



**DULUTH TRANSIT AUTHORITY
JULY 2022 - RESOLUTION NO. 401**

Concerning the Memorandum of Understanding (“MOU”) to acquire the ATE :
Management of Duluth stock:

Whereas, the DTA Board recognizes that acquisition of the ATED stock will
secure the long-term stability of the Duluth Transit Authority transit system
and help to avoid a multi-million pension withdrawal liability; and

Whereas, a MOU is nonbinding and can be terminated if a Definitive Agreement is
not reached; and

Whereas, the MOU sets the negotiation process for the DTA General Manager and
designated legal counsel, in consultation with the DTA Board President, to
negotiate final terms and conditions of the Definitive Agreement to acquire the
ATED stock; and

Whereas, upon final agreement of the DTA General Manager and designated
counsel on the terms of the Definitive Agreement, the DTA Board of Directors
authorizes the DTA General Manager and the DTA Board President to execute
the Definitive Agreement; and

Whereas, the Definitive Agreement will be presented to the DTA Board of
Directors for ratification at a future meeting.

Now, therefore, be it resolved that the DTA Board of Directors hereby authorizes
the DTA General Manager to execute the Memorandum of Understanding to
acquire the ATED stock. The DTA Board of Directors further authorizes the
DTA General Manager, in consultation with designated counsel and the DTA
Board President, to execute the Definitive Agreement, subject to concurring
approval from the Duluth City Council, the Minnesota Department of
Transportation, the Minnesota Management and Budget Office, and the Federal
Transit Administration, as applicable.

PASSED AND ADOPTED THIS 27th DAY OF JULY 2022 BY THE
BOARD OF DIRECTORS OF THE DULUTH TRANSIT AUTHORITY.

ADOPTED,

A handwritten signature in black ink, appearing to read "H. Z. Banks", written over a horizontal line.

Henry Banks
DTA Board Vice President