



Legislation Text

File #: 22-0668R, **Version:** 1

RESOLUTION APPROVING DULUTH TRANSIT AUTHORITY'S PURCHASE OF ALL SHARES OF ATE MANAGEMENT OF DULUTH, INC. FROM FIRSTGROUP MANAGEMENT, INC. FOR A TOTAL AMOUNT OF \$250.

CITY PROPOSAL:

RESOLVED, that the Laws of Minnesota for 1969, Chapter 720, creating the Duluth Transit Authority (DTA), subdivision 2(c) authorizes the DTA to acquire by purchase or gift real or personal property, franchises, or other rights which may be necessary or proper for the operation of a bus transit system, subject to approval by the city council via resolution;

RESOLVED FURTHER, that the Laws of Minnesota for 1969, Chapter 720, subdivision 2(d) authorizes the DTA to acquire by purchase or gift all or any part of the plant, equipment, property, real, personal, or mixed, rights and property, revenue, funds, special funds, franchises, licenses, patents, permits, papers, documents, and records belonging to the operator of a bus transit systems within the city of Duluth, and may in connection therewith assume any and all liabilities of any operator of such public transit system, all with the approval of the city council, evidenced by resolution;

RESOLVED FURTHER, that on July 27, 2022, the DTA Board of Directors approved Resolution 401 authorizing the DTA General Manager to finalize the purchase agreement for the DTA to purchase all shares of ATE Management of Duluth, Inc. from FirstGroup Management, Inc. for \$250; a copy of said DTA Resolution 401 is attached as Exhibit A and incorporated by reference; and

RESOLVED FURTHER, that the City Council approves, as required by Laws of Minnesota for 1969, Chapter 720, subdivision 2((c)-(d), the DTA's purchase of all shares of ATE Management of Duluth, Inc. from FirstGroup Management, Inc. for \$250 pursuant to the memorandum of understanding substantially in the form as the agreement attached as Exhibit B.

STATEMENT OF PURPOSE: This resolution approves the DTA's acquisition of ATE of Duluth, Inc. from FirstGroup Management, Inc.