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STATE OF NEVADA
COUNTY OF WASHOE

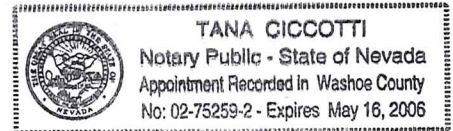
ss: Julia Ketcham

Being first duly sworn, deposes and says: That as the legal clerk of the Reno Gazette-Journal, a daily newspaper published in Reno, Washoe County, State of Nevada, that the notice referenced below has published in each regular and entire issue of said newspaper between the dates: **08/27/04 - 09/03/04**, for exact publication dates please see last line of Proof of Publication below.

Subscribed and sworn to before me

Signed: *Julia Ketcham*

SEP 3 2004



Tana Ciccotti

Proof of Publication

BILL NO. 1427 ORDINANCE NO. 1245 AN ORDINANCE DESIGNATED BY THE SHORT TITLE "2004 MEDIUM TERM BOND ORDINANCE;" AUTHORIZING ISSUANCE OF AND SPECIFYING THE TERMS AND CONDITIONS OF THE REGISTERED, NEGOTIABLE, WASHOE COUNTY, NEVADA GENERAL OBLIGATION (LIMITED TAX) MEDIUM TERM BONDS, SERIES 2004 IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$13,900,000 FOR THE SPARKS JUSTICE COURT PROJECT; SPECIFYING AND AUTHORIZING THE FINANCE DIRECTOR TO SPECIFY OTHER DETAILS CONCERNING THE BONDS; AND PROVIDING FOR ITS ADOPTION AS IF AN EMERGENCY EXIST AND THE EFFECTIVE DATE HEREOF. PUBLIC NOTICE IS HERBY GIVEN that an adequate number of typewritten copies of the above-numbered and entitled Ordinance are available for public inspection and distribution at the office of the County Clerk of Washoe County, at her office located at 350 South Center Street, Suite 100, Reno, Nevada, and that such Ordinance was proposed by Commissioner Humke on August 24, 2004, and was passed and adopted at a regular meeting of the Washoe County Board of County Commissioners at the same meeting on August 24, 2004, by the following vote of the Board of County Commissioners: Those Voting Aye: Jim Shaw, Jim Galloway, Dave Humke and Pete

Sferrazza Those Voting Nay: (none) Those Absent: Bonnie Weber This Ordinance shall be in full force and effect from and after the 3rd day of September 2004, i.e., the date of the second publication of such Ordinance by title only. IN WITNESS WHEREOF, the Board of County Commissioners of Washoe County, Nevada, has caused this Ordinance to be published by title only. DATED this August 24, 2004. /s/ Jim Shaw, Chairman Board of County Commissioners Washoe County, Nevada Attest: /s/ Amy Harvey, County Clerk No.485280 Aug 27; Sept 3, 2004

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Summary - An ordinance authorizing the issuance by Washoe County, Nevada, of its General Obligation (Limited Tax) Medium-Term Bonds, Series 2004 and providing other matters relating thereto.

BILL NO. 1427
ORDINANCE NO. 1245

AN ORDINANCE DESIGNATED BY THE SHORT TITLE "2004 MEDIUM TERM BOND ORDINANCE;" AUTHORIZING THE ISSUANCE OF AND SPECIFYING THE TERMS AND CONDITIONS OF THE REGISTERED, NEGOTIABLE, WASHOE COUNTY, NEVADA GENERAL OBLIGATION (LIMITED TAX) MEDIUM TERM BONDS, SERIES 2004 IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$13,900,000 FOR THE SPARKS JUSTICE COURT PROJECT; SPECIFYING AND AUTHORIZING THE FINANCE DIRECTOR TO SPECIFY OTHER DETAILS CONCERNING THE BONDS; AND PROVIDING FOR ITS ADOPTION AS IF AN EMERGENCY EXISTS AND THE EFFECTIVE DATE HEREOF.

WHEREAS, Washoe County, in the State of Nevada (the "County" and "State," respectively), is a county organized and operating under the laws of the State; and

WHEREAS, pursuant to Nevada Revised Statutes ("NRS") Chapter 244A (the "County Bond Law"), the County, acting through the Board of County Commissioners (the "Board" or the "Governing Body") is authorized to finance all or a portion of the cost of acquiring, improving, and equipping a building project, including a public building or complex of buildings to accommodate or house lawful County activities, including, without limitation, courts, records, County personnel, offices, supplies and equipment (the "Project"); and

WHEREAS, pursuant to NRS §§ 350.087 through 350.095 (the "Project Act"), the County is authorized to enter into medium-term obligations to finance the Project and to issue, as evidence thereof, negotiable medium-term notes or bonds which shall not be paid in whole or in part from a levy of a special tax exempt from the limitations on the levy of ad valorem tax, but which shall be paid from other legally available funds of the County, mature not later than 10 years after the date of issuance and must bear interest at a rate or rates which do not exceed by more than 3 percent

the "Index of Twenty Bonds" which was most recently published before bids for their purchase are received; and

WHEREAS, pursuant to NRS § 350.087 and pursuant to a resolution adopted by the Board, the Board published a notice (the "Notice") of its intention to authorize and to issue medium-term bonds in the principal amount of \$13,900,000 in a newspaper of general circulation in the County and the affidavit of such publication is on file in the office of the County Clerk; and

WHEREAS, the Board adopted by at least a two-thirds majority a resolution authorizing medium-term obligations in the maximum principal amount of \$13,900,000 to finance the Project (the "Authorizing Resolution") which contained findings by the Board that the public interest requires medium-term obligations and statements of the facts upon which the findings were based, which votes were taken at least 10 days after the publication of the Notice; and

WHEREAS, pursuant to NRS § 350.089 and relevant provisions of the Nevada Administrative Code, the Board caused certified copies of the Authorizing Resolution and supporting documents to be submitted to the Executive Director of the Department of Taxation of the State of Nevada (the "Department of Taxation") for approval; and

WHEREAS, the County received the approval of the Executive Director of the Department of Taxation for such medium-term obligations, a copy of such approval being attached to the following page as follows:

(Attach Approval of Department of Taxation)

WHEREAS, the approval of the Department of Taxation as set forth in the preambles hereof is hereby recorded in the minutes of the Board as required by §350.089; and

WHEREAS, the County has not previously utilized any of the authority so approved by the Department of Taxation; and

WHEREAS, pursuant to the Authorizing Resolution, the Board authorized the Finance Director of the County to arrange for the sale of medium-term bonds evidencing such medium term obligations; and

WHEREAS, the Board hereby determines that the bonds herein authorized to be issued shall be designated the "Washoe County, Nevada, General Obligation (Limited Tax) Medium Term Bonds, Series 2004" (the "Bonds") in the aggregate principal amount not to exceed \$13,900,000; and

WHEREAS, the Board has determined and hereby declares and determines that legally available funds of the County will at least equal the amount required in each year for the payment of interest on and the principal of the Bonds; and

WHEREAS, pursuant to NRS § 350.091, the Board has determined and hereby determines that the maximum term of the Bonds does not exceed the estimated useful life of the Project financed with the proceeds of the Bonds; and

WHEREAS, the Board has heretofore elected to and hereby determines to issue the Bonds in accordance with the provisions of NRS §§ 350.500 through 350.720, and all laws amendatory thereof, designated in § 350.500 thereof by the short title "Local Government Securities Law" (the "Bond Act"); and

WHEREAS, the Board is not authorized to levy general ad valorem taxes to pay the principal of or interest on the Bonds exempt from the limitations of any statutes of the State; any general ad valorem taxes levied for the purpose of paying principal or interest on the Bonds will be subject to the limitations contained in the Constitution and the statutes of the State, including, without limitation, the limitations on ad valorem taxes contained in NRS §§ 354.59811, 354.59813, 354.59815, 354.5982, and 361.453; and

WHEREAS, the Board is therefore authorized and empowered by the Project Act, the County Bond Law, by the approval of the Executive Director of the Department of Taxation, and by the Bond Act, without any further preliminaries:

- (a) to issue and sell the County's Bonds; and
- (b) to exercise the incidental powers provided in the Bond Act in connection with the powers authorized therein or as otherwise expressly provided therein; and

WHEREAS, after a public sale of the Bonds pursuant to the provisions of NRS §§ 350.105 to 350.195, inclusive (the "Bond Sale Act"), the County Finance Director (the "Finance Director"), or in his absence the County Manager, is hereby authorized to sell the Bonds to the best bidder therefor (the "Purchaser"), and the Finance Director, or in his absence the County Manager, is hereby authorized to accept a binding bid for the Bonds, the Bonds to bear interest at rates per annum not in excess of 3% over the Index of Treasury Bonds most recently published in The Bond Buyer prior to the time the bids are received for the Bonds as provided in the bond purchase proposal submitted by the Purchaser (the "Purchase Proposal"), at a price equal to the principal amount thereof, plus accrued interest to the date of delivery of the Bonds, less a discount or plus a premium not exceeding 9% of the principal amount thereof, which price does not result in an effective interest rate on the Bonds in excess of 3% over the "Index of Twenty Bonds" most recently published in The Bond Buyer prior to the time bids are received for the Bonds, all as specified by the Finance Director or County Manager in a certificate dated on or before the date of delivery of the Bonds (the "Certificate"); and

WHEREAS, the Board hereby determines and declares that it is necessary and in the best interests of the County and its inhabitants to acquire the Project and to issue and sell the Bonds to defray wholly or in part the cost of the Project; and

WHEREAS, the Board hereby elects to have the provisions of Chapter 348 of NRS (the "Supplemental Bond Act") apply to the Bonds; and

WHEREAS, the Board has determined and hereby declares that each of the limitations and other conditions to the issuance of the Bonds in the Project Act, the County Bond Law, the Bond Act, the Supplemental Bond Act, the Bond Sale Act and in any other relevant act of

the State or the Federal Government, has been met; and pursuant to § 350.708, Bond Act, this determination of the Board that the limitations in the Bond Act have been met shall be conclusive in the absence of fraud or arbitrary or gross abuse of discretion; and

WHEREAS, the Board has determined and does hereby declare:

- (a) this Ordinance pertains to the sale, issuance and payment of the Bonds;
- (b) such declaration shall be conclusive in the absence of fraud or gross abuse of discretion in accordance with the provisions of subsection 2, § 350.579, Bond Act; and
- (c) this Ordinance may accordingly be adopted as if an emergency exists and may become effective at any time when an emergency ordinance of the County may go into effect.

NOW, THEREFORE, THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF WASHOE, IN THE STATE OF NEVADA, DO ORDAIN:

Section 1. **Short Title.** This Ordinance shall be known and may be cited as the "2004 Medium Term Bond Ordinance."

Section 2. **Sale of Bonds; Acceptance of Purchase Proposal.** The Bonds shall be sold at competitive sale. The Finance Director, or in his absence the County Manager, is hereby authorized to accept the Purchase Proposal submitted by the Purchaser for the purchase of the Bonds at such sale.

Section 3. **Ratification; Official Statement.** All action heretofore taken by the Board and the officers and employees of the County directed toward the Project and toward the issuance, sale and delivery of the Bonds is ratified, approved and confirmed including, without limitation, preparation of and revisions to the Official Notice of Bond Sale for the Bonds, and the distribution and use of the Preliminary Official Statement relating to the sale of the Bonds. The distribution, use of and execution of the Final Official Statement for the Bonds in substantially the form of the Preliminary Official Statement, with such amendments, additions and deletions as are consistent with the facts and not inconsistent herewith as may be approved by the County Manager or Finance Director by the execution of the Final Official Statement, is hereby authorized.

Section 4. **Necessity of Project and Bonds.** It is necessary and in the best interests of the Board, its officers, and the inhabitants of the County, that the County effect the

Project and defray wholly or in part the cost thereof by the issuance of the Bonds therefor; and it is hereby so determined and declared.

Section 5. **Authorization of Project.** The Board hereby authorizes the Project.

Section 6. **Authorization of Bonds.** For the purpose of providing funds to pay all or a portion of the cost of the Project, the County shall issue the "Washoe County, Nevada, General Obligation (Limited Tax) Medium Term Bonds, Series 2004" in the aggregate principal amount as set forth in the Certificate (not to exceed \$13,900,000). The Bonds shall be in the form substantially as set forth in Section 24 hereof.

Section 7. **Ordinance to Constitute Contract.** In consideration of the purchase and the acceptance of the Bonds by those who shall own the same from time to time, the provisions hereof shall be deemed to be and shall constitute a contract between the County and the registered owners from time to time of the Bonds.

Section 8. **Bonds Equally Secured.** The covenants and agreements herein set forth to be performed shall be for the equal benefit, protection and security of the owners of any and all of the outstanding Bonds, all of which, regardless of the time or times of their maturity, shall be of equal rank without preference, priority or distinction except as otherwise expressly provided in or pursuant to this Ordinance.

Section 9. **General Obligations.** All of the Bonds, as to the principal thereof and the interest thereon (the "Bond Requirements") shall constitute general obligations of the County, which hereby pledges its full faith and credit for their payment.

Section 10. **Payment of the Bonds.** The Bond Requirements of the Bonds shall be payable from any moneys legally available therefor, and the County irrevocably pledges its full faith and credit to the payment of the Bond Requirements. Provision for the payment of the Bond Requirements shall be made as provided in the Project Act; provided, however, that ad valorem taxes levied for the purpose of paying the Bond Requirements shall be subject to the limitations contained in the Constitution and statutes of the State, including, without limitation, the limitations on the levy of ad valorem taxes imposed by NRS §§ 354.59811, 354.59813, 354.59815, 354.5982 and 361.453. The County irrevocably covenants with the registered owners of the Bonds from time to time that it will make sufficient provisions annually in its budget to pay the Bond Requirements, when due.

Section 11. **Limitations upon Security.** The payment of the Bonds is not secured by an encumbrance, mortgage or other pledge of property of the County, except for the proceeds of ad valorem taxes and any other moneys pledged for the payment of the Bonds. No property of the County, subject to such exception, shall be liable to be forfeited or taken in payment of the Bonds.

Section 12. **No Recourse Against Officers and Agents.** No recourse shall be had for the payment of the Bond Requirements of the Bonds or for any claim based thereon or otherwise upon this Ordinance authorizing their issuance or any other instrument relating thereto, against any individual member of the Board or any officer or other agent of the Board or County, past, present or future, either directly or indirectly through the Board or the County, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of the Bond and as a part of the consideration of its issuance specially waived and released.

Section 13. **Bond Details.** Except as otherwise provided in Section 17 hereof, the Bonds shall be issued in fully registered form. The Bonds shall be dated as of the date of delivery of the Bonds, and shall be issued in denominations of \$5,000 or any integral multiple thereof (provided that no Bond may be in a denomination which exceeds the principal coming due on any maturity date, and no individual Bond will be issued with more than one maturity). The Bonds shall bear interest (calculated on the basis of a 360 day year consisting of twelve 30 day months) at the rates shown in the Certificate from their date until their respective fixed maturity dates, payable on January 1 and July 1 of each year commencing on July 1, 2005, except that Bonds which are reissued upon transfer, exchange or other replacement shall bear interest at the rates as set forth in the Certificate from the most recent interest payment date to which interest has been paid or duly provided for, or if no interest has been paid, from the date of the Bonds. The Bonds shall mature on the dates and in the principal amounts as set forth in the Certificate (not to exceed 10 years from the date of delivery of the Bonds).

The principal of any Bond shall be payable to the owner thereof as shown on the registration records kept by U.S. Bank, N.A., as registrar for the Bonds (the "Registrar"), upon maturity and upon presentation and surrender at the office of U.S. Bank, N.A., as paying agent for the Bonds (the "Paying Agent") or such other office as designated by the Paying Agent. If any Bond

shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the interest rate borne by said Bond until the principal thereof is paid in full. Except as otherwise provided in Section 17 hereof, payment of interest on any Bond shall be made to the owner thereof by check or draft mailed by the Paying Agent, on or before each interest payment date (or, if such interest payment date is not a business day, on or before the next succeeding business day), to the owner thereof, at his or her address as shown on the registration records kept by the Registrar as of the close of business on the 15th day of the calendar month next preceding each interest payment date (other than a special interest payment date hereafter fixed for payment of defaulted interest) (the "Regular Record Date"); but any such interest not so timely paid or duly provided for shall cease to be payable to the owner thereof as shown on the registration records of the Registrar as of the close of business on the Regular Record Date and shall be payable to the owner thereof, at his or her address, as shown on the registration records of the Registrar as of the close of business on a special record date fixed for the purpose of paying defaulted interest (the "Special Record Date"). Such Special Record Date shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the owners of the Bonds not less than ten days prior thereto by first-class mail to each such owner as shown on the Registrar's registration records as of a date selected by the Registrar, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. The Paying Agent may make payments of interest on any Bond by such alternative means as may be mutually agreed to between the owner of such Bond and the Paying Agent. All such payments shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar.

Section 14. **Prior Redemption.**

(1) **Optional Redemption.** Bonds, or portions thereof, maturing on and after the date set forth in the Certificate of the County Finance Director shall be subject to redemption prior to their respective maturities, at the option of the County, on and after the date set forth in the Certificate of the County Finance Director, in whole at any time or in part at any time, from such maturities as are selected by the County, and if less than all of the Bonds of a maturity are to be redeemed, the Bonds of such maturity are to be redeemed by lot within a maturity (giving

proportionate weight to Bonds in denominations larger than \$5,000), in such manner as the Paying Agent may determine, for the principal amount of each Bond or portion thereof so redeemed and accrued interest thereon to the redemption date, and a premium, if any, computed in accordance with the schedule set forth in the Certificate of the County Finance Director.

(2) Partial Redemption. If any Bond is in a denomination larger than \$5,000, a portion of such Bond (\$5,000 of principal amount thereof, or any integral thereof) may be redeemed pursuant to subsection A or B hereof, as appropriate, in which case the Registrar, except as provided in § 307 hereof, shall, without charge to the owner of such Bond, authenticate and issue a replacement Bond or Bonds for the unredeemed portion thereof. In the case of a partial redemption of Bonds of a single maturity pursuant to subsection A hereof, the Paying Agent shall select the Bonds to be redeemed by lot at such time as directed by the County (but at least 30 days prior to the redemption date), and if such selection is more than 60 days before a redemption date, shall direct the Registrar to appropriately identify the Bonds so called for redemption by stamping them at the time any Bond so selected for redemption is presented to the Registrar for stamping or for transfer or exchange, or by such other method of identification as is deemed adequate by the Registrar and any Bond or Bonds issued in exchange for, or to replace, any Bond so called for prior redemption shall likewise be stamped or otherwise identified.

(3) Redemption Notice. Unless waived by any registered owner of a Bond to be redeemed, notice of prior redemption shall be given by the Registrar, by registered or certified mail as long as Cede & Co. or a nominee or a successor depository is the registered owner of the Bonds, and otherwise by first class, postage prepaid mail, at least 30 days but not more than 60 days prior to the Redemption Date to the Municipal Securities Rulemaking Board ("MSRB") and the registered owner of any Bond (initially Cede & Co.) all or a part of which is called for prior redemption at his or her address as it last appears on the registration records kept by the Registrar. The notice shall identify the Bonds and state that on such date the principal amount thereof, and premium, if any, thereon will become due and payable at the Paying Agent (accrued interest to the Redemption Date being payable by mail or as otherwise provided in this Ordinance), and that after such Redemption Date interest will cease to accrue. After such notice and presentation of said Bonds, the Bonds called for redemption will be paid. Actual receipt of mailed notice by the MSRB

or any registered owner of Bonds shall not be a condition precedent to redemption of such Bonds. Failure to give such notice by mailing to the MSRB or the registered owner of any Bond designated for redemption, or any defect therein, shall not affect the validity of the proceedings for the redemption of any other Bond. A certificate by the Registrar that notice of call and redemption has been given as provided in this Section shall be conclusive as against all parties; and no owner whose Bond is called for redemption or any other owner of any Bond may object thereto or may object to the cessation of interest on the Redemption Date on the ground that he failed actually to receive such notice of redemption.

Notwithstanding the provisions of this section, any notice of redemption may contain a statement that the redemption is conditional upon the receipt by the Paying Agent of funds on or before the date fixed for redemption sufficient to pay the redemption price of the Bonds so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the owners of the Bonds called for redemption in the same manner as the original redemption notice was mailed.

Section 15. **Negotiability.** Subject to the registration provisions herein provided, the Bonds shall be fully negotiable within the meaning of and for the purpose of the Uniform Commercial Code - Investment Securities and each owner shall possess all rights enjoyed by holders of negotiable instruments under the Uniform Commercial Code - Investment Securities.

Section 16. **Registration, Transfer and Exchange of Bonds.** Except as otherwise provided in Section 17 hereof:

(1) records for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender of any Bond at the Registrar, duly endorsed for transfer or accompanied by an assignment in form satisfactory to the Registrar duly executed by the owner or his or her attorney duly authorized in writing, the Registrar shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount and of the same maturity, bearing a number or numbers not previously assigned. Bonds may be exchanged at the Registrar for an equal aggregate principal amount of Bonds of the same maturity of other authorized denominations, as provided in § 13 hereof. The Registrar shall authenticate and deliver a Bond or Bonds which the owner making the exchange is entitled to receive, bearing a number or

numbers not previously assigned. For every exchange or transfer of Bonds requested by the owner thereof, the Registrar may make a sufficient charge to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and may charge a sum sufficient to pay the cost of preparing and authenticating a new Bond.

(2) the person in whose name any Bond shall be registered, on the registration records kept by the Registrar, shall be deemed and regarded as the absolute owner thereof for the purpose of payment and for all other purposes (except to the extent otherwise provided in Section 13 hereof with respect to interest payments); and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the owner thereof or his or her legal representative. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

(3) if any Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it or the County may reasonably require, and upon payment of all expenses in connection therewith, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity, bearing a number or numbers not previously assigned. If such lost, stolen, destroyed or mutilated Bond shall have matured, the Registrar may direct that such Bond be paid by the Paying Agent in lieu of replacement.

(4) whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or to the Registrar for transfer, exchange or replacement as provided herein, such Bond shall be promptly canceled by the Paying Agent or Registrar, and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or Registrar to the Board, upon request.

Section 17. **Book Entry.**

(1) Notwithstanding the foregoing provisions of Sections 13 to 16 hereof, the Bonds shall initially be evidenced by one Bond for each year in which the Bonds mature in denominations equal to the aggregate principal amount of the Bonds maturing in that year. Such initially delivered Bonds shall be registered in the name of "Cede & Co." as nominee for The Depository Trust Company, the securities depository for the Bonds. The bonds may not thereafter be transferred or exchanged except:

(1) to any successor of The Depository Trust Company or its nominee, which successor must be both a "clearing corporation" as defined in subsection 3 of NRS § 104.8102, and a qualified and registered "clearing agency" under Section 17A of the Securities Exchange Act of 1934, as amended; or

(2) upon the resignation of The Depository Trust Company or a successor or new depository under clause (1) or this clause (2) of this Subsection A, or a determination by the Board that The Depository Trust Company or such successor or new depository is no longer able to carry out its functions, and the designation by the Board of another depository institution acceptable to the Board and to the depository then holding the bonds, which new depository institution must be both a "clearing corporation" as defined in subsection 3 of NRS § 104.8102 and a qualified and registered "clearing agency" under Section 17A of the Securities Exchange Act of 1934, as amended, to carry out the functions of The Depository Trust Company or such successor or new depository; or

(3) upon the resignation of The Depository Trust Company or a successor or new depository under clause (1) or clause (2) of this Subsection A, or a determination of the Board that The Depository Trust Company or such successor or new depository is no longer able to carry out its functions, and the failure by the Board, after reasonable investigation, to locate another qualified depository institution under clause (2) to carry out such depository functions;

(2) in the case of a transfer to a successor of The Depository Trust Company or its nominee as referred to in clause (1) of Subsection (a) hereof or designation of a new depository pursuant to clause (2) of Subsection (a) hereof, upon receipt of the outstanding Bonds by the Registrar, together with written instructions for transfer satisfactory to the Registrar, a new Bond for each maturity of the Bonds then outstanding shall be issued to such successor or new depository, as the case may be, or its nominee, as is specified in such written transfer instructions. In the case of a resignation or determination under clause (3) of Subsection (a) hereof and the failure after reasonable investigation to locate another qualified depository institution for the bonds as provided in clause (3) of Subsection (a) hereof, and upon receipt of the outstanding bonds by the Registrar, together with written instructions for transfer satisfactory to the Registrar, new Bonds shall be issued in the denominations of \$5,000 or any integral multiple thereof, as provided in any subject to the

limitations of Section 13 hereof, registered in the names of such persons, and in such denominations as are requested in such written transfer instructions; however, the Registrar shall not be required to deliver such new Bonds within a period of less than 60 days from the date of receipt of such written transfer instructions;

(3) the Board, the Registrar and the Paying Agent shall be entitled to treat the registered owner of any Bond as the absolute owner thereof for all purposes hereof and any applicable laws, notwithstanding any notice to the contrary received by any or all of them and the Board, the Registrar and the Paying Agent shall have no responsibility for transmitting payments to the beneficial owners of the Bonds held by The Depository Trust Company or any successor or new depository named pursuant to Subsection (a) hereof, and

(4) the Board, the Registrar and the Paying Agent shall endeavor to cooperate with The Depository Trust Company or any successor or new depository named pursuant to clause (1) or (2) of Subsection (a) hereof in effectuating payment of the Bond Requirements of the Bonds by arranging for payment in such a manner that funds representing such payments are available to the depository on the date they are due.

Section 18. **Execution and Authentication.**

(1) Prior to the execution of any Bonds and pursuant to § 350.638, Bond Act, to the act known as the Uniform Facsimile Signatures of Public Officials Act, cited as Chapter 351, NRS, and to the Supplemental Bond Act, the Chairman of the Board (the "Chairman"), the County Treasurer (the "Treasurer") and the County Clerk (the "Clerk") shall have each filed with the Secretary of State of Nevada his or her manual signature certified by him or her under oath;

(2) the Bonds shall be approved, signed and executed in the name of and on behalf of the County with the manual or facsimile signature of the Chairman, shall be signed and executed with the manual or facsimile signature of the Treasurer, and shall bear a manual impression or a facsimile of an impression of the official seal of the County attested with the manual or facsimile signature of the Clerk.

(3) no Bond shall be valid or obligatory for any purpose unless the certificate of authentication thereon, substantially in the form hereinafter provided, has been duly manually executed by the Registrar. The Registrar's certificate of authentication shall be deemed to

have been duly executed by it if manually signed by an authorized officer or employee of the Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder. By authenticating any of the Bonds initially delivered pursuant to this Ordinance, the Registrar shall be deemed to have assented to all of the provisions of this Ordinance;

(4) the Chairman, the Treasurer and the Clerk are hereby authorized and directed to prepare and to execute the Bonds as herein provided.

Section 19. **Use of Predecessor's Signature.** The Bonds bearing the signatures of the officers in office at the time of the execution of the Bonds shall be valid and binding obligations of the County, notwithstanding that before their delivery any or all of the persons who executed them shall have ceased to fill their respective offices. The Chairman, the Treasurer, and the Clerk at the time of the execution of a signature certificate relating to the Bonds, may each adopt as and for his own facsimile signature the facsimile signature of his predecessor in office if such facsimile signature appears upon any of the Bonds.

Section 20. **Incontestable Recital.** Pursuant to § 350.628 of the Bond Act, the Bonds shall contain a recital that they are issued pursuant to the Bond Act, which recital shall be conclusive evidence of the validity of the Bonds and the regularity of their issuance.

Section 21. **State Tax Exemption.** Pursuant to § 350.710, Bond Act, the Bonds, their transfer and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

Section 22. **Initial Registration.** The Registrar shall maintain the registration records of the County for the Bonds, showing the name and address of the owner of each Bond authenticated and delivered, the date of authentication, the maturity of the Bond, and its interest rate, principal amount, and Bond number.

Section 23. **Bond Delivery.** After such registration by the Registrar and after their execution and authentication as provided herein, the Treasurer shall cause the Bonds to be delivered to the Purchaser, upon payment being made in accordance with the terms of their sale.

Section 24. **Bond Form.** Subject to the provisions of this Ordinance, the Bonds shall be in substantially the following form, with such omissions, insertions, endorsements, and variations as may be required by the circumstances, be required or permitted by this Ordinance, or be consistent with this Ordinance and necessary or appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto:

(Form of Bond)

TRANSFER OF THIS BOND OTHER THAN BY REGISTRATION IS NOT EFFECTIVE

WASHOE COUNTY, NEVADA
GENERAL OBLIGATION (LIMITED TAX)
MEDIUM TERM BOND
SERIES 2004

\$ _____

Interest Rate Maturity Date Dated As of CUSIP

_____ 1, _____, 2004

REGISTERED OWNER: **CEDE & CO.**

PRINCIPAL AMOUNT: _____ DOLLARS

Washoe County, in the State of Nevada (the "County", and the "State", respectively) for value received, hereby acknowledges itself to be indebted and promises to pay to the registered owner specified above, or registered assigns, the principal amount specified above, on the maturity date specified above, and to pay interest thereon on January 1 and July 1 of each year, commencing on July 1, 2005, at the interest rate per annum specified above, until the principal sum is paid or payment has been provided for. This Bond (being one of the "Bonds", as hereinafter defined) shall bear interest from the most recent interest payment date to which interest has been paid or, if no interest has been paid, from the date of this Bond. The principal of this Bond is payable upon presentation and surrender hereof at the principal office of the County's paying agent for the Bonds (the "Paying Agent"), or such other office as designated by the Paying Agent, presently U.S. Bank, N.A., who is also now acting as the County's Registrar for the Bonds (the "Registrar"). Interest on this Bond will be paid on or before each interest payment date (or, if such date is not a business day, on or before the next succeeding business day) by check or draft mailed to the person in whose name this Bond is registered (the "registered owner") in the registration records of the County maintained by the Registrar, at the address appearing thereon, as of the close of business on the 15th day of the calendar month next preceding such interest payment date (the "Regular Record Date"). Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner as of the close of business on the Regular Record Date and shall be payable to the person who is the registered owner as of the close of business on a special record date for the payment of any defaulted interest (the "Special Record Date"). Such Special Record Date shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the registered owner not less than ten (10) days

prior thereto. Alternative means of payment of interest may be used if mutually agreed to by the registered owner and the Paying Agent, as provided in the ordinance of the Board of County Commissioners of the County (the "Board") authorizing the issuance of the Bonds of the series of which this Bond is one (the "Bonds") and designated in §1 thereof as the "2004 Medium Term Bond Ordinance" (the "Ordinance"), duly adopted by the Board on August 24, 2004. All such payments shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar.

The Bonds are issuable solely as fully registered Bonds in denominations of \$5,000 each or (subject to certain conditions) any integral multiple thereof, and are exchangeable for fully registered Bonds of the same maturity in equivalent aggregate principal amounts and in authorized denominations at the aforesaid office of the Registrar but only in the manner, subject to the limitations, and on payment of charges provided in the Ordinance.

This Bond is fully transferable by the registered owner in person or by his or her duly authorized attorney on the registration records kept by the Registrar upon surrender of this Bond together with a duly executed written instrument of transfer satisfactory to the Registrar. Upon such transfer a new fully registered Bond of authorized denomination or denominations of the same aggregate principal amount and maturity will be issued to the transferee in exchange for this Bond, on payment of the charges and subject to the terms and conditions as set forth in the Ordinance.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the County or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

This Bond must be registered in the name of the owner as to both principal and interest on the registration records kept by the Registrar in conformity with the provisions stated herein and endorsed hereon and subject to the terms and conditions set forth in the Ordinance. No transfer of this Bond shall be valid unless made on the registration records maintained at the principal office of the Registrar by the registered owner or his or her attorney duly authorized in writing.

The County and the Registrar and Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of payment and for all other purposes, except to the extent otherwise provided hereinabove and in the Ordinance with respect to Regular and Special Record Dates for the payment of interest.

** The Bonds shall not be transferable or exchangeable except as set forth in the Ordinance.**

[Certain of the Bonds are subject to redemption prior to their respective maturities as set forth in the Certificate of the County Finance Director.]

This Bond is one of a series of Bonds issued by the County upon its behalf and upon the credit thereof, for the purpose of financing all or a portion of the cost of acquiring, improving, and equipping a building project, including a public building or complex of buildings to accommodate or house lawful County activities, including, without limitation, courts, records, County personnel, offices, supplies and equipment (the "Project") under the authority of and in full compliance with the Constitution and laws of the State, and pursuant to the Ordinance.

This Bond is issued pursuant to Nevada Revised Statutes ("NRS") Chapter 244A (the "County Bond Law"), pursuant to NRS §§ 350.087 through 350.095, inclusive (the "Project Act"), pursuant to NRS §§ 350.500 through 350.720, and all laws amendatory thereof, designated in § 350.500 thereof as the "Local Government Securities Law" (the "Bond Act"), and pursuant to the Ordinance; pursuant to § 350.628 of the Bond Act, this recital is conclusive evidence of the validity of the Bonds and the regularity of their issuance; and pursuant to § 350.710 of the Bond Act, the Bonds, their transfer, and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to the provisions of Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to the provisions of Chapter 375B of NRS.

The Bonds, as to all Bond Requirements, shall be payable from any moneys of the County legally available for the purpose of making such payment and the full faith and credit of the County are hereby irrevocably pledged for making such payment. Provision for the payment of the Bonds shall be made as provided in §§ 350.093 and 350.095, Project Act, provided, however, that ad valorem taxes levied for the purpose of paying the principal of and interest on the Bonds are subject to the limitations contained in the Constitution and the statutes of the State, including, without limitation, the limitations on ad valorem taxes contained in NRS §§ 354.59811, 354.59813, 354.59815, 354.5982 and 361.453. The County is not authorized to levy ad valorem taxes to pay the principal of or interest on the Bonds exempt from the limitations of any such statutes, but the County has pledged its full faith and credit to make payment of the Bond Requirements of the Bonds, when due.

The County covenants and agrees with the owner of this Bond and with each and every person who may become the owner hereof that it will keep and will perform all of the covenants of the Ordinance.

No recourse shall be had for the payment of the Bond Requirements of this Bond or for any claim based thereon or otherwise in respect to the Ordinance or other instrument pertaining thereto against any individual member of the Board, or any officer or other agent of the County, past,

present, or future, either directly or indirectly through the Board or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of this Bond and as a part of the consideration of its issuance specially waived and released.

It is hereby certified, recited, declared and warranted that all actions required to be taken prior to the issuance hereof have been had and taken by the County; that the issuance of the Bonds has been approved by the Executive Director of the Department of Taxation of the State of Nevada as required by the Project Act, and that the principal of the Bonds, when added to other County indebtedness, does not exceed the limits on indebtedness of the County provided in the Constitution and statutes of the State.

This Bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the certificate of authentication hereon.

IN WITNESS WHEREOF, the Board of County Commissioners of Washoe County, State of Nevada, has caused this Bond to be executed in the name and on behalf of the County with the manual or facsimile signature of the Chairman of the Board, to be attested, signed and executed with a manual or facsimile signature of the County Clerk and to be signed, subscribed and executed by the manual or facsimile signature of the County Treasurer, and has caused a manual or facsimile impression of the seal of the County to be affixed hereon, all as of _____, 2004.

WASHOE COUNTY, NEVADA

(Manual or Facsimile Signature)
Chairman
Board of County Commissioners

(MANUAL OR FACSIMILE
COUNTY SEAL)

(Manual or Facsimile Signature)
County Treasurer

Attest:

(Manual or Facsimile Signature)
County Clerk

- * Insert only if Bonds are delivered pursuant to Section 17(A)(3) of this Ordinance.
- ** Insert only if Bonds are initially delivered to the Depository Trust Company pursuant to Section 17(A) of this Ordinance.

(End of Form of Bond)

(Form of Registrar's Certificate of Authentication for Bonds)

Date of authentication
and registration _____

This is one of the Bonds described in the within-mentioned Ordinance, and this Bond has been duly registered on the registration records kept by the undersigned as Registrar for such Bonds.

U.S. BANK, N.A.
as Registrar

By _____ (Manual Signature)
Authorized Officer

(End of Form of Registrar's Certificate of Authentication for Bonds)

** (Form of Prepayment Panel)

The following installments of principal (or portions thereof) of this Bond have been prepaid by the County, in accordance with the terms of the Ordinance authorizing the issuance of this Bond.

<u>Date of Prepayment</u>	<u>Principal</u>	<u>Signature of Authorized Representative of DTC</u>

(End of Form of Prepayment Panel)**

[Add Statement of Insurance]

(Form of Assignment for Bonds)

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and hereby irrevocably constitutes and appoints _____ attorney, to transfer the same on the records kept for registration of the within Bond, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Name of Transferee:

Address of Transferee:

Social Security or other tax
identification number of
Transferee:

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

NOTICE: TRANSFER FEES MUST BE PAID TO THE REGISTRAR IN ORDER TO TRANSFER OR EXCHANGE THIS BOND AS PROVIDED IN THE WITHIN-MENTIONED ORDINANCE.

(End of Form of Assignment for Bonds)

Section 25. **Use of Bond Proceeds and Other Funds.** Upon the issuance of the Bonds, the County Treasurer shall cause the proceeds of the Bonds to be applied as follows:

(1) first, pursuant to § 350.648, Bond Act, the Bond proceeds received from the sale of the Bonds as accrued interest on the Bonds shall be deposited into the Medium-Term Debt Service Account, hereinafter created.

(2) the balance of the proceeds received from the sale of the Bonds shall be deposited into a special account hereby created and designated as the "Washoe County, Nevada, General Obligation (Limited Tax) Medium Term Bonds, Series 2004 Acquisition Account" (the "Acquisition Account") to be held by the County. Moneys in the Acquisition Account shall be used solely to defray wholly or in part the cost of the Project including, without limitation, as provided in § 350.516, Bond Act, all costs of issuing the Bonds, and the costs of rebates to the United States under Section 148 of the Internal Revenue Code of 1986, as amended (the "Tax Code"), which the Board hereby determines are necessary and desirable and pertain to the Project. After the Project is complete and after all expenses have been paid or adequate provision therefor is made, pursuant to § 350.650 Bond Act, any unexpended balance of Bond proceeds (or, unless otherwise required by law, any other moneys) remaining in the Acquisition Account shall be deposited into the Medium-Term Debt Service Account hereinafter created to be used to pay the principal of and interest on the Bonds.

Section 26. **Use of Investment Gain.** Pursuant to § 350.658, Bond Act, any gain from any investment and any reinvestment of any proceeds of the Bonds shall be deposited promptly upon the receipt of such gain at any time or from time to time into the Acquisition Account to defray, in part, the cost of the Project or, if adequate provision has been made for the Project, into the Medium-Term Debt Service Account, hereinafter created, for the respective payment of the principal of or interest on the Bonds or any combination thereof. As provided in Section 34 hereof, any annual ad valorem taxes for the payment of the principal of or interest on the Bonds levied after such deposits of any such investment or reinvestment gain, may be diminished to the extent of the availability of such deposit for the payment of such principal or interest.

Section 27. **Completion of Project.** The County, with the proceeds derived from the sale of the Bonds, shall proceed to complete the Project without delay and with due diligence to the best of the County's ability, as hereinabove provided. A contract or contracts for the construction

and other acquisition of the Project shall be let as soon as practicable after the delivery of any Bonds except to the extent theretofore let, if theretofore let.

Section 28. **Prevention of Bond Default.** Subject to the provisions of Sections 30 and 34 hereof, the Treasurer shall use any Bond proceeds credited to the Acquisition Account, without further order or warrant, to pay the Bond Requirements of the Bonds as the same become due whenever and to the extent moneys otherwise available therefor are insufficient for that purpose, unless such Bond proceeds shall be needed to defray obligations accrued and to accrue under any contracts then existing and relating to the Project. The Treasurer shall promptly notify the Board of any such use.

Section 29. **Purchaser Not Responsible.** The validity of the Bonds shall not be dependent on nor be affected by the validity or regularity of any proceedings relating to the Project, or any part thereof, or to the completion of the Project. The Purchaser, any associate thereof, and any subsequent owner of any Bond shall in no manner be responsible for the application or disposal by the County or by any of its officers, agents and employees of the moneys derived from the sale of the Bonds or of any other moneys herein designated.

Section 30. **General Tax Levies.** Pursuant to § 350.596, Bond Act, if necessary, at any time when there are not sufficient funds on hand to pay the interest and the principal amount of Bonds, when due, the Bond Requirements shall be paid out of the Acquisition Account or out of a general fund of the County or out of any other funds that may be available for such purpose, including, without limitation, any proceeds of ad valorem taxes legally available therefor. For the purpose of repaying any moneys so paid from any such fund or funds (other than any moneys available without replacement for the payment of such Bond Requirements on other than a temporary basis), and for the purpose of creating funds for the payment of the Bond Requirements, there is hereby created a separate account designated as the "Washoe County, Nevada, General Obligation (Limited Tax) Medium Term Bonds, Series 2004, Medium-Term Debt Service Account" (the "Medium-Term Debt Service Account"). Pursuant to §§ 350.592 and 350.594, Bond Act, and §§ 350.093 and 350.095, Project Act, except to the extent other funds are legally available therefor, there shall be duly levied immediately after the issuance of the Bonds and annually thereafter, until all of the Bond Requirements shall have been fully paid, satisfied and discharged, an ad valorem tax

on all property, both real and personal, subject to taxation within the boundaries of the County, including the net proceeds of mines, fully sufficient to reimburse such fund or funds for any such amounts temporarily advanced to pay such initial installment of interest, and to pay the interest on the Bonds becoming due after such initial installment, and to pay and retire the Bonds as they thereafter become due at maturity as herein provided, after there are made due allowances for probable delinquencies. The proceeds of such annual levies shall be duly credited to the Medium-Term Debt Service Account for the payment of such Bond Requirements. In the preparation of the annual budget or appropriation resolution or ordinance for the County, the Board shall first make proper provisions through the levy of sufficient ad valorem taxes for the payment of the interest on and the retirement of the principal of the bonded indebtedness of the County, including, without limitation, the Bonds, subject to the limitation imposed by NRS §§ 354.5981 1, 354.59813, 354.59815, 354.5982 and § 361.453 and Section 2, art. 10, State Constitution, and the amount of money necessary for this purpose shall be a first charge against all the revenues received by the County which are legally available to pay the Bond Requirements of the Bonds.

Section 31. **Priorities for Bonds.** The County hereby covenants that in any year in which the total ad valorem taxes levied against the property in the County by all overlapping units within the boundaries of the County exceeds the limitations imposed by NRS §§ 361.453, 354.59811, 354.59813 and 354.5982 or a lesser or greater amount fixed by the State Board of Examiners in any fiscal year, and it becomes necessary by reason thereof to reduce the levies made by any and all such units, the reductions so made shall be in ad valorem taxes levied by the County for purposes other than the payment of the Bond Requirements of the Bonds and other bonded indebtedness of the County including interest thereon. The ad valorem taxes levied for the payment of the Bonds and such bonded indebtedness and the interest thereon shall always enjoy a priority over ad valorem taxes levied by the County for all other purposes where reduction is necessary in order to comply with the limitation of NRS §§ 361.453, 354.59811, 354.59813 and 354.5982.

Section 32. **Correlation of Levies.** Such ad valorem taxes shall be levied and collected in the same manner and at the same time as other taxes are levied and collected, and the proceeds thereof for the Bonds herein authorized shall be kept in the Medium-Term Debt Service

Account, which account shall be used for no other purpose than the payment of principal and interest, respectively, as the same fall due.

Section 33. **Use of General Fund.** Any sums becoming due on the Bonds at any time when there are on hand from such ad valorem taxes (and any other legally available moneys) insufficient funds to pay the same shall be promptly paid when due from general funds on hand belonging to the County, reimbursement to be made for such general funds in the amounts so advanced when the ad valorem taxes herein provided for have been collected, pursuant to § 350.596, Bond Act.

Section 34. **Use of Other Funds.** Nothing in this Ordinance prevents the County from applying any funds (other than ad valorem taxes) that may be available for that purpose to the payment of the Bond Requirements as the same, respectively, mature, and upon such payments, the levy or levies herein provided may thereupon to that extent be diminished, pursuant to § 350.598, Bond Act.

Section 35. **Legislative Duties.** In accordance with § 350.592, Bond Act, it shall be the duty of the Board annually, at the time and in the manner provided by law for levying other ad valorem taxes of the County, if such action shall be necessary to effectuate the provisions of this Ordinance, to ratify and carry out the provisions hereof with reference to the levy and collection of ad valorem taxes; and the Board shall require the officers of the County to levy, extend and collect such ad valorem taxes in the manner provided by law for the purpose of creating funds for the payment of the principal of the Bonds and the interest thereon. Such ad valorem taxes, when collected shall be kept for and applied only to the payment of the principal of and the interest on the Bonds as hereinbefore specified.

Section 36. **Appropriation of Ad Valorem Taxes.** In accordance with § 350.602, Bond Act, there is hereby specially appropriated the proceeds of such ad valorem taxes to the payment of such principal of and interest on the Bonds; and such appropriations will not be repealed nor the ad valorem taxes postponed or diminished (except as herein otherwise expressly provided) until the Bond Requirements the Bonds have been wholly paid or provided for.

Section 37. **Protective Covenants.** The County covenants and agrees with each and every owner from time to time of the Bonds, that:

- (a) the Project shall be completed without delay; and
- (b) the County will make the principal and interest payments on the Bonds

at the place, on the date, and in the manner specified according to the true intent and meaning hereof.

Section 38. **Tax Covenant.** The County covenants for the benefit of the owners of the Bonds that it will not take any action or omit to take any action with respect to the Bonds, the proceeds thereof, any other funds of the County or any facilities financed with the proceeds of the Bonds if such action or omission (i) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under § 103 of the Tax Code, or (ii) would cause interest on the Bonds to lose its exclusion from alternative minimum taxable income as defined in § 55(b)(2) of the Tax Code except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under § 56 of the Tax Code in calculating corporate alternative minimum taxable income. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the Bonds until the date on which all obligations of the County in fulfilling the above covenant under the Tax Code have been met.

Section 39. **Defeasance.** When all Bond Requirements of any Bond have been duly paid, the pledge, the lien, and all obligations hereunder shall thereby be discharged and that Bond shall no longer be deemed to be outstanding within the meaning of this Ordinance. There shall be deemed to be such due payment when the County has placed in escrow or in trust with a trust bank located within or without the State, an amount sufficient (including the known minimum yield available for such purpose from bills, certificates of indebtedness, notes, bonds or similar securities which are direct obligations of, or the principal of and interest on which are unconditionally guaranteed by the United States ("Federal Securities") in which such amount may be initially invested wholly or in part) to meet all Bond Requirements of the Bond, as the same become due. The Federal Securities shall become due before the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the County and the bank at the time of the creation of the escrow or trust, or the Federal Securities shall be subject to redemption at the option of the holders thereof to assure availability as needed to meet the schedule.

For the purpose of this section "Federal Securities" shall include only Federal Securities which are not callable for redemption prior to their maturities except at the option of the owner thereof.

Section 40. **Replacement of Registrar or Paying Agent.** If the Registrar or Paying Agent initially appointed hereunder shall resign, or if the Board shall reasonably determine that said Registrar or Paying Agent has become incapable of performing its duties hereunder, the Board may, upon notice mailed to each owner of any Bond at his or her address last shown on the registration records, appoint a successor Registrar or Paying Agent, or both. No resignation or dismissal of the Registrar or Paying Agent may take effect until a successor is appointed. Every such successor Registrar or Paying Agent shall be either an officer of the County or a commercial bank as defined in NRS § 350.512 with trust powers. It shall not be required that the same institution serve as both Registrar and Paying Agent hereunder, but the County shall have the right to have the same institution serve as both Registrar and Paying Agent. Any successor by merger with the Registrar and Paying Agent is automatically appointed as Registrar and Paying Agent hereunder without any further action of the Board, as long as the successor otherwise is qualified to act as Registrar and Paying Agent pursuant to this section. Any bank, trust company or national banking association into which the Registrar and/or Paying Agent or its successor may be converted, merged or with which it may be consolidated, or to which it may sell or transfer all or substantially all of its corporate trust business shall be the successor of the Registrar and/or Paying Agent under this Ordinance with the same rights, powers, duties and obligations and subject to the same restrictions, limitations, and liabilities as its predecessor, all without the execution or filing of any papers or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 41. **Continuing Disclosure Undertaking.** The County covenants for the benefit of the holders and beneficial owners of the Bonds to comply with the provisions of the Continuing Disclosure Certificate to be executed by the Finance Director in conformity with Rule 15c2-12 of the Securities Exchange Commission, and delivered in connection with the delivery of the Bonds.

Section 42. **Delegated Powers.** The officers and employees of the County are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including, without limitation:

(a) the printing of the Bonds, including, without limitation, and if appropriate, a statement of insurance, if any;

(b) the execution of such certificates as may be reasonably required by the Purchaser, relating, inter alia;

(1) the signing of the Bonds;

(2) the tenure and identity the officials of the County;

(3) the assessed valuation of the taxable property in and the indebtedness of the County;

(4) the rate of ad valorem taxes levied against taxable property in the County;

(5) the exemption of interest on the Bonds from federal income taxation;

(6) the delivery of the Bonds and the receipt of the Bond purchase price;

(7) the accuracy and completeness of any information provided in connection with the Bonds, including information contained in the official statement for the Bonds;

(8) if it is in accordance with the fact, the absence of litigation, pending or threatened, affecting the validity of the Bonds;

(9) the execution of the Certificate and the Continuing Disclosure Certificate; and

(c) the assembly and dissemination of financial and other information concerning the County and the Bonds.

Section 43. **Ordinance Irrepealable.** After any of the Bonds are issued, this Ordinance shall constitute an irrevocable contract between the County and the owner or owners of the Bonds; and this Ordinance, if any Bonds are in fact issued, shall be and shall remain irrepealable until the Bonds, as to all Bond Requirements, shall be fully paid, canceled and discharged, as herein provided.

Section 44. **Implied Repealer.** All ordinances, resolution bylaws and orders, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency.

This repealer shall not be construed to revive any ordinance, resolutions, bylaw or order, or part hereof, heretofore repealed.

Section 45. **Emergency.** The Board has expressed in the preambles of this Ordinance that it pertains to the sale, issuance and payment of the Bonds, that this Ordinance may accordingly be adopted as if an emergency now exists, and may become effective at any time when an emergency ordinance of the County may go into effect. Consequently, pursuant to NRS § 350.579 final action shall be taken immediately, and this Ordinance shall be in effect from and after its publication by title as herein provided.

Section 46. **Publication and Effective Date.** After this Ordinance is signed by the Chairman and attested and sealed by the Clerk, this Ordinance shall be in effect from and after its publication twice by its title only, together with the names of the Commissioners voting for or against its passage and a statement that typewritten copies of this Ordinance are available for inspection by all interested parties at the office of the County Clerk, such publication to be made in a newspaper published and having a general circulation in the County at least once a week for a period of two weeks, and such publication to be in substantially the following form:

(Form of Publication)

BILL NO. ____

ORDINANCE NO. ____

AN ORDINANCE DESIGNATED BY THE SHORT TITLE "2004 MEDIUM TERM BOND ORDINANCE;" AUTHORIZING THE ISSUANCE OF AND SPECIFYING THE TERMS AND CONDITIONS OF THE REGISTERED, NEGOTIABLE, WASHOE COUNTY, NEVADA GENERAL OBLIGATION (LIMITED TAX) MEDIUM TERM BONDS, SERIES 2004 IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$13,900,000 FOR THE SPARKS JUSTICE COURT PROJECT; SPECIFYING AND AUTHORIZING THE FINANCE DIRECTOR TO SPECIFY OTHER DETAILS CONCERNING THE BONDS; PROVIDING FOR ITS ADOPTION AS IF AN EMERGENCY EXISTS AND THE EFFECTIVE DATE HEREOF.

PUBLIC NOTICE IS HEREBY GIVEN, that an adequate number of typewritten copies of the above-numbered and entitled Ordinance are available for public inspection and distribution at the office of the County Clerk of Washoe County, at her office in the County Courthouse in Reno, Nevada, and that such Ordinance was proposed by Commissioner on August 24, 2004, and was passed and adopted at a regular meeting of the Washoe County Board of County Commissioners at the same meeting on the August 24, 2004, by the following vote of the Board of County Commissioners:

Those Voting Aye:

Jim Galloway
Dave Humke
Pete Sferrazza
Jim Shaw
Bonnie Weber

Those Voting Nay:

Those Absent:

This Ordinance shall be in full force and effect from and after the ____ day of September 2004, i.e., the date of the second publication of such Ordinance by title only.

IN WITNESS WHEREOF, the Board of County Commissioners of Washoe County, Nevada, has caused this Ordinance to be published by title only.

DATED this August 24, 2004.

/s/ Jim Shaw
Chairman
Board of County Commissioners
Washoe County, Nevada

(SEAL)

Attest:

/s/ Amy Harvey
County Clerk

(End of Form of Publication)

Section 47. Severability. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

PASSED AND ADOPTED BY AN AFFIRMATIVE VOTE OF AT LEAST TWO-THIRDS OF THE MEMBERS OF THE BOARD OF COUNTY COMMISSIONERS OF WASHOE COUNTY, NEVADA, THIS August 24, 2004.

Proposed on August 24, 2004

Proposed by Commissioner Humke

Passed August 24, 2004.

Vote:

Those Voting Aye:

Jim Galloway
Dave Humke
Pete Sferrazza
Jim Shaw
~~Bonnie Weber~~

Those Voting Nay:

None

Absent:

Bonnie Weber

Attest:

Amy Harvey
County Clerk

James M. Shaw
Chairman of the Board

This Ordinance shall be in force and effect from and after the 3rd day of September, 2004, i.e, the date of the second publication of such Ordinance by its title only.

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

I, Amy Harvey, am the qualified and elected Clerk of Washoe County (the "County"), and in the performance of my duties as Clerk do hereby certify:

1. The foregoing pages are a true, correct and compared copy of an ordinance adopted by Board of County Commissioners (the "Board") of the County at a meeting held on August 24, 2004. The original of the ordinance has been approved and authenticated by the signatures of the Chairman of the Board and myself as County Clerk and sealed with the seal of the County, and has been recorded in the minute book of the Board kept for that purpose in my office.

2. Said proceedings were duly had and taken as therein shown. The following Commissioners were present at said meeting and voted on the ordinance as set forth in the ordinance.

3. All members of the Board were given due and proper notice of such meeting.

4. Public notice of such meeting was given and such meeting was held and conducted in full compliance with the provisions of NRS § 241.020. A copy of the notice of meeting and excerpts from the agenda for the meeting relating to the ordinance, as posted by 9:00 a.m. at least 3 working days in advance of the meeting at the County's website and at:

- (i) Washoe County Administration Complex
1001 East Ninth Street
Reno, Nevada
- (ii) Washoe County Courthouse
Virginia and Court Streets
Reno, Nevada
- (iii) Washoe County Library
301 South Center Street
Reno, Nevada
- (iv) Justice Court
630 Greenbrae Drive
Sparks, Nevada

is attached as Exhibit "A."

5. Prior to 9:00 a.m. at least 3 working days before such meeting, such notice was delivered to each member of the Board and to each person, if any, who has requested notice of meetings of the Board in the same manner in which notice is required to be mailed to a member of the Board.

IN WITNESS WHEREOF, I have hereunto set my hand this August 24, 2004.

(SEAL)

County Clerk

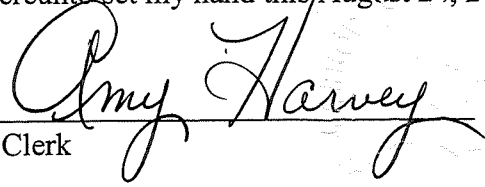
A handwritten signature in cursive script that reads "Amy Harvey". The signature is written over a horizontal line.

EXHIBIT "A"

(Attach Copy of Notice of Meeting)

COUNTY COMMISSIONERS

Shaw, Chairman
 Annie Weber, Vice-Chairman
 Jim Galloway
 David Humke
 Pete Sferrazza

COUNTY MANAGER

Katy Singlaub

ASSISTANT
 DISTRICT ATTORNEY

Madelyn Shipman

AGENDA

MEETING OF

WASHOE COUNTY BOARD OF COMMISSIONERS

COMMISSION CHAMBERS - 1001 E. 9th Street, Reno, Nevada

August 24, 2004

NOTE: Items on the agenda without a time designation may not necessarily be considered in the order in which they appear on the agenda. Items may be moved to the Consent Agenda at the beginning of the Board Meeting.

The Washoe County Commission Chambers are accessible to the disabled. If you require special arrangements for the meeting, please call the County Manager's Office, 328-2000, 24-hours prior to the meeting.

An Agenda **CAUCUS** Meeting will be held in the Commission Caucus Room (1001 E. 9th St., 2nd Floor, Reno) on **MONDAY, August 23, 2004**, following the *Work Card Permit Appeal*, in order to review agenda items for the regular meeting of the Washoe County Board of Commissioners as described below. Said review, if requested by the Commission, is limited to brief staff presentation of issue and may include review of background information and questions to be answered at the regular meeting.

NOTE: The Board of County Commissioners, on **MONDAY, August 23, 2004**, at **1:30 p.m.**, will take action on a **WORK CARD PERMIT APPEAL** for Paul A. Savoie. The **HEARING** will be a **CLOSED SESSION** to discuss the applicant's character or other matters under NRS 241.030(1) and will take place in the Commission Caucus Room (1001 E. 9th St., 2nd Floor, Reno).

Public Comment: Limited to three minutes per person and limited to matters other than the agenda items that will be heard at the Commission Meeting. Persons are invited to submit comments in writing on agenda items and/or attend and make comment on that item at the Commission Meeting.

AT THE CAUCUS MEETING (August 23, 2004), the following items may also be discussed:

Meeting Management Effectiveness.

Possible items for placement on the September 14, 2004 Commission Agenda.

Pursuant to NRS 241.020, the Agenda for the Commission Meeting has been posted at the following locations: Washoe County Administration Building (1001 E. 9th Street), Washoe County Courthouse-Clerk's Office (Court and Virginia Streets), Washoe County Central Library (301 South Center Street) and Sparks Justice Court (630 Greenbrae Drive). At the meeting, after salute to the flag and roll call, the Board of County Commissioners may vote on the following items as the Board and, ex-officio, as the Board of Fire Commissioners for the Truckee Meadows Fire Protection District, the Board of Fire Commissioners for the Sierra Forest Fire Protection District and/or the Board of Trustees of either the Lawton/Verdi or South

8. B. Amending provisions relating to Washoe County Code Chapter 110, Article 330, Section 330.45 - 4H and Future Farmers of America Livestock Projects, to modify standards for the keeping of livestock in the medium density suburban (MDS) land use designation for youth enrolled in the 4H and Future Farmers of America (FFA) program. The changes would allow up to six hens, cavy or rabbits on medium density suburban designated lots of 6,000 square feet or more and one sheep, swine or goat on property between 12,000 and one-half acre, and other matters properly relating thereto (Community Development).
9. Introduction and adoption of an Ordinance designated by the short title "2004 Medium Term Bond Ordinance;" authorizing issuance of and specifying the terms and conditions of the registered, negotiable, Washoe County, Nevada general obligation (limited tax) medium term bonds, series 2004 in the maximum aggregate principal amount of \$13,900,000 for the Sparks Justice Court project; specifying and authorizing the Finance Director to specify other details concerning the bonds; and providing for its adoption as if an emergency exist and providing the effective date hereof.

AND

Recommendation that the Board read into the record the Department of Taxation's approval for Washoe County to issue the \$13,900,000 in general obligation (limited tax) medium term bonds--Finance.

10. Recommendation to execute Human Services Consortium Contracts and corresponding Resolutions necessary for same between the County of Washoe and: Food Bank of Northern Nevada [\$52,717], Interfaith Hospitality Network [\$24,715], Catholic Community Services: Food Pantry [\$38,215], Catholic Community Services: Emergency Assistance [\$16,715], Washoe County School District: Family Resource Centers [\$19,315], Crisis Call Center [\$32,249] and Washoe County Sheriff's Office: Project Walkabout [\$33,474] for Fiscal Year 2004/05--Grants Administrator.
11. Review and approval of Washoe County Bill Draft Requests for the 2005 Legislative Session (Legislative Affairs)--Continued from August 17, 2004 Commission Meeting.
12. Status report and review of the customer service policies and procedures for the garbage collection and disposal services provided by Waste Management (requested by Commissioner Sferrazza).
13. Discussion and possible direction to staff regarding role and responsibilities of Board of County Commissioners and Board of Equalization (requested by Commissioner Galloway).
14. Discussion and possible direction regarding 2002 Regional Plan Settlements, litigation, potential litigation and associated issues, including reports on actions of the Regional Planning Commission and Regional Planning Governing Board.

EXHIBIT "B"

(Attach Affidavit of Publication)

G:\WP\DOCS\03400\148 med term\bondord4.DOC