The TA will withhold a retention of up to 10% of the Measure A Funds allocated for the Scope of Work, until the Sponsor submits the Final Report, as detailed in Section 1.5 of this Agreement, demonstrating that it has provided at least 28.18% of the total Project costs as detailed in Section 2.1 of this Agreement. If the Sponsor has not fully met the terms of its funding commitment by providing at least (amount 28.18%)% of the total Project costs at the time the Final Report is submitted, the TA will retain the balance owed from the final payment of Measure A Funds. If the balance owed to the TA is greater than the retention, Sponsor will return Measure A Funds to the TA in an amount sufficient to ensure Sponsor’s 28.18% contribution to the Project costs.

SECTION 3: Term

3.1 Term. The term of this Agreement will commence on the Execution Date and conclude upon the earliest of: (a) the TA’s final reimbursement to Sponsor for work performed hereunder, (b) termination by Sponsor or the TA pursuant to this Section 3, or (c) October 3, 2017.

3.2 Sponsor’s Right to Terminate; Repayment upon Termination. Sponsor may at any time terminate the Scope of Work by giving ten (10) days’ written notice to the TA of its election to do so. Upon such termination, Sponsor will not be reimbursed for any further Scope of Work Costs and will reimburse the TA for all monies paid by the TA and costs incurred by the TA in connection with the Scope of Work within ninety (90) days of the TA’s submission to Sponsor of a detailed statement of such payments and costs.

3.3 Termination by the TA. The TA may terminate this Agreement, with or without cause, by giving ten (10) days’ written notice of such termination. If the TA terminates the Agreement for Sponsor’s default, Sponsor will reimburse the TA for all funds paid to Sponsor in connection with the Scope of Work, and for all costs incurred by the TA in connection with the Scope of Work, within ninety (90) days of the TA’s submission to Sponsor of a detailed statement of such payments and costs. If the TA terminates the Agreement for convenience, the TA is obligated to pay to Sponsor all costs and expenses incurred by Sponsor up to the date of notice of termination, as well as all reasonable costs and expenses incurred to effect such termination.

3.4 Expiration/Suspension of TA’s Financial Obligations. Any and all financial obligations of the TA pursuant to this Agreement expire upon the expenditure of TA’s maximum contribution to the Scope of Work as established in Section 2.1 above or the conclusion of the Term as defined in Section 3.1, whichever occurs first. The TA reserves the right to suspend its financial obligation, with ten (10) days’ advance notice, if Sponsor identifies a risk of not being able to complete the Scope of Work within budget. If Sponsor cannot provide a credible funding plan acceptable to the TA to fund and complete Scope of Work, the TA may terminate this agreement. If Sponsor identifies a risk of not being able to complete the Scope of Work within budget, failure to report such risk to the TA is cause for termination under Section 3.3.
3.5 **Time of Performance.** The Scope of Work must be completed no later than April 3, 2017.

3.6 **Time Extension.** If the Scope of Work cannot be completed within the Time of Performance as defined in Section 3.5, Sponsor must submit a request in writing to the TA no later than six (6) months before the Time of Performance for an extension for the Time of Performance. The TA will review the request, and grant the extension if it is justified in TA’s sole and complete discretion. Costs incurred for the Scope of Work after the Time of Performance are at risk of denial for reimbursement by the TA. The unreimbursed portion of the Measure A allocation will be retained by the TA for the Measure A Pedestrian and Bicycle Program.

SECTION 4: Indemnification and Insurance

4.1 **Indemnity by Sponsor.**

Sponsor shall indemnify, keep and save harmless the TA and its directors, officers, agents and employees against any and all suits, claims or actions arising out of any of the following:

a) Any injury to persons or property that may occur, or that may be alleged to have occurred, arising from the performance of the Project or implementation of this Agreement; or

b) Any allegation that materials or services developed, provided or used for the Project infringe or violate any copyright, trademark, patent, trade secret, or any other intellectual-property or proprietary right of any third party.

Sponsor further agrees to defend any and all such actions, suits or claims and pay all charges of attorneys and all other costs and expenses of defenses as they are incurred. If any judgment is rendered, or settlement reached, against the TA or any of the individuals enumerated above in any such action, Sponsor shall, at its expense, satisfy and discharge the same.

This indemnification shall survive termination or expiration of the Agreement.

4.2 **Insurance.** For the purposes of this Insurance section, "Entity" is defined as any entity designing, approving designs and/or performing the Scope of Work funded by this Agreement. Entities may include Sponsor, a contractor of Sponsor, another body on behalf of which Sponsor submitted its funding application, and/or a contractor of such other body.

All Entities will provide the appropriate insurance covering the work being performed. The insurance requirements specified in this section will cover each Entity’s own liability and any liability arising out of work or services of Entity subcontractors, subconsultants, suppliers, temporary workers, independent contractors, leased employees, or any other