST

EXHIBIT “A”  INSURANCE REQUIREMENTS
EXHIBIT “B”  BOND FORMS
EXHIBIT “C”  SCOPE OF SERVICES
EXHIBIT “A”

TO

CONTRACT SERVICES AGREEMENT

INSURANCE REQUIREMENTS

1. Time for Compliance. Contractor shall not commence Work under this Agreement until it has provided evidence satisfactory to District that it has secured all insurance required under this Section. Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein. Contractor shall not allow any subcontractor to commence work on any subcontract until the subcontractor has provided evidence to Contractor that it has secured all insurance required under this Section.

2. Minimum Requirements. Prior to the beginning, and throughout the duration of this Agreement, Contractor shall, at its expense, procure and maintain insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Contractor, its agents, representatives, employees or subcontractors. Contractor shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement and shall verify subcontractors’ compliance as set forth in the Section entitled “Provisions Applicable to All Insurance Requirements: Subcontractor Insurance Requirements.” Contractor’s and subcontractor’s insurance shall meet at least the following minimum levels of coverage:

   (A) **Commercial General Liability Insurance** which shall be written on an occurrence basis and be at least as broad as the latest version of ISO form CG 00 01 with limits of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate for claims against bodily injury, personal and advertising injury, and property damage. Such policy shall include Broad Form Contractual Liability coverage.

   (B) **Business Automobile Liability insurance** which shall be as broad as ISO form CA 00 01 covering bodily injury and property damage with a combined single limit of not less than $1,000,000 per accident for all owned, non-owned, and hired automobiles used in connection with the services or operations to be performed under this Agreement.

   (C) **Workers’ Compensation Insurance** with statutory limits, and **Employer’s Liability insurance** with limits of not less than $1,000,000 per accident or disease. The Workers’ Compensation policy shall be endorsed with a waiver of subrogation in favor of District, its directors, officials, employees, agents, and volunteers.

   (D) **Professional Liability Insurance/Errors & Omissions Liability** (applicable when Contractor is responsible for the design and/or functionality of systems or equipment necessary for the performance of services) covering the services to be performed under this Agreement with limits of not less than $1,000,000 per occurrence or claim and $2,000,000 in the aggregate. This coverage may be written on a claims-made form. If coverage is written on a claims-made form, the provisions set forth in the Section entitled “Provisions Applicable to All Insurance Requirements: Claims-Made Coverage” below shall apply.
3. **Provisions Applicable to All Insurance Requirements.**

(a) **Additional Insured Coverage.** Except for the Workers’ Compensation and Professional Liability insurance policies, all liability policies shall be endorsed to include District, its directors, officials, officers, employees, agents, and volunteers as additional insureds on all primary, umbrella or excess policies for ongoing and completed operations performed by, or on behalf, of Contractor, including materials, parts or equipment furnished in connection with such work. Coverage for the additional insured under the Commercial General Liability policy shall be as broad as that provided by ISO CG 20 10 (ongoing operations) and 20 37 (completed operations).

(b) **Acceptability of Insurers.** Unless otherwise reviewed and accepted by District, all required insurance must be placed with insurers with a current A.M. Best rating of not less than A- VII and be admitted to do business in California, or approved by the Surplus Lines Association.

(c) **Verification of Coverage.** Contractor shall furnish District with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to District. The certificates of insurance shall be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by District before work commences. District reserves the right to require complete, certified copies of all required insurance policies, at any time. Acceptance of Contractor's certificates of insurance does not relieve Contractor of the insurance requirements, nor decrease the liability of Contractor under this Agreement. It is Contractor's responsibility to ensure its compliance with these insurance requirements. Any actual or alleged failure on the part of District to obtain proof of insurance required under this Agreement shall not in any way be construed to be a waiver of any right or remedy of District, in this or any regard.

(d) **Primary and Noncontributory.** The insurance required to be maintained by Contractor shall be primary and any insurance or self-insurance maintained by District shall be excess only, and not be required to contribute with it.

(e) **Umbrella or Excess Insurance.** Any Umbrella or Excess insurance shall also apply on a primary and noncontributory basis for the benefit of District, before District’s own primary insurance or self-insurance shall be called upon to protect it as a Named Insured.

(f) **Waiver of Subrogation.** Contractor shall obtain waiver of subrogation endorsements stating that Contractor and its insurers waive any and all rights of recovery against District, its directors, officials, officers, employees, agents, and volunteers. Contractor shall pay all damages and costs arising out of Contractor's failure to provide a waiver of subrogation from its insurers.

(g) **Broader Coverage and Limits.** The insurance requirements under this Agreement shall be the greater of (1) the minimum coverage and limits specified in this Agreement, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the Named Insured. It is agreed that these insurance requirements shall not in any way act to reduce coverage that is broader or that includes higher limits than the minimums required herein. No representation is made that the minimum insurance requirements of this Agreement are sufficient to cover the obligations of Contractor hereunder.
(h) **Severability of Interest (Cross Liability).** A severability of interest provision must apply for the additional insureds, ensuring that Contractor’s insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the policies’ limits.

(i) **Notices; Cancellation or Reduction of Coverage.** At least fifteen (15) days prior to the expiration of any such policy, evidence showing that such insurance coverage has been renewed or extended shall be filed with District. If such coverage is cancelled or materially reduced, Contractor shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with District evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies. In the event any policy of insurance required under this Contract does not comply with these specifications or is canceled and not replaced, District has the right but not the duty to obtain the insurance it deems necessary and any premium paid by District will be promptly reimbursed by Contractor or District may withhold amounts sufficient to pay premium from Contractor’s payments. In the alternative, District may suspend or terminate this Agreement. No policy required to be maintained by Contractor shall be canceled and not replaced with equivalent coverage without thirty (30) days prior written notice to District, unless cancellation is due to the non-payment of premium, in which case, ten (10) days prior written notice shall be provided.

(j) **Claims-Made Coverage.** For any coverage provided on a claims-made form (which type of form is only permitted at District’s sole discretion) the following shall apply:

i. The retroactive date must be shown, and must be before the date of this Agreement and before the commencement of services or operations related to this Agreement;

ii. Insurance must be maintained and Certificates of Insurance must be provided to District for at least three (3) years after the expiration or earlier termination of this Agreement;

iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of this Agreement or commencement of any services or operations related to this Agreement, Contractor must purchase an extended reporting period for a minimum of three (3) years after the expiration or earlier termination of this Agreement.

(k) **Deductibles, Self-Insurance, Self-Insured Retentions.** Any deductibles, self-insurance, or self-insured retentions (SIRs) applicable to the required insurance coverage shall be declared to, and accepted by, District. At the option and request of District, Contractor shall provide documentation of its financial ability to pay the deductible(s), self-insurance, or SIR.

4. **Subcontractor Insurance Requirements.** Contractor shall not allow any subcontractors to commence work on any subcontract relating to the work under the Agreement until Contractor has verified that the subcontractor has procured insurance meeting all the requirements under this Agreement, and provided evidence to Contractor of such
insurance. If requested by Contractor, District may approve different scopes or minimum limits of insurance for particular subcontractors. The Contractor and District shall be named as additional insureds on all subcontractors’ policies of Commercial General Liability Insurance.

5. **Reservation of Rights.** District reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

**END OF INSURANCE REQUIREMENTS**