

Term Sheet

I-5 North Segment 3 Construction Project

Agreement to Advance Payment and Reimbursement of Funds to Close the Project

Parties:	Los Angeles County Metropolitan Transportation Authority (LA Metro) and California Department of Transportation-District 7 (Caltrans)
Nature of the Agreement:	LA Metro to advance funds to Caltrans for the cost to complete and close the I-5 North Segment 3 project, and Caltrans to reimburse LA Metro such amount as determined by joint audit by the Parties upon completion of the project.
Amount of Advance:	Not to exceed \$73.2 million in principal plus accrued interest at a rate equal to the LA Metro cost of funds.
Use of Proceeds:	The funds advanced by LA Metro shall be used by Caltrans to payoff obligations to the contractor for the claim settlement, complete roadway repair and work requested by the City of Burbank as agreed to by Caltrans, and cover other expenses to complete the I-5 North Segment 3 project.
Repayment:	Any and all periodic and/or lump sum monetary payments and non-monetary contributions by Caltrans that are solely designated for repayment of the Advance and not previously designated for a different LA Metro purpose. This may include funds otherwise eligible for the development and implementation of the State highway improvement projects, co-funding Metro-sponsored highway improvement projects from State funds not otherwise available to Metro (e.g.: SHOPP funds for the eligible components, etc.), waiver of charges to LA Metro for work that historically has been charged for by Caltrans in accordance with its policies and practices (review and approval of project documents in various phases of projects, preparation of technical studies/documents, etc.), and any other means of repayment mutually acceptable to parties.
Repayment Period:	Repayment of the full amount of the advance to Metro, including accrued interest, shall be in installments at set periods - years three, six, and ten, or more frequently as opportunities for repayment may arise. The overall repayment period may not exceed 10 years from the date(s) of disbursement of funds by LA Metro.

Resolution of Disputes:

Any dispute arising out of or relating to this agreement shall be resolved by negotiation between officers of LA Metro and Caltrans who have authority to settle the dispute.

Parties commit to the terms and conditions of this agreement and execute the same on this _____ day of January 2021.

Phillip A. Washington
Chief Executive Officer
LA Metro

Tony Tavares
Director
California Department of Transportation (Caltrans)
District 7