

RESOLUTION NO. 1975 - 41

RESOLUTION AUTHORIZING THE RECEIPT
OF BIDS FOR PERMANENT IMPROVEMENT
NOTES

WHEREAS, in order to provide funds to meet the obligations of this Authority in connection with the acquisition from the City of Cleveland and the Cleveland Transit Board of the property and assets of the Cleveland Transit System, it will be necessary for this Authority to provide for the issuance at this time of notes in anticipation of the issuance of bonds of the Authority; and

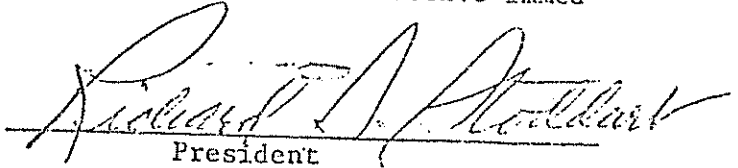
WHEREAS, the Board determines that it is desirable to provide an opportunity for interested financial institutions and investors to have the opportunity to submit proposals for the purchase of said notes prior to the official authorization thereof;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the Secretary-Treasurer of this Authority is hereby authorized and directed to furnish to prospective purchasers of the proposed issue of \$4,200,000 Permanent Improvement Notes, Series 1975, of this Authority, the Invitation for Bids, in substantially the form attached hereto and marked Exhibit A, describing the terms and conditions of such notes, and to report to this Board the bids for the purchase of such notes, or part thereof, in response to such invitation.

Section 2. That this resolution shall become effective immediately upon its adoption.

Adopted: August 26, 1975


President

Attest: Michael J. Hoffman
Secretary-Treasurer

EXHIBIT A

INVITATION FOR BIDS

\$4,200,000 GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

PERMANENT IMPROVEMENT NOTES, SERIES 1975
(GENERAL OBLIGATION)

The Greater Cleveland Regional Transit Authority, Ohio, contemplates the issuance of notes in the principal amount of \$4,200,000 in anticipation of the issuance of bonds for the purpose of acquiring a municipal transit facility serving the area within the territorial boundaries of the Transit Authority.

Sealed quotations for the purchase of these notes will be received by the undersigned at the Board Room of the Cleveland Transit Board, 8th Floor, Cleveland Transit System Building, 1404 East Ninth Street, Cleveland, Ohio 44114, until 9:30 a.m., Eastern Daylight Saving Time, on September 2, 1975, at which time the bids will be publicly opened and read.

The interest on the notes will be payable at maturity, the notes will be dated the date of their issuance, and the same will mature one year from such date. Bids may be made for the purchase of all or part of the notes at not less than their par value, provided that each bid for less than all of the notes shall be for \$100,000 or a multiple thereof, and separate bids will be required for each part of such notes for which a separate rate of interest is bid. The Transit Authority reserves the right to award to any bidder all or any part of the notes which the bidder offers to purchase in its bid on the basis of such bid, except that partial awards shall be in the amount of \$100,000 or a multiple thereof. Bids may be made calling for a rate of interest after stated maturity higher than that before stated maturity, but not in any case to exceed eight per cent per annum.

Said notes or parts thereof will be awarded at not less than par to the highest bidder offering the lowest interest rate. The lowest interest rate will be determined by calculating the total interest charges to stated maturity at the rate bid and deducting therefrom any premium bid. If each of two or more bids for the notes or parts thereof is the highest bid offering the lowest interest rate as thus the notes or part thereof will be awarded on such one of the highest bids as is chosen by lot in such manner as may be determined by the undersigned.

The notes will be payable, without deduction for the services of the Transit Authority's paying agent, at the office of the Secretary-Treasurer of the Greater Cleveland Transit Authority, Cleveland, Ohio or, at the option of the holder, in Federal Reserve Funds of the United States of America at the principal office of any bank or trust company designated by the purchaser and approved by the Secretary-Treasurer of the Transit Authority and situated in a city in which is located a Federal Reserve Bank or branch thereof. The notes will be in such numbers and denominations as may be requested by the purchaser and unless paid from other sources, are payable from limited general taxes.

The notes shall not have coupons attached and may, at the option and expense of the holder thereof and upon presentation and surrender thereof at the office of the Secretary-Treasurer of the Transit Authority, be exchanged for an equal aggregate principal amount of notes with the same date, interest rate and maturity, but of different denominations. No such exchange shall be made during the thirty days next preceding the maturity date of said notes.

The Transit Authority will deliver at its expense the transcript of proceedings, the usual no-litigation certificate and the unqualified approving opinion of Squire, Sanders & Dempsey and will also furnish printed or typewritten notes, as requested by the purchaser. It is anticipated that an award of the notes will be made on the same day on which quotations are received.

The notes will be delivered for payment within the State of Ohio to the purchaser or to a bank designated by the purchaser without charge and the expense of such delivery will not be considered in determining the highest bidder. Delivery at any other place shall be at the request of the purchaser and at his expense, provided, that the costs to be paid by the purchaser for any delivery in New York, New York, or Chicago, Illinois, shall not exceed \$250. If requested in the purchaser's proposal, the Transit Authority will place the executed notes, transcript of proceedings, delivery certificates and approving opinion in escrow with a bank having trust powers designated by the purchaser, no later than the date preceding the date on which delivery of and payment at said bank on such date of delivery. The costs of such delivery to such a bank within the State of Ohio shall be borne by the Transit Authority. The purchaser shall bear the costs of such a delivery to such a bank located outside the State of Ohio.

The right is reserved to reject bids.

The Transit Authority now expects, in addition to the notes described herein, to issue on or about October 1, 1975 approximately \$2,850,000 of current revenue notes in anticipation of and payable only from the revenues to be received during 1975 from the Transit Authority's one per cent sales and use tax approved by the electors of the Transit Authority, which notes will mature and be paid not later than December 31, 1975.

William C. Lahman
Secretary-Treasurer
Greater Cleveland Regional Transit Authority

Telephone No. 781-5100
Area Code No. 216