

**FUNDING AGREEMENT
BETWEEN THE CITY OF SUNNYVALE AND
THE SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
FOR 2010 MEASURE B VEHICLE REGISTRATION FEE COUNTYWIDE PROGRAM**

This Agreement ("Funding Agreement") between the CITY OF SUNNYVALE, a California chartered municipal corporation ("**City**"), and the SANTA CLARA VALLEY TRANSPORTATION AUTHORITY, a California special district ("**VTA**"), is made as of the date of final execution by each party hereto.

I. Recitals

- A. **Whereas**, in November of 2010, the voters of Santa Clara County authorized a TEN DOLLAR (\$10) increase in the Vehicle Registration Fee ("**VRF**"), referred to hereinafter as the "**Program**," for transportation-related projects and adopted an expenditure plan which allocates the revenue to transportation-related programs and projects that have a relationship or benefit to the persons who pay the fee; and
- B. **Whereas**, the VTA Board of Directors has adopted administrative procedures for the Program; and
- C. **Whereas**, these administrative procedures state that VTA will execute program funding agreements with project sponsors; and
- D. **Whereas**, the Program includes a "Countywide Program" that includes Intelligent Transportation System ("**ITS**") technologies as an eligible project category; and
- E. **Whereas**, on May 7, 2026, the VTA Board approved VRF ITS funds for the Mathilda Avenue/Sunnyvale-Saratoga Road and Homestead Road Smart Corridor ITS Upgrade project ("**Project**"); and
- F. **Whereas**, each party hereto ("**Party**") desires to specify the terms and conditions under which VRF-ITS project grants are conducted and financed.

NOW, THEREFORE, in consideration of the mutual promises contained herein, each Party (collectively referred to as the "**Parties**") agrees as follows:

II. Agreement

A. Project Description

The Project will modernize traffic signal operations along approximately 5.5 miles of the Mathilda Avenue/Sunnyvale-Saratoga Road corridor from Mathilda Avenue at Java Drive on the north to Sunnyvale- Saratoga Road at Alberta Avenue on the south and 1 mile of the Homestead Road corridor, from Homestead Road at Hollenbeck Avenue on the east to Homestead Road at Belleville Way on the west. The Project will upgrade existing intelligent transportation system (ITS) infrastructure and implement a corridor-wide adaptive traffic signal system that dynamically adjusts signal timing in response to real-time traffic conditions, improving traffic flow, travel time reliability, and safety.

The Project details are attached hereto as **Attachment A**. The Project ID is 26VRF02.

B. Term of Agreement

The term of this Funding Agreement shall be deemed to have commenced retroactively as of May 9, 2026 and shall continue until the earlier of: (i) the date that the Project is completed or terminated; or (ii) the close of business on December 31, 2028.

Any requests for additional time to complete Project beyond December 31, 2028 must be submitted in writing to VTA no later than October 1, 2028 and document that significant progress has been made on the Project. VTA may approve or deny such requests in its sole discretion. Documentation by VTA approving any extensions for the Project shall be sufficient approval to extend the term of this Agreement.

C. Grant of VRF Funds

VTA hereby agrees to allocate to City, a grant ("**Grant**") in an amount not to exceed \$499,664.00 ("**Maximum Grant Amount**"). Said Grant is provided to City in return for City's agreement to implement the Project.

D. Reimbursement

1. VTA will reimburse City in the amount of: (i) Eligible Costs, as defined in Section II.E.1., submitted to VTA; or (ii) the Maximum Grant Amount, whichever is less. VTA will reimburse City based on receipt of invoices showing Eligible Costs incurred and paid by City. VTA will not reimburse City for any costs that are not Eligible Costs.

2. If this Agreement is terminated, as set forth in Section II.O, VTA will not be responsible for reimbursing any costs or expenses City incurs after the effective date of termination.

E. Eligible Use of Funds

1. **Eligible Costs.** VTA will only reimburse City for actual costs directly related to performance of the Project. For purposes of this Agreement, “Eligible Costs” are shown in Table 1 of Attachment A. No other expenses will be subject to reimbursement as Eligible Costs without the prior written approval of VTA.
2. **Ineligible Costs.** Ineligible costs are costs not specifically identified as “Eligible Costs.” Specific “Ineligible Costs” include, but are not limited to, the following:
 - a. With the exception of those costs described as “Eligible Costs” above, expenses for administrative functions, businesses services, overhead costs, and information technology including, but not limited to telephone charges, computer costs, CAD machine charges, in-house copying charges, and facsimile charges which will not be reimbursed as other direct costs;
 - b. Travel upgrades, fines, memberships, loss of personal property or cash, alcohol, “no shows,” or personal itinerary changes.
3. If the City is unsure about the eligibility of a cost, then the City must seek and obtain written VTA approval of the cost before the City incurs it. Failure to obtain VTA’s prior approval of potentially ineligible costs may result in non-reimbursement of the cost.

F. Invoicing to VTA.

1. City must submit invoices to VTA.AccountsPayable@vta.org for reimbursement of work completed on the Project. Invoices may not be submitted more frequently than monthly and must be submitted within one year of City incurring the cost(s).
2. All invoices must follow VTA invoice template and detail:
 - a. Project name and ID;
 - b. Eligible Costs actually incurred and paid by City;
 - c. Total reimbursement amount (in dollars) requested;
 - d. Total amount reimbursed by VTA to date;

- e. Summary of activities being reimbursed during the relevant billing cycle; and
 - f. All records, including staff hours, contractors' invoices, miscellaneous invoices, force account charges, and any other documentation requested by VTA.
3. VTA shall remit the amount due to City within 30 calendar days of receipt of a complete, fully documented (time sheets, bills, etc.) invoice.

G. Return of Funds.

In the event that VTA reimburses costs that it later learns are not Eligible Costs, City must, no later than fifteen (15) business days after receipt of written notice thereof from VTA, return the full amount of the funding received for such costs to VTA.

The provisions set forth in this Section II.G will survive the termination or expiration of this Agreement.

H. City's Responsibilities.

- 1. Implementing Agency Tasks.** City will be the sponsor and implementing agency for the Project. In its role as sponsor and implementing agency under this Agreement, City must perform the following tasks:
- a. Procuring professional services, as needed, for the Project including, but not limited to, the following activities: advertising the work via a public solicitation, opening bids in response to the public solicitation, awarding a contract, approving contract documents, and administering the awarded contract in accordance with all applicable laws, regulations, and codes including, but not limited to, the California Public Contract Code and the California Labor Code;
 - b. Obtaining all necessary permits for performance of the Project, as applicable;
 - c. Performing community engagement activities for the Project, as applicable;
 - d. Make staff available to present on the Project at VTA committee meetings, as needed; and
 - e. Conducting standard close-out activities for the Project including, but not limited to, performing final accounting review and reviewing all contractual requirements.
- 2. Other Project Management Duties.** City must also perform the following duties:

- a. Actively monitoring actual Project expenditures to ensure that the funds are used to reimburse Eligible Costs only;
- b. Providing VTA with written bi-annual progress reports including, but not limited to, updates on Project expenditures, any changes in schedule, and Project status in a format previously provided by VTA to City. Reports are due from City to VTA no later than April 15 and October 15 of each year as a condition of receiving funds. Each report shall cover activities and expenditures incurred through March 31 (for the April 15 report) and September 30 (for the October 15 report); and
- c. Providing VTA copies of Project elements including, but not limited to, reports, designs, drawings, plans, specifications, schedules, and other materials, as requested.

I. Indemnification.

Neither VTA nor any officer or employee thereof will be responsible for any damage or liability arising out of or relating to City's negligence, recklessness, or willful misconduct under or in connection with any work, authority, or jurisdiction associated with the Agreement. City shall immediately and fully indemnify and hold VTA harmless from any liability imposed for injury (as defined by Government Code Section 810.8) arising out of or relating to City's negligence, recklessness, or willful misconduct under or in connection with any work, authority or jurisdiction delegated to City under this Agreement.

Neither City nor any officer or employee thereof will be responsible for any damage or liability arising out of or relating to VTA's negligence, recklessness, or willful misconduct under or in connection with any work, authority, or jurisdiction associated with the Agreement. VTA shall immediately and fully indemnify and hold City harmless from any liability imposed for injury (as defined by Government Code Section 810.8) arising out of or relating to VTA's negligence, recklessness, or willful misconduct under or in connection with any work, authority, or jurisdiction delegated to VTA under this Agreement.

These provisions shall survive the termination of this Agreement.

J. Insurance.

At all times during this Agreement, City must comply with the insurance requirements and specifications of the attached Attachment B, Insurance Requirements. City may, in its discretion, elect to self-insure, but any such self-insurance must meet the requirements and specifications in Attachment B.

K. Additional Insured and Indemnity Provision.

In any agreement executed between the City and a third party for purposes related in any way to the work described in Attachment A (“Third Party Contract”), City must require that VTA be named as (i) an additional insured on a primary and non-contributory basis with separation of insureds and waiver of subrogation on all policies of insurance, except when not applicable, and (ii) an indemnified party in any indemnity provision contained in the Third Party Contract. Third Party Contracts must contain insurance requirements with coverages at least as broad as, and limits at least as great as, the requirements of Attachment B.

L. Public Works.

If City awards a contract to a third party for the performance of a public work, as defined in California Labor Code Sections 1720 through 1720.6 (“Public Works Contract”), in connection with this Agreement, City must comply, and must require such third party to comply, with the requirements of California Labor Code Sections 1720 et seq. If the Public Works Contract is funded in whole or in part with federal funds, City must also comply, and must require such third party to also comply, with the requirements of the Davis Bacon Act (40 U.S.C. Sections 3141-3144 and 3146-3148).

M. Compliance with Applicable Law.

In the execution of the Project and performance of its responsibilities under this Agreement, City must comply with all applicable requirements of local, state, and federal laws.

N. Audit and Records.

1. City must maintain, and must require their contractors to maintain, in accordance with generally accepted accounting principles and practices, complete books, accounts, records, and data pertaining to services performed under this Agreement, including the costs of contract administration. Such documentation must be supported by properly executed payrolls, invoices, contracts, and vouchers evidencing in detail the nature and propriety of any charges and must be sufficient to allow a proper audit of services. All checks, payrolls, invoices, contracts, and other accounting documents pertaining in whole or in part to the services must be clearly identified and readily accessible.
2. For the duration of the Agreement, and for a period of five (5) years after final payment, VTA and its representatives must have access during normal business hours to any books, accounts, records, data, and other relevant documents (“Records”) of the City that are pertinent to this Agreement for audits, examinations, excerpts, and transactions. The other Party must furnish copies of the Records upon request.

3. VTA, at its discretion, may perform audits of the Project and related Records upon providing at least 30 calendar days' written notice to City.

O. Notices / Authorized Representatives.

1. Notices must be in writing and addressed to the other Party's Authorized Representative ("Recipient") and will be deemed delivered or received on the date personally delivered to the Recipient or when deposited by registered or certified mail with postage and charges prepaid.
2. The Parties Authorized Representatives are as follows:

VTA:

Marcella Rensi
Deputy Director, Grants
Santa Clara Valley Transportation Authority
3331 N First Street
San Jose, CA 95134
Email: marcella.rensi@vta.org

City:

Transportation and Traffic Division Manager
City of Sunnyvale – Department of Public Works
456 West Olive Avenue
Sunnyvale, CA 94086
Email: pubworks@sunnyvale.ca.gov

3. Written notification to the other Party must be provided, in advance, for changes in the name or address of an Authorized Representative stated above.

P. General Terms and Conditions.

1. **Headings.** The subject headings of the articles and sections in this Agreement are included for convenience only and will not affect the construction or interpretation of any of its provisions.
2. **Incorporation of Exhibits and Attachments.** All exhibits and attachments referenced in this Contract are incorporated into it by this reference.
3. **Construction and Interpretation of Agreement.** The Parties hereto acknowledge and agree that, although this Agreement was originally drafted by VTA's legal counsel, City and its legal counsel have reviewed and negotiated the terms of this Agreement with the VTA. Accordingly, each Party expressly acknowledges and agrees that (i) this Agreement will not be deemed to

have been authored, prepared, or drafted by any particular Party and (ii) the rule of construction to the effect that ambiguities are to be resolved against the drafting party will not be employed in the interpretation of this Agreement or in the resolution of disputes.

4. **Amendment.** Except as expressly provided in this Agreement, including but not limited to extending the Project Term as specified in Section II.B, its provisions cannot be altered, modified, or amended except through the execution of a written amendment executed by the Parties.
5. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties relating to the subject matter and supersedes all prior negotiations, contracts, agreements, or understandings, whether oral or written, of the Parties regarding the subject matter.
6. **No Waiver.** The failure of either Party to insist upon the strict performance of any of the terms, covenants, or conditions of this Agreement will not be deemed a waiver of (i) any right or remedy that either Party may have or (ii) either Party's right to require strict performance of all of the terms, covenants, and conditions of this Agreement.
7. **Dispute Resolution.**
 - a. If a question or allegation arises regarding (i) interpretation of this Agreement or its performance, or (ii) the alleged failure of a Party to perform under this Agreement, the Party raising the question or making the allegation must give written notice thereof to the other Party. The Parties must promptly meet in an effort to resolve the issues raised. If the Parties fail to resolve the issues raised, alternative forms of dispute resolution, including mediation, may be pursued by mutual agreement. It is the intent of the Parties to the greatest extent possible to avoid litigation as a method of dispute resolution.
 - b. Notwithstanding the foregoing, nothing in this Section II.P.7 will be deemed to prevent a Party from filing suit or an administrative action to preserve its right to assert a claim within any applicable statute of limitations. To the extent practicable, the Parties will negotiate in good faith to create a tolling agreement to toll such statute(s) of limitations to allow for the Parties to engage in dispute resolution provisions of this Agreement prior to the filing of such actions.
8. **Severability.** If any provisions of this Agreement (or portions or applications of it) are held to be unenforceable or invalid by any court of competent jurisdiction, (a) the Parties will negotiate in good faith to make an equitable adjustment to the Agreement provisions with a view toward effecting the Agreement's purpose, and (b) the remaining provisions (or portions or applications of them) will remain valid and enforceable.

9. **Governing Law.** The laws of the State of California will govern this Agreement and any claim that might arise between City and VTA without regard to conflict of law provisions.
10. **Venue.** Any lawsuit or legal action arising from this Agreement must be commenced and prosecuted in the courts of Santa Clara County, California. City agrees to submit to the personal jurisdiction of the courts located in Santa Clara County, California for the purpose of litigating all such claims.
11. **Ownership of Work.** All reports, designs, drawings, plans, specifications, schedules, studies, memoranda, and other documents assembled for or prepared by or for the City relative to the Project are the sole property of the City unless otherwise agreed upon by the City.
12. **Attribution to VTA.** City must include attribution to VTA that indicates part of the work was funded by VTA on all signage, electronic or printed materials related to the Project that are distributed to the public. VTA will provide a copy of VTA logos to City for this purpose.
13. **Non-discrimination.** The Parties and any contractors performing services on behalf of the Parties ("Contractors") will not unlawfully discriminate or permit discrimination, harass, or allow harassment against any person or group of persons because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, reproductive health decision making, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or veteran or military status of any person, or in any manner prohibited by federal, state, or local laws. In addition, the Parties and Contractors must not unlawfully deny any of their employees family care leave or discriminate against such employees on the basis of having to use family care leave. The Parties and Contractors must ensure that the evaluation and treatment of their employees and applicants for employment is free of such discrimination and harassment.
14. **Public Records.** The Parties recognize and acknowledge that each Party is subject to the California Public Records Act, California Government Code Section 7920 et seq. Public Records are subject to disclosure.
15. **Relationship of the Parties.** It is understood that this is an agreement by and between independent parties and does not create the relationship of agent, servant, employee, partnership, joint venture or association, or any other relationship other than that of independent contractor.
16. **Counterparts; Electronic Signatures.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which will constitute one and the same instrument. Unless otherwise prohibited by law, VTA policy, or City ordinance or policy, the Parties agree that an electronic copy of a signed contract, or an electronically signed contract, has the same force and legal effect as a contract executed with

an original ink signature. The term “electronic copy of a signed contract” refers to a writing as set forth in Evidence Code Section 1550. The term “electronically signed contract” means a contract that is executed by applying an electronic signature using technology approved by each of the Parties.

17. **Authority to Execute Agreement.** Each Party to this Agreement represents and warrants that each person whose signature appears below is authorized and has the full authority to execute this Agreement on behalf of the entity that is a Party to this Agreement.

The Parties have caused their undersigned, duly authorized signatories to execute this Agreement on the dates set forth below.

Santa Clara Valley Transportation Authority

City of Sunnyvale

Carolyn M. Gonot
General Manager/CEO

Tim Kirby
City Manager

Date

Date

Approved as to Form:

Approved as to Form:

Yue-Han Chow
Senior Assistant Counsel

Susan Yoon
Assistant City Attorney

Date

Date

ATTACHMENT A**VRF COUNTYWIDE PROGRAM FUND PROJECT ELEMENTS & COSTS**

Project elements include the following:

1. Video Detection Upgrades

To enable accurate adaptive operations, the Project will replace or add six (6) video detection systems, including:

- Five (5) video detection units along Mathilda Avenue/Sunnyvale–Saratoga Road.
- One (1) video detection unit along Homestead Road.

High-quality stop-bar detection is essential for Edaptive’s adaptive algorithms, which rely on precise occupancy and arrival data to optimize splits, offsets, and cycles.

2. Adaptive Signal Control System Deployment

The Project will implement Centracs Edaptive at 31 intersections - 24 along the Mathilda Avenue/Sunnyvale-Saratoga Road corridor and 7 along Homestead Road. The system provides:

- Real-time, cloud-based optimization of cycle lengths, offset, and split timings.
- Automatic adjustments in response to weather conditions, special events, school-related peaks, and incident-driven congestion.
- Multimodal and corridor-level improvements to overall signal performance.
- Integration with Signal Performance Measures (SPM), travel-time analytics, and Pattern Optimizer to support continuous operational refinement.
- Comprehensive system performance dashboards, including traffic flow and congestion metrics, signal performance and optimization reports, and device and detector health monitoring.

Table 1. Total Project Cost

VRF Cycle 5					
Item	Description	QTY	UNIT	Unit Price	Total
1	Mathilda/Sunnyvale Saratoga Video Detection	5	EA	\$37,415.00	\$187,075.00
2	Homestead Road Corridor Video Detection	1	EA	\$37,415.00	\$37,415.00
3	Adaptive for Mathilda/Sunnyvale-Saratoga & Homestead Corridors	1	LS	\$179,750.00	\$179,750.00
4	IT Support – Staff Time	1	LS	\$50,000.00	\$50,000.00
TOTAL BASE BID					\$454,240.00
10% Contingency					\$45,424.00
TOTAL PROJECT COST					\$499,664.00

ATTACHMENT B
INSURANCE REQUIREMENTS

ATTENTION IS DIRECTED TO THE INSURANCE REQUIREMENTS BELOW. IT IS HIGHLY RECOMMENDED THAT THE CITY CONFER WITH THEIR INSURANCE CARRIERS OR BROKERS TO DETERMINE THE AVAILABILITY OF INSURANCE CERTIFICATES AND ENDORSEMENTS REQUIRED BY THIS AGREEMENT.

INSURANCE (Required for ALL agreements)

Without limiting City's indemnification and defense of claims obligations to VTA, City must procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise under or in connection with any work, authority, or jurisdiction associated with the Agreement. The cost of such insurance must be borne by City. City must furnish complete copies of all insurance policies within three (3) business days of any request for such by VTA.

A. MINIMUM SCOPE OF INSURANCE

Coverage must be at least as broad as:

1. Insurance Services Office General Liability coverage ("occurrence" form CG 0001). General Liability insurance written on a "claims made" basis is not acceptable.
2. Business Auto Coverage, Insurance Services Office form number CA 0001, covering Automobile Liability, code 1 "any auto." Auto Liability written on a "claims-made" basis is not acceptable.
3. Workers' Compensation insurance as required by the Labor Code of the State of California and Employer's Liability insurance.
4. Contractor's Pollution Liability: covering liability arising out of the treatment, handling, storage, transportation, or accidental release of any hazardous material.

B. MINIMUM LIMITS OF INSURANCE

City must maintain limits no less than:

1. General Liability: \$1,000,000 limit per occurrence for bodily injury, personal injury, and property damage. If General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit must apply separately to this project/location or the general aggregate limit must be twice the required occurrence limit.
2. Automobile Liability (including umbrella/excess liability): \$1,000,000 limit per accident for bodily injury and property damage.

3. Workers' Compensation and Employer's Liability: Workers' compensation limits as required by the Labor Code of the State of California and Employer's Liability limits of \$1,000,000 per accident.
4. Contractor's Pollution Liability: \$1,000,000 per occurrence.
5. Notwithstanding any language in this Lease to the contrary, if City carries insurance limits exceeding the minima stated in Paragraph B.a.1.-3. immediately above, such greater limits will apply to this Agreement.

C. SELF-INSURED RETENTION

The certificate of insurance must disclose the actual amount of any deductible or self-insured retention, or lack thereof, for all coverages required herein. Any self-insured retention or deductible in excess of \$50,000 (\$100,000 if City is a publicly-traded company) must be declared to and approved by VTA. If City is a governmental authority such as a state, municipality or special district, self-insurance is permitted. To apply for approval for a level of retention or deductible in excess of \$50,000, City must provide a current financial report including balance sheets and income statements for the past three years, so that VTA can assess City's ability to pay claims falling within the self-insured retention or deductible. Upon review of the financial report, if deemed necessary by VTA in its sole discretion, VTA may elect one of the following options: to accept the existing self-insured retention or deductible; require the insurer to reduce or eliminate the self-insured retention or deductible as respects VTA, its directors, officers, officials, employees and volunteers; or to require City to procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses. Applicable costs resulting therefrom will be borne solely by City. City may request execution of a nondisclosure agreement prior to submission of financial reports.

D. CLAIMS MADE PROVISIONS (NOT APPLICABLE TO GENERAL LIABILITY OR AUTO LIABILITY)

Claims-made coverage is never acceptable for General Liability or Auto Liability. Claims-made may be considered for Professional, Environmental/Pollution, or Cyber Liability. If coverage is written on a claims-made basis, the Certificate of Insurance must clearly state so. In addition to all other coverage requirements, such policy must comply with the following:

1. The policy retroactive date must be no later than the date of this Agreement.
2. If any policy is not renewed or the retroactive date of such policy is to be changed, City must obtain or cause to be obtained the broadest extended reporting period coverage available in the commercial insurance market. This extended reporting provision must cover at least two (2) years.
3. No prior acts exclusion may be added to the policy during the Agreement period.
4. The policy must allow for reporting of circumstances or incidents that might give rise to future claims.

E. OTHER INSURANCE PROVISIONS

The policies must contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability

- a. VTA, its directors, officers, officials, employees, and volunteers must be named as additional insureds as respects: liability arising out of City's performance under this Agreement. The coverage must contain no special limitations on the scope of protection afforded to VTA, its directors, officers, officials, employees, or volunteers. Additional Insured endorsements must provide coverage at least as broad as afforded by the combination of ISO CG 20 10 10 01 and CG 20 37 10 01.
- b. Any failure to comply with reporting provisions of the policies may not affect coverage provided to VTA, its directors, officers, officials, employees, or volunteers.
- c. Coverage must state that Lessee's insurance applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- d. The General Liability General Aggregate limit must apply per project, not per policy.
- e. The General Liability policy must be endorsed to remove the exclusion for railroad liabilities, with coverage at least as broad as afforded by ISO CG 24 17.

2. All Coverages

- a. City must agree to waive all rights of subrogation against VTA, its directors, officers, officials, employees, and volunteers for losses arising under or in connection with any work, authority, or jurisdiction associated with the Agreement.
- b. City's insurance coverage must be primary insurance as respects VTA, its directors, officers, officials, employees, and volunteers. Self-insurance or insurance that may be maintained by VTA, its directors, officers, officials, employees, or volunteers may apply only as excess to City's insurance. City's insurance must not seek contribution from VTA's insurance program.

3. Other Insurance Provisions

- a. The Certificate must disclose the actual amount of the Deductible or Self-Insured Retention.
- b. If any coverage forms or endorsements required by this Agreement are updated by their publishers, whether they be the insurance carrier(s), the Insurance Services office, or the American Association of Insurance Services, during the duration of this Agreement, VTA reserves the rights to require City to procure said coverage forms or endorsements using the updated versions upon the next renewal cycle.

F. ACCEPTABILITY OF INSURERS

Insurance must be placed with insurers with an A.M. Best's rating of no less than A VII (financial strength rating of no less than A and financial size category of no less than VII), unless specific prior written approval has been granted by VTA.

G. CERTIFICATES OF INSURANCE

City must furnish VTA with a Certificate of Insurance. The certificates for each insurance policy must be signed by an authorized representative of that insurer. The certificates must be issued on a standard ACORD Form. City must instruct their insurance broker/agent to submit all insurance certificates and required notices electronically in PDF format to real.estate@vta.org. All endorsements must be attached to the ACORD certificate in a single PDF document.

The certificates must (1) identify the insurers, the types of insurance, the insurance limits, the deductibles, and the policy term, (2) include copies of all the actual policy endorsements required herein, and (3) in the "Certificate Holder" box include:

Santa Clara Valley Transportation Authority ("VTA")
3331 North First Street
San Jose, CA 95134-1906

In the Description of Operations/Locations/Vehicles/Special Items Box, the VTA property leased must appear, the list of policies scheduled as underlying on the Umbrella/Excess policy must be listed, Certificate Holder must be named as additional insured, and Waiver of Subrogation must be indicated as endorsed to all policies as stated in the Agreement documents.

It is a condition precedent to granting of this Agreement that all insurance certificates and endorsements be received and approved by VTA before Agreement execution. No occupancy may be taken until insurance is in full compliance. VTA reserves the rights to require complete, certified copies of all required insurance policies, at any time.

If City receives notice that any of the insurance policies required by this Attachment B may be cancelled or coverage reduced for any reason whatsoever, City must immediately provide written notice to VTA that such insurance policy required by this Exhibit is canceled or coverage is reduced.

H. MAINTENANCE OF INSURANCE

If City fails to maintain insurance as required herein, VTA, at its option, may suspend the Agreement until a new policy of insurance is in effect.