

RESOLUTION NO. 1982- 14

A RESOLUTION AUTHORIZING THE ISSUANCE OF \$17,200,000 OF SERIES 1982A BONDS FOR THE PURPOSE OF PAYING A PORTION OF THE COSTS TO THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY OF ACQUIRING, CONSTRUCTING, REPLACING, IMPROVING AND EXTENDING TRANSIT FACILITIES TO SERVE THE AREA WITHIN THE TERRITORIAL BOUNDARIES OF THE AUTHORITY.

WHEREAS, the Greater Cleveland Regional Transit Authority (the "Authority") is authorized under Section 306.35 of the Ohio Revised Code (the "Code") to acquire, construct, improve, replace and extend "transit facilities" within the meaning of that term as defined in Section 306.30 of the Code, within the territorial boundaries of the Authority and to apply for and accept grants from the United States and the State of Ohio for the purpose of providing for the development or improvement of such transit facilities; and

WHEREAS, the Authority has been awarded certain grants, including Grants OH-05-0025, OH-05-0053, OH-03-0054, OH-03-0062, OH-03-0075 and OH-03-0054-7 by the Urban Mass Transit Administration of the United States Department of Transportation ("UMTA") and local matching funds are required to be provided by the Authority in connection with such UMTA grants and, in order to provide moneys to pay a portion of such local matching funds; and

WHEREAS, pursuant to Resolution No. 1978-1, adopted January 10, 1978, notes were issued for the purpose hereinafter stated, in the principal amount of \$7,500,000, dated February 22, 1978 and maturing February 22, 1979, which notes were retired in part from the proceeds of \$7,000,000 of notes dated February 22, 1979 and issued pursuant to Resolution No. 1979-1 adopted January 1, 1979, as amended by Resolution No. 1979-29 adopted February 6, 1979, which subsequent notes were retired in part from the proceeds of \$6,500,000 of notes dated February 22, 1980 and maturing February 20, 1981, issued pursuant to Resolution No. 1980-18 adopted January 15, 1980, as amended by Resolution No. 1980-71 adopted February 19, 1980; which notes were retired in part from the proceeds of \$5,500,000 of notes dated February 20, 1981 and maturing February 19, 1982, issued pursuant to Resolution No. 1981-7 adopted January 6, 1981; and

WHEREAS, pursuant to Resolution No. 1980-19, adopted January 15, 1980, as amended by Resolution No. 1980-72, adopted February 19, 1980, the Authority authorized and issued notes for the purpose hereinafter stated, in the principal amount of \$6,000,000, dated February 22, 1980 and maturing February 20, 1981; which notes were renewed at maturity with the proceeds of \$6,000,000 of notes dated February 20, 1981 and maturing February 19, 1982 issued pursuant to Resolution No. 1981-8 adopted January 6, 1981; and

WHEREAS, pursuant to Resolution No. 1981-158, adopted June 16, 1981, the Authority authorized and issued notes for the purpose hereinafter stated, in the principal amount of \$4,400,000, dated June 30, 1981 and maturing February 19, 1982; and

WHEREAS, there will be available funds in the amount of \$500,000 which this Board has determined to appropriate and to apply to discharge pro-rata at their maturity such outstanding notes and this Board has further determined that the balance of such outstanding notes should be funded at their maturity by the issuance of the bonds provided for herein; and

WHEREAS, the Secretary-Treasurer, as fiscal officer of the Authority, has certified to this Board that the estimated life of the Project is at least five (5) years, that the maximum maturity of the bonds hereinafter referred to is at least twenty-two (22) years, and, as provided in Section 306.40 of the Code, that the estimated revenues of the Authority from sources other than ad valorem taxes on property, after first meeting from all available resources the estimated operation and maintenance expenses of the Authority as they become due, are sufficient to pay the principal of and interest on such bonds and on all other bonds of the Authority as they become due, and that the maximum aggregate amount of principal and interest to become payable in any one calendar year on all of the bonds of the Authority issued pursuant to such section without a vote of the electors does not exceed one-tenth of one percent of the total value of all the property within the territory of the Authority as listed and assessed for taxation;

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

Section 1. It is hereby declared necessary to issue bonds of the Authority in the principal amount of \$17,200,000 for the purpose of paying a portion of the costs to the Authority of acquiring, constructing, replacing, improving and extending transit facilities to serve the area within the territorial boundaries of the Authority, being a portion of the Authority's share of the cost of improvements described in the application for Grants OH-05-0025, OH-05-0053, OH-03-0054, OH-03-0062, OH-03-0075 and OH-03-0054-7 including the acquisition of light rail transit cars, acquisition, construction and improvement of central bus facility, rail district headquarters facility, community responsive transit facility, and central rail shop facility, rehabilitation of right-of-way and modernization of light rail power system; and the acquisition of passenger buses.

Section 2. The bonds shall be issued in the denomination of \$5,000 each, shall be numbered from 1 to 3,440, inclusive, and shall be dated February 1, 1982. The bonds shall bear interest at the rate of fourteen per centum (14%) per annum, payable June 1, 1982 and semi-annually thereafter on the first day of June and December of each year until the principal sum is paid; provided, however, that if the bonds are sold bearing a different rate of interest than hereinbefore specified, then the bonds shall bear such rate of interest as may be provided in the resolution of this Board approving the award thereof. The bonds shall mature in their consecutive serial order in the principal amount of \$860,000 on December 1 in each of the years from 1983 to 2002, inclusive. Such maturities are hereby determined to be in substantially equal annual installments.

Section 3. The bonds shall express upon their faces the purpose for which they are issued and that they are issued pursuant to this resolution, shall be signed by the President and Secretary-Treasurer, provided that one of such signatures may be a facsimile signature, and shall bear the corporate seal of the Authority or a facsimile thereof. The interest coupons attached to the bonds shall bear the facsimile signature of the Secretary-Treasurer. The bonds shall be designated "Capital Improvement Bonds, Series 1982A". Principal of and interest on the bonds shall be payable at the principal office of AmeriTrust Company, Cleveland, Ohio, or at option of the holder, at a bank or trust company located in New York, New York or Chicago, Illinois designated by the purchaser and approved by this Board in the resolution awarding the bonds, without deduction for the services of either as the Authority's paying agent.

Section 4. The bonds shall be first offered at par and accrued interest to the officer in charge of the Bond Retirement fund in his official capacity, and if such officer refuses to take any or all of the bonds, then the bonds not so taken shall be advertised for public sale and sold in the manner provided by law. The proceeds from the sale of the bonds, except the premium and accrued interest thereon, shall be used for the purpose for which the bonds are issued and for no other purpose, and the premium and accrued interest received from such sale shall be transferred to the Bond Retirement Fund to be applied to the payment of the principal of and interest on the bonds in the manner provided by law.

Section 5. The Authority hereby covenants that it will restrict the use of the proceeds of the bonds in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time of the delivery of and payment for such bonds, so that the bonds will not constitute arbitrage bonds under Section 103(c) of the Internal Revenue Code and the regulations under that section. The fiscal officer or any other officer, including the President, having responsibility with respect to the issuance of the bonds is authorized and directed, alone or in conjunction with any of the foregoing or with any other officer, employee or consultant of the Authority, to give an appropriate certificate on behalf of the Authority, for inclusion in the transcript of proceedings, setting forth the reasonable expectations of the Authority regarding the amount and use of all such proceeds and the facts and circumstances on which they are based, all as of the date of delivery and payment for such bonds.

Section 6. For the purpose of providing the necessary funds to pay the interest on the bonds promptly when and as the same falls due and also to provide a fund sufficient to discharge the serial bonds at maturity, there shall be and is hereby levied on all the taxable property within the territorial boundaries of the Authority, in addition to all other taxes, a direct tax annually during the period the bonds are to run in an amount sufficient to provide funds to pay the interest on the bonds as and when the same falls due and also to provide a fund for the discharge of the principal of the serial bonds at maturity, which tax shall not be less than the interest and sinking fund tax required by Section 11, Article XII, Ohio Constitution. Said tax shall be and is hereby ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers, in the same manner and at the same time that taxes for general purposes for each of said years are

certified, extended and collected; provided, however, that in each year such tax shall not be levied to the extent that revenues of the Authority from sources other than ad valorem taxes on property are available for the payment of such bonds and are appropriated for such purpose. Said tax shall be placed before and in preference to all other items and for the full amount thereof. The funds derived from said tax levies hereby required shall be placed in a separate and distinct fund, which, together with interest collected on the same, shall be irrevocably pledged for the payment of the principal and interest of such bonds when and as the same falls due.

Section 7. If, in the judgment of the President or Secretary-Treasurer, a disclosure document in the form of an Official Statement is appropriate or necessary in connection with the original issuance of the bonds, each of such officers in their official capacities are authorized to prepare or cause to be prepared on behalf of the Authority an Official Statement and any necessary supplements thereto, and on behalf of the Authority to use and distribute, or authorize the use and distribution of, such Official Statement and any supplements thereto in connection with the original issuance of the bonds. Such officers, the Manager of Finance and Administrative Services and the General Counsel are each further authorized to execute on behalf of the Authority and in their official capacities, such Official Statement and any supplements thereto approved by such officers, and are each authorized and directed to advise the original purchaser or purchasers of the bonds in writing regarding limitations on the use of the Official Statement and any supplements thereto for purposes of marketing or reoffering the bonds as the officer acting deems necessary or appropriate to protect the interests of the Authority. The President, the Secretary-Treasurer, the Manager of Finance and Administrative Services and the General Counsel are each authorized to execute and deliver, on behalf of this Authority and in their official capacities, such certificates in connection with the accuracy of the Official Statement and any supplements thereto as may, in their judgment, be necessary or appropriate.

Section 8. It is hereby determined that all acts, conditions and things required to be done precedent to and in the issuing of such bonds, in order to make them legal, valid and binding obligations of the Authority, have happened, been done and performed in regular and due form as required by law, that such bonds shall be the full general obligation of the Authority and the full faith, credit and revenue of the Authority shall be and hereby irrevocably pledged for the prompt payment of the principal and interest thereof at maturity, and that no limitation of indebtedness or taxation, either statutory or constitutional, will have been exceeded in the issuance of such bonds.

Section 9. The Secretary-Treasurer is hereby authorized and directed to certify a copy of this resolution to the County Auditor.

Section 10. It is found and determined that all formal actions of this Board concerning and relating to the adoption of this resolution were adopted in an open meeting of this Board, and that all deliberations of this Board and of any of its committees that resulted in such formal action, were

in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Revised Code.

Section 11. This resolution shall become effective immediately upon its adoption.

Adopted: January 11, 1982

Joseph M. Paul
Vice-President

Attest: William C. Schwan
Secretary-Treasurer