

Summary - An ordinance authorizing local improvement bonds for Washoe County, Nevada, Special Assessment Districts Nos. 35 (Rhodes Road) and 36 (Evergreen Hills Drive), in the aggregate principal amount of not exceeding \$534,235 and providing other matters related thereto.

BILL NO. 1441

ORDINANCE NO. 1257

(of Washoe County, Nevada)

AN ORDINANCE AUTHORIZING THE ISSUANCE OF REGISTERED LOCAL IMPROVEMENT DISTRICT BONDS, SERIES 2005, FOR WASHOE COUNTY, NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 35 (RHODES ROAD) AND WASHOE COUNTY, NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 36 (EVERGREEN HILLS DRIVE) IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$534,235 TO FINANCE THE CONSTRUCTION OF STREET AND WATER IMPROVEMENTS; AND BY DECLARING THIS ORDINANCE PERTAINS TO THE SALE, ISSUANCE AND PAYMENT OF THE BONDS, PROVIDING FOR ITS ADOPTION AS IF AN EMERGENCY EXISTS; AND PROVIDING THE EFFECTIVE DATE HEREOF.

WHEREAS, the Board of County Commissioners (the "Board") of the County of Washoe (the "County"), and State of Nevada, pursuant to ordinances heretofore passed and adopted (the "Districts Nos. 35 and 36 Ordinances"), created Washoe County, Nevada, Special Assessment District No. 35 (Rhodes Road) and Washoe County, Nevada, Special Assessment District No. 36 (Evergreen Hills Drive) ("Districts Nos. 35 and 36" or the "Districts") and ordered the acquisition of a street project as defined in NRS 271.225 and a water project as defined in NRS 271.250 for Districts Nos. 35 and 36 (the "Projects") and determined to defray a portion of the entire cost and expense of the Projects by special assessments, according to benefits, against the benefited lots, tracts and parcels of land in the Districts; and

WHEREAS, the Board has by ordinances heretofore passed and adopted (the "District No. 35 Assessment Ordinance", the "District No. 36 Assessment Ordinance" and collectively, the "Assessment Ordinances") levied assessments in the total amount of \$534,235 against the property benefited by the applicable Project in the applicable District and there currently remains unpaid valid assessments in the aggregate principal amount of approximately \$534,235; and

WHEREAS, the Board and the officers of the County have determined, and do hereby determine, that it is necessary and for the best interests of the County and the inhabitants thereof that

the County issue its registered local improvement district bonds in an aggregate principal amount not exceeding the aggregate principal amount of such assessments as remains payable in installments on the date of delivery of the bonds authorized by this Ordinance ("Bonds" or "Bond" herein shall refer to the bonds issued for the Districts, which, as hereafter provided, will be evidenced by a single bond certificate); and

WHEREAS, the Board has elected, and hereby elects, to have Chapter 348 of NRS apply to the Bonds issued for the District; and

WHEREAS, the effective interest rate on the Bonds will not exceed by more than three percent (3%) the "Index of Twenty Bonds" most recently published before the bids are received or a negotiated offer is accepted; and;

WHEREAS, the Board has previously established a Local Improvement Districts Special Surplus and Deficiency Fund (the "Surplus and Deficiency Fund"), in accordance with NRS 271.428; and

WHEREAS, the Board has determined and does hereby declare:

(a) This ordinance pertains to the sale, issuance and payment of the Districts Nos. 35 and 36 Local Improvement Bonds, Series 2005;

(b) Such declaration shall be conclusive in the absence of fraud or gross abuse of discretion in accordance with the provisions of NRS 271.475; and

(c) This ordinance may accordingly be adopted as if an emergency now exists and may become effective at the same 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. This ordinance shall be known as and may be cited by the short title "Districts Nos. 35 and 36 Bond Ordinance" (this "Ordinance").

Section 2. All actions, proceedings, matters and things heretofore taken, had and done by the County and the officers of the County (not inconsistent with the provisions of this Ordinance) concerning the Districts Nos. 35 and 36, including, but not limited to, the construction and other acquisition of local improvements, the performing of all prerequisites to the levying of special assessments and to fixing the assessment lien against the property in Districts Nos. 35 and 36,

including, without limitation, the passage and adoption of the Assessment Ordinances, and the issuance of its "Washoe County, Nevada, Districts Nos. 35 and 36 Local Improvement Bonds, Series 2005" (the "Bonds" or the "bonds") in the aggregate principal amount of not exceeding \$534,235 and the sale of the Bonds to the successful bidder therefor (the "Purchaser"), be, and the same hereby is, ratified, approved and confirmed.

Section 3. The County be, and it hereby is, authorized, empowered and directed, and it shall be its duty to receive, collect and enforce the payment of all assessments made and levied for said improvements, and all installments thereof, all interest thereon, and all penalties accrued, as provided by law and in the same manner and at the same time or times as prescribed by the Assessment Ordinances, and by this Ordinance, and to pay and disburse said payments, the installments thereof, the interest thereon, and the penalties thereto, to any person or persons lawfully entitled thereto.

Section 4. The Treasurer of Washoe County be, and he or she hereby is, authorized, empowered and directed, and it shall be his or her duty, to receive and collect all assessments levied to pay the cost of said improvements, the installments thereof, the interest thereon (at a rate to be hereafter determined), and the penalties accrued, at the time and in the manner specified in the Assessment Ordinances, and to pay and disburse such payments to the person or persons lawfully entitled to receive the same, in accordance with the ordinances and resolutions of the County heretofore or to be hereafter adopted. All moneys received from assessments in the Districts after the applicable cash periods provided in the Assessment Ordinances, both principal and interest, shall be placed in a separate fund to be designated "Washoe County, Nevada, Districts Nos. 35 and 36 Bond Fund" (the "Bond Fund"), and shall be used as soon as the funds are available for the purpose of paying the principal of and the interest on, and prior redemption premiums, if any, on the Bonds, and for no other purpose whatsoever, and as security for such payment, said Bond Fund is hereby exclusively pledged except as otherwise specifically provided. The Treasurer of Washoe County be, and he or she hereby is, also authorized, empowered and directed and it shall be his or her duty to receive and collect surplus local improvement district moneys, if any, pursuant to NRS 271.428 and to place all said surplus moneys, except as otherwise required by NRS 271.429, in the County's Local Improvement Districts Special Surplus and Deficiency Fund (the "Surplus and Deficiency Fund") as

created by resolution duly adopted by the County, and to disburse from such Surplus and Deficiency Fund the moneys for the payment of the interest on and the principal of the County's special or local improvement district bonds, including the Bonds authorized in this Ordinance, to the extent necessary, if necessary.

Section 5. If the owner of any lot, tract or parcel of land assessed for the improvements shall be delinquent as to assessments, it shall be the duty of the Board to cause the delinquent person to be notified of such delinquency, in writing, and if such delinquency shall not be paid, the Board shall foreclose the special assessment lien against the property or properties wherein the delinquency exists in the method now or hereafter provided by law. If the foreclosure is not filed and prosecuted within a reasonable time, then any registered owner of the Bonds may file and prosecute a foreclosure action in the name of the County or may proceed against the County as provided in the Assessment Ordinances. All the net proceeds of collecting any delinquent assessment shall be deposited in the Bond Fund (or in the general fund of the County, to the extent provided in Section 10 hereof) and in any event in an amount of not less than the principal amount of the assessment and accrued interest thereon to the date of its collection.

Section 6. For the purpose of defraying a portion of the cost and expense of the Projects (except to the extent funds are available for the payment from that part of the assessments which have been paid and to the extent other funds are available for the payment), there shall be issued in the name of the County, the County's fully registered (i.e. registered as to payment of both principal and interest) special assessment bonds designated as the "Washoe County, Nevada, Districts Nos. 35 and 36 Local Improvement Bonds, Series 2005" in the aggregate principal amount of not exceeding \$534,235, which Bonds shall be dated the date of the delivery thereof to the Purchaser, and which shall be evidenced by a single bond certificate in the denomination equal to the aggregate principal amount of the Bonds. The Finance Director shall designate the Purchaser after receiving bids for the Bonds. The Bonds shall bear interest at the rates per annum hereinafter designated from the most recent interest payment date for which interest has been paid or duly provided for, or if no interest has been paid, from the date of the Bonds, to maturity at the rates per annum herein designated, payable semiannually on May 1 and November 1 of each year, commencing on November 1, 2005. The Bond shall mature in installments of principal in the amounts and on the dates, and be in the

aggregate principal amount, and bear interest at the rate, as specified in a certificate of the Finance Director of the County (the "Certificate of the Finance Director") executed after bids are received for the Bonds.

The Bonds shall be payable in lawful money of the United States of America without deduction for exchange or collection charges at the office of the paying agent designated in the Certificate of the Finance Director (the "Paying Agent") or such other office as may be designated by the Paying Agent. If, payment of any Bond is not made as herein provided, interest thereon shall continue at the same rate per annum until the principal thereof is paid in full. The final installments of principal on the single Bond shall be payable to the registered owner thereof as shown on the registration records kept by the registrar designated in the Certificate of the Finance Director, or its successors, being both the registrar (the "Registrar") and Paying Agent for the Bonds, upon maturity thereof and upon presentation and surrender of such Bond at the Paying Agent or such other office as may be designated by the Paying Agent. Payment of other installments of principal of and interest on any Bond shall be made to the registered 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 registered owner thereof at his address as it last appears on the registration records kept by the Registrar (or by such other arrangement as may be mutually agreed to by the Paying Agent and any registered owner), on the fifteenth day of the calendar month preceding each interest payment date (the "Regular Record Date") or, on a special record date (the "Special Record Date") if established by the Paying Agent for the payment of defaulted interest on such Special Record Date. All such payments shall be made in lawful money of the United States of America.

Section 7. The Bond is subject to prepayment at the option of the County in whole or in part from any legally available monies, at any time, at a price equal to the principal amount thereof and accrued interest to the redemption date and a premium, if any designated in the Certificate of the Finance Director. If less than all of the outstanding principal of the Bond is to be redeemed, the principal of the Bond to be redeemed shall be selected proportionately from each outstanding installment of the Bond unless the County Treasurer determines that the assessment installments will be sufficient to pay the principal and interest when due on the Bond, which would

remain outstanding using a different method of selecting installments of the Bond to be redeemed, on each interest payment date subsequent to the redemption date. The redemption premium, if any, shall be paid from a prepayment penalty, if any, for the Assessments provided for in the Assessment Ordinances, provided, however, that nothing herein shall prevent the payment of any such redemption premium from any other funds available for that purpose. Any assessment which is voluntarily prepaid shall be used to redeem installments of principal on the Bond on the next available redemption date or interest payment date on the Bond; provided that the amount of any such prepaid assessment which is less than \$5,000 and can not be used by such redemption date or interest payment date to redeem installments of principal on the Bond may be used to pay principal of or interest on the Bond due on such redemption date or interest payment date; and provided further that all or any portion of such prepaid assessment may be used to pay principal of or interest on the Bond if necessary to avoid or cure a default in payment of principal of or interest on the Bond. Whenever considered advisable by the County Treasurer and whenever funds are available for such purpose (to the credit of the Districts), the County Treasurer may make such prepayments.

Section 8. Unless waived by any registered owner, notice of prepayment shall be given by the Registrar, in the name of the County by mailing such notice at least 10 days and not more than 60 days prior to the prepayment date, by first-class mail, postage prepaid, to the registered owner. All such notices of prepayment shall be dated and shall state: (1) the prepayment date, (2) the prepayment amount, (3) if less than all outstanding principal amount is to be prepaid, an identification of the principal installments of the Bond being prepaid, (4) that on the prepayment date the principal amount being prepaid will become due and payable, and that after such prepayment, interest thereon shall cease to accrue, and (5) if all principal is being prepaid, the place where such single Bond is to be surrendered for payment, which place of payment shall be the office of the Paying Agent or such other office as may be designated by the Paying Agent. A certificate by the Registrar that a notice of prepayment has been given as herein set forth shall be conclusive and receipt by the owner of the Bond of a notice of prepayment shall not be a condition precedent to the prepayment of that Bond. 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 9. The person in whose name a Bond shall be registered on the registration records kept by the Registrar shall be deemed and regarded as the absolute owner thereof for all purposes and payment of principal of, prior redemption premium, if any, and interest on any Bond shall be made only to or upon the written order of the registered owner thereof or his legal representative (except as provided above for the payment of interest to the registered owner as of the Regular or a Special Record Date). 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.

Section 10. The Bond and the interest thereon shall be payable from the Bond Fund, containing the receipts upon the collection thereof from the assessments levied against and secured by a lien upon the lots, tracts and parcels of land in the Districts. Whenever there is a deficiency in the special Bond Fund established pursuant to NRS 271.490, the deficiency must first be paid out of the County's Surplus and Deficiency Fund (to the extent any money is available therein) before any payment is made out of the general fund of the County. In the event the Bond Fund shall be insufficient to pay the Bonds and interest thereon as they become due, and the amounts, if any, in the Surplus and Deficiency Fund are not sufficient for that purpose, the deficiency shall be paid out of the general fund of the County. In the event deficiencies are paid out of the general fund of the County, all net proceeds of collecting the delinquent assessments with respect to which such payments from the general fund of the County were required to be made shall be returned and deposited in the general fund of the County when the Bond, both principal and interest, has been fully paid and discharged. If the general fund shall be insufficient to pay any such deficiency promptly, the Board shall levy, and it shall be its duty to levy, general (ad valorem) taxes upon all property in the County which is by law taxable for State, County and municipal purposes, without regard to any statutory tax limitation existing on or after May 14, 1965, and without limitation as to rate or amount, fully sufficient, after making due allowance for probable delinquencies, to provide for the prompt payment of the Bond as it becomes due, both principal and interest, but subject to the limitations set forth in NRS 361.453 and Section 2 of Article 10 of the Constitution of the State. The

Bond and the interest thereon are payable solely from the assessments, any moneys in the Surplus and Deficiency Fund, the general fund, and general tax proceeds pledged to the payment thereof.

Section 11. Pursuant to NRS 271.515, the Chairman, the County Clerk and County Treasurer shall each file with the Secretary of State his or her manual signature certified under oath. Thereafter, the Bond shall be signed and executed in the name of the County with the manual or the engraved, imprinted, stamped or otherwise reproduced facsimile of the signature of the Chairman, the County Treasurer, shall be attested with a manual or facsimile signature of the County Clerk, and the Bond shall be authenticated by the manual signature of an authorized officer of the Registrar as hereafter provided. A manual impression or a printed, engraved, stamped or otherwise placed facsimile of the seal of the County shall be affixed thereto. The Bond bearing the signatures of the officers in office at the time of the signing thereof, shall be the valid and binding obligation of the County (subject to the requirement of authentication by the Registrar as hereinafter provided) notwithstanding that before the delivery of and payment for the Bond, any or all of the persons whose signatures appear thereon shall have ceased to fill their respective offices. Any officer herein authorized or permitted to sign any Bond at the time of its execution and of the execution of a signature certificate, may adopt as and for his or her own facsimile signature, the facsimile signature of his or her predecessor in office in the event that such facsimile signature appears upon the Bond. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication, substantially in the form hereinafter provided, has been duly executed by the Treasurer as Registrar, and such certificate of authentication of the Registrar upon any Bond shall be the only competent evidence that such Bond has been duly issued and delivered. The Registrar's certificate of authentication shall be deemed to have been duly executed by it if manually signed by a duly authorized officer 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. If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence or information relating thereto, appropriate indemnification, and such reimbursement for expenses as it may reasonably require, register and deliver to the registered owner thereof a replacement for such Bond bearing a number not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated Bond shall have matured, the Registrar may direct the Paying Agent to pay such Bond in lieu of replacement.

Section 12. Books or records for the registration and transfer of the Bond shall be kept by the Registrar. The single Bond shall be fully transferable by the registered owner thereof in person or by his duly authorized attorney on the registration records kept at the office of the Registrar, or such other office as may be designated by the Registrar, upon presentation of the Bond together with a duly executed written instrument of transfer satisfactory to the Registrar. Upon the surrender for transfer 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 registered owner or his attorney duly authorized in writing, the Registrar shall authenticate and deliver in the name of the transferee or transferees a new Bond a like aggregate principal amount and of the same maturity, bearing a number or numbers not contemporaneously outstanding. The Registrar may require the owner or transferee to pay any tax or other governmental charge required to be paid with respect to such transfer, and may charge a sum sufficient to pay the cost of preparing and authenticating a new Bond. The Registrar shall not be required to transfer or exchange the single Bond during a period beginning at the opening of business 15 days before the date of mailing by the Registrar of a notice of prepayment of all or any part of the Bond and ending at the close of business on the date of such prepayment of all or a portion of the Bond. Whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or to the Registrar for replacement as provided herein, such Bond shall be promptly canceled and destroyed by the Paying Agent or Registrar, and a certificate of such destruction shall be prepared by the Paying Agent or Registrar upon request of the County.

Section 13. Subject to the registration provisions hereof, the Bond hereby authorized shall be fully negotiable and shall have all the qualities of negotiable paper, and the owner or owners thereof shall possess all rights enjoyed by the holders of negotiable instruments under the provisions of the Uniform Commercial Code Investment Securities.

Section 14. Pursuant to NRS 271.505, the Bond shall contain a recital that it is issued pursuant to Chapter 271, Nevada Revised Statutes, which recital shall conclusively impart full compliance with all of the provisions of the Consolidated Local Improvements Law, and the Bond issued containing such recital shall be incontestable for any cause whatsoever after their delivery for value.

Section 15. Subject to the provisions of this Ordinance, the single Bond certificate evidencing the Bond 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

UNITED STATES OF AMERICA

STATE OF NEVADA

COUNTY OF WASHOE

NO. R-__

\$

WASHOE COUNTY, NEVADA

SPECIAL ASSESSMENT DISTRICTS NOS. 35 AND 36

LOCAL IMPROVEMENT BOND

SERIES 2005

Interest Rate

Dated as of

_____% per annum

_____, 2005

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ Dollars

The County of Washoe, in the State of Nevada, for value received hereby promises, out of funds available for the purpose as hereinafter set forth, to pay to the registered owner hereof specified above or registered assigns the principal amount specified above in installments on the dates and amounts specified below with interest hereon from the date of this Bond, or from the most recent interest payment date to which interest has been paid, until maturity at the percentage rate per annum specified above, said interest being payable semiannually on the first days of May and November in each year, commencing November 1, 2005, both principal and interest being payable in lawful money of the United States of America without deduction for exchange or collection charges. The final installment of principal of this Bond shall be payable to the registered owner (as shown on the registration records) at _____ (the "Paying Agent," "Transfer Agent" and

"Registrar"), or such other office as may be designated by the Paying Agent, upon presentation and surrender of this Bond as it becomes due. The other installments of principal on the Bond and interest hereon shall be paid to the registered owner hereof 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 such registered owner at his address as it last appears on the registration records kept for that purpose by the Registrar on the fifteenth day of the calendar month immediately preceding such interest payment date or on a special record date established by the Registrar for the payment of defaulted interest. Alternative means of payment of interest may be used if mutually agreed to between the owner of this bond and the Paying Agent, as provided in the ordinance authorizing the issuance of this bond (the "Bond Ordinance"). If, upon presentation and surrender to the Paying Agent at maturity, payment of this bond is not made as herein provided, interest hereon shall continue at the same rate per annum until the principal hereof is paid in full. The principal of this bond is payable in installments of principal on May 1 and November 1 as set forth in the amortization schedule attached hereto and made a part hereof.

[This bond is subject to prepayment at the option of the County in whole or in part, from any legally available monies, at any time on payment of the principal being prepaid and accrued interest to the prepayment date. In the event of a partial prepayment, the County Treasurer shall designate the principal installments being prepaid. Prepayment shall be made upon not less than 10 days' nor more than 60 days' prior notice by mailing to the registered owner of this bond at the address shown on the registration records in the manner and upon the conditions provided in the Bond Ordinance.]

Pursuant to the Bond Ordinance, reference to which is made for further details, the payment of the principal of and the interest on this bond, shall be made from and as security for such payment there is pledged, a special fund designated "Washoe County, Nevada, Districts Nos. 35 and 36 Bond Fund," sometimes designated the "Bond Fund," containing the receipts upon the collection thereof from the assessments, as defined in the Bond Ordinance, levied against and secured by a lien upon the property specially benefited by said improvements in the Washoe County, Nevada, Special Assessment Districts Nos. 35 and 36, and remaining unpaid on the date of delivery of this bond. The Bond Fund is and shall continue to constitute a sinking fund for and be deemed specially

appropriated to the full and prompt payment of this bond and the interest thereon, and shall be used for no other purpose whatsoever; provided, however, that in the event said fund shall be insufficient to pay this bond and the interest thereon as they become due, and the moneys, if any, in the County's special Surplus and Deficiency Fund are not sufficient for that purpose, the deficiency shall be paid out of the Washoe County general fund. If the general fund shall be insufficient to pay any such deficiency promptly, the Board shall levy, and it shall be its duty to levy, general (ad valorem) taxes upon all property in the County which is by law taxable for State, County and municipal purposes, without regard to any statutory tax limitation existing on or after May 14, 1965, and without limitation as to rate or amount, fully sufficient, after making due allowance for probable delinquencies, to provide for the prompt payment of this bond both principal and interest, but subject to the limitations set forth in NRS 361.453 and Section 2 of Article 10 of the Constitution of the State. This bond and the interest thereon are payable solely from the assessments, the moneys, if any, in the County's special Surplus and Deficiency Fund, the general fund, and general tax proceeds pledged to the payment thereof.

The assessments levied in Special Assessment Districts Nos. 35 and 36, with accruing interest thereon, constitute a lien upon and against the property upon which such assessments were made and levied from and after the effective date of the ordinances levying assessments for each respective District.

It is hereby certified, recited and declared that all acts, conditions and things essential to the validity of this bond exist, have happened and have been done in due time, form and manner as required by law; that the total issue of the special assessment bonds of the County for the improvements and incidental expenses, including this bond, in Special Assessment Districts Nos. 35 and 36, does not exceed the amount authorized by law nor the total unpaid special assessments levied to cover the cost of said improvements; that this bond is issued under the authority of the Consolidated Local Improvements Law, Chapter 271, Nevada Revised Statutes and that this bond is incontestable for any cause whatsoever.

It is hereby further certified, recited and declared that the proceedings, with reference to making such improvements, levying the assessments to pay this bond, and issuing this bond, have been regularly had and taken, in compliance with law, and that all prerequisites to the fixing of the

assessment lien against the property benefited by the improvements and of the liability of the owner or owners of such property for the assessments have been performed.

Except for the period commencing fifteen days prior to a any date on which a notice of prepayment of all or a portion of this bond is to be given and ending on the date of such prepayment, this bond is fully transferable by the registered owner hereof in person or by his duly authorized attorney on the registration books kept by the Registrar upon surrender of this bond together with a duly executed written instrument of transfer satisfactory to the Registrar, and upon the payment of all fees and charges required by such Registrar. Upon such transfer a new fully registered bond of of the same aggregate principal amount and maturity will be issued to the transferee in exchange for this bond, subject to such terms and conditions as set forth in the Bond Ordinance. 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 making payment and for all other purposes.

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

IN WITNESS WHEREOF, Washoe County, Nevada, has caused this bond to be signed and executed in the name of and on behalf of the County with the manual or facsimile signature of the Chair of the Board of County Commissioners, to be countersigned with the manual or facsimile signature of the County Treasurer, and to be countersigned, subscribed, executed and attested with the manual or facsimile signature of the County Clerk, has caused the facsimile of the corporate seal of the County to be affixed hereon, and has caused this bond to be dated as of the date specified above.

Chairman

Countersigned:

County Treasurer

Attested and Countersigned:

County Clerk

(Form of Registrar's Certificate of Authentication)

Date of Registration:

This is one of the bonds described in the above mentioned Bond Ordinance, and this bond has been duly registered on the registration books or records kept by the undersigned as Registrar for such bonds.

as Registrar

By (Manual Signature)
Authorized Officer

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

ATTACH AMORTIZATION SCHEDULE

(Form of Assignment Provision)

ASSIGNMENT PROVISION

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within bond and hereby irrevocably constitutes and appoints _____ attorney in fact, to transfer the within bond on the books of the Registrar, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

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.

Name of Transferee: _____

Address of Transferee: _____

Taxpayer Identification or Social Security Number(s) _____

Transfer fees must be paid to the Registrar in order to transfer or exchange this Bond as provided in the Ordinance.

(End of Form of Assignment)

Section 16. When the Bond has been duly executed and authenticated, it will be delivered to the Purchaser on receipt of the agreed purchase price. The funds realized from the sale of the Bond, including any investment income, shall be applied solely to defray the cost and expense of the Projects (including, without limitation, by repaying any interim financing incurred for the Projects); provided, however, that after the cost and expenses are paid (excepting any portion to be paid with other than special assessment proceeds), any funds remaining from the sale of the Bond shall be deposited in the Bond Fund and used for the purposes specified in Section 4 of this Ordinance; and provided further, that all moneys received as accrued interest and premium at the time of delivery of the Bond shall be deposited into the Bond Fund to apply to the payment of interest next due on the Bond. The Purchaser, however, shall in no manner be responsible for the application by the County, or any of its officers, agents or employees, of any of the funds derived from the sale thereof or of any other funds herein designated.

Section 17. So long as any principal of the Bonds remains outstanding, the County will keep or cause to be kept true and accurate books of records and accounts showing full and true entries covering the collection and disposition of the special assessments for the Districts, as well as any delinquencies in the collection thereof, covering deposits in and disbursements from the Bond Fund, covering deposits in and disbursements from the special Surplus and Deficiency Fund, covering the redemption of the Bond both principal and interest, and covering disbursements to defray the costs of the Projects, including incidental expenses; and the County will permit an inspection and examination of all books and accounts at all reasonable times by any representative of any of the original purchasers of the Bond.

Section 18. The officers of the County be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including without limiting the generality of the foregoing: the execution of such certificates as may be reasonably required by the Purchaser, relating, inter alia, to the signing and registration of the Bond, the tenure and identity of the officials of the Board and the County, the delivery of the Bond, the designation of any commercial bank as Paying Agent and Registrar if so requested by the Purchaser and if the Finance Director deems it in the County's best interest to do so prior to the delivery of the Bond, the receipt of the purchase price for the Bond, the exemption of interest on the

Bond from federal and state income taxation, and if it is in accordance with fact, the absence of litigation, pending or threatened, affecting the validity thereof. It shall be the duty of the proper officers of the County to hereafter take all action necessary for the County to comply with the provisions of Chapter 271, Nevada Revised Statutes, as hereafter amended and supplemented from time to time.

Section 19. Any owner of the Bond, may, either at law or in equity, by suit, action, mandamus or other appropriate proceeding in any court of competent jurisdiction, protect the liens created by this Ordinance on the proceeds of the assessments for the Districts, and may by suit, action, mandamus or other appropriate proceeding enforce and compel the performance of any duty imposed upon the County by the provisions of this Ordinance, or any ordinance heretofore adopted concerning the Districts, including without limiting the generality of the foregoing, the segregation of special assessments, the proper application thereof, and the appointment of a receiver. The failure of any Bond owner to proceed shall not relieve the County or any of its officers, agents or employees of any liability for failure to perform any such duty.

Section 20. The County covenants for the benefit of the registered owners of the Bond that it will not take any action or omit to take any action with respect to the Bond, the proceeds thereof, any other funds of the County or any facilities financed with the proceeds of the Bond if such action or omission (i) would cause the interest on the Bond to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bond (as amended, the "Tax Code"), or (ii) would cause interest on the Bond to lose its exclusion from alternative minimum taxable income as defined in Section 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 Section 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 Bond until the date on which all obligations of the County in fulfilling the above covenant under the Tax Code have been met.

Section 21. When all of the principal of, interest on and prior redemption premiums due in connection with any Bond have been duly paid, the pledge, the lien, and all

obligations hereunder shall thereby be discharged as to the Bond and the 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 principal of and the interest on, and prior redemption premium, if any, on 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 22. All ordinances or resolutions, or parts thereof, in conflict with the provisions of this Ordinance are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any ordinance or resolution, or part thereof, heretofore repealed, and this Ordinance shall be irrevocable until the Bonds and the interest thereon shall be fully paid, satisfied and discharged, as herein provided.

Section 23. This Ordinance may be amended or supplemented by an ordinance or ordinances adopted by the Board, without the receipt by the County of any additional consideration, with the written consent of the owners of seventy-five percent (75%) of the Bond outstanding at the time of the adoption of such amendatory or supplemental ordinance, provided, however, that no such ordinance shall have the effect of permitting:

- (a) An extension of the maturity of any Bond authorized by this Ordinance; or
- (b) A reduction in the principal amount of any Bond or the rate of interest thereon; or

- (c) The creation of a lien upon or a pledge of property, revenues or funds, ranking prior to the liens or pledges created by this Ordinance; or
- (d) A reduction of the principal amount of Bond required for consent to such amendatory or supplemental ordinance.

Section 24. Pursuant to NRS 271.520, the Bond, its transfer, and the income therefrom, shall forever be and remain free and exempt from taxation by the State and any subdivision thereof, except for the tax on estates imposed by Chapter 375A of NRS, or the tax on generation-skipping transfers imposed pursuant to the provisions of Chapter 375B of NRS.

Section 25. The Board of County Commissioners does hereby find and declare that the life of the improvements to be acquired with the proceeds obtained from the sale of the Bond shall be not less than the ten (10) year period during which the Bond matures.

Section 26. If the Registrar or Paying Agent initially appointed hereunder shall resign, or if the Board shall determine to remove the Registrar or Paying Agent, the Board may, upon notice mailed to each owner of any Bond at his address last shown on the registration books, 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. 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 hereunder. Any corporation, association, or agency into which the Registrar or the Paying Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, automatically shall be and become successor registrar or paying agent hereunder and vested with all of the powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 27. The Board of County Commissioners has expressed in the preambles of this Ordinance that this Ordinance pertains to the sale, issuance and payment of the Bond for the Districts, 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 271.475 and 244.095 through 244.115, final action shall be taken immediately, and this Ordinance shall be in effect from and after its publication by title and collateral statement as herein provided.

Section 28. After this Ordinance is signed by the Chairman of the Board of County Commissioners and attested and sealed by the County Clerk, this Ordinance shall be published by its title only, together with the names of the Commissioners voting for or against its passage, and with a statement that typewritten copies of such ordinance are available for inspection by all interested parties at the office of the County Clerk, such publication to be made in the Reno Gazette-Journal, a newspaper published and having general circulation in the County, at least once a week for a period of two weeks by two insertions, pursuant to NRS 244.100, and all laws thereunto enabling, such publication to be in substantially the following form:

(Form of Publication)

BILL NO. _____
ORDINANCE NO. _____
(of Washoe County, Nevada)

AN ORDINANCE AUTHORIZING THE ISSUANCE OF REGISTERED LOCAL IMPROVEMENT DISTRICT BONDS, SERIES 2005, FOR WASHOE COUNTY, NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 35 (RHODES ROAD) AND WASHOE COUNTY, NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 36 (EVERGREEN HILLS DRIVE) IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$534,235 TO FINANCE THE CONSTRUCTION OF STREET AND WATER IMPROVEMENTS; AND BY DECLARING THIS ORDINANCE PERTAINS TO THE SALE, ISSUANCE AND PAYMENT OF THE BONDS, PROVIDING FOR ITS ADOPTION AS IF AN EMERGENCY EXISTS; AND PROVIDING 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 January 25, 2005, and was passed and adopted at a regular meeting of the Washoe County Board of County Commissioners at the same meeting on January 25, 2005, by the following vote of the Board of County Commissioners:

Those Voting Aye:

Jim Galloway
David Humke
Robert M. Larkin
Pete Sferrazza
Bonnie Weber

Those Voting Nay:

Those Absent:

This ordinance shall be in full force and effect from and after February 4, 2005, i.e., the date of the second publication of such ordinance by its 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 January 25, 2005.

/s/ _____
Board of County Commissioners
Washoe County, Nevada

(SEAL)

Attest:

/s/ Amy Harvey
County Clerk

(End of Form of Publication)

Section 29. If any section, paragraph, clause or other 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 other provision shall not affect any of the remaining provisions of this Ordinance.

Proposed on January 25, 2005.

Proposed by Commissioner Humke.

Passed on January 25, 2005.

Vote:

Ayes: 4

Jim Galloway
David Humke
Robert M. Larkin
~~Pete Sferrazza~~
Bonnie Weber

Nays: 0

Absent:

Pete Sferrazza

Bonnie Weber

Chairman
Board of County Commissioners
Washoe County, Nevada

(SEAL)

Attest:

Amy Harvey
County Clerk

This Ordinance shall be in force and effect from and after the 4th day of the month of February of the year 2005, 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 January 25, 2005. 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 Commissioners were present at the 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 on the County's website and at:

- 1. Washoe County Administration Complex
1001 East Ninth Street
Reno, Nevada
- 2. Washoe County Courthouse
Virginia and Court Streets
Reno, Nevada
- 3. Washoe County Library
301 South Center Street
Reno, Nevada
- 4. Justice Court
630 Greenbrae Drive
Sparks, Nevada

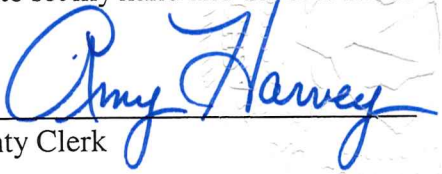
is attached as Exhibit "A".

5. A copy of the notice was mailed to each person, if any, who has requested notice of the meetings of the Board in the same manner in which notice is required to be mailed to a member of the Board. Such notice, if mailed, was delivered to the postal service no later than 9:00 a.m. on the third working day prior to the meeting.

6. Upon request, the Board provides at no charge, at least one copy of the agenda for its public meetings, any proposed resolution which will be discussed at the public meeting, and any other supporting materials provided to the Board for an item on the agenda, except for certain confidential materials and materials pertaining to closed meetings, as provided by law.

7. Copies of the notice so given of the meeting of the Board held on January 25, 2005 is attached to this certificate as Exhibit "A".

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the County this January 25, 2005.


County Clerk

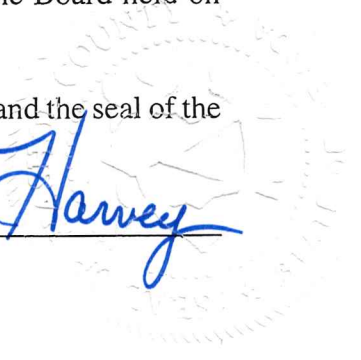


Exhibit A
(Attach copy of posted notice of January 25, 2005 meeting)

COUNTY COMMISSIONERS

Donnie Weber, Chairman
 Bob Larkin, Vice-Chairman
 Jim Galloway
 David Humke
 Pete Sferrazza

COUNTY MANAGER

Katy Singlaub

ASSISTANT
 DISTRICT ATTORNEY

Melanie Foster

AGENDA

MEETING OF

WASHOE COUNTY BOARD OF COMMISSIONERS

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

January 25, 2005

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, January 24, 2005**, following the *Work Card Permit Appeal*, in order to review agenda items for the *January 31, 2005 Joint Meeting of the Washoe County Commission and Reno and Sparks City Councils*. Following review of the *Joint Meeting Agenda*, a *Caucus for the regular meeting of the Washoe County Board of Commissioners as described below will be held*. 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, January 24, 2005**, at **11:00 a.m.**, will take action on a **WORK CARD PERMIT APPEAL** for Annette O'Brien. 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 (January 24, 2005), the following items may also be discussed:

Discussion regarding Sierra Sage Water Rights Sale (Parks/Water Resources). **THIS ITEM IS SCHEDULED FOR 11:15 A.M.**

Review of finding and recommendations in Walker and Associates 2002/03 Fiscal Equity Study and review of comparative analysis between EPS, Inc. and Walker and Associates' fiscal equity studies.

Meeting Management Effectiveness.

Possible items for placement on the February 8, 2005 Commission Agenda.

9. Recommendation to approve Contract with Westlaw [\$156,894] for period of February 1, 2005 to June 30, 2008, concerning provision of on-line research capability to Office of District Attorney; and if approved, authorize District Attorney to execute same--District Attorney.
10. Recommendation to accept and approve updated Washoe County Deferred Compensation Plan document, updated Group Funding Agreement (including the Master Application), SEC Acknowledgment and updated Administrative Services Agreement with Hartford Life Insurance Company; acceptance and approval of documents implementing changes to the investment offerings for the 457 and 401(a) plans, including: Endorsement to the Administrative Notice for the Group Funding Agreement GC-150015 and Endorsement to the Administrative Notice for Group Funding Agreement GC-150037; and Amendment to the Administrative Services Agreement relating to the 457 plan; acceptance and approval of an amendment to the Administrative Services Agreement establishing a frequent trading policy and procedures; and recommendation to delegate to the Washoe County Deferred Compensation Committee all authority for the ongoing revisions and maintenance of the 457 and 401(a) Plan documents in accordance with the Committee's authority to administer, coordinate and manage the program--Human Resources.
11. Finance.
 - A. Recommendation to approve Resolution to augment the Regional Public Safety Training Fund (Fund 209) in the amount of \$171,690 from unappropriated fund balance, and direct Finance Department to make necessary budget and cash adjustments and transfers.
 - B. Recommendation to approve a pilot program regarding the Charting Our Course Committee's recommendation on prioritizing Washoe County programs.
 - C. Recommendation to authorize Risk Manager to renew the excess liability insurance policy with Insurance Company of the State of Pennsylvania [\$154,328].
 - D. Recommendation to accept the list of all Washoe County claims indicating bills allowed by the Board of County Commissioners for the Fiscal Year ended June 30, 2004, [\$414,306,503.36]; and direct Comptroller's Office to present the list one time for public record in a newspaper published in Washoe County, per NRS 354.210.
 - E. Introduction and adoption of an Ordinance authorizing the issuance of registered local improvement district bonds, Series 2005, for Washoe County, Nevada, Special Assessment District No. 35 (Rhodes Road) and Washoe County, Nevada, Special Assessment District No. 36 (Evergreen Hills Drive) in the maximum aggregate principal amount of \$534,235 to finance the construction of street and water improvements; and by declaring this Ordinance pertains to the sale, issuance and payment of the bonds, providing for its adoption as if an emergency exists; and providing the effective date hereof.
12. Discussion and appointment of an Alternate Representative to Nevadaworks (appointment can be a Washoe County Commissioner or a staff person).

Exhibit B
(Attach Affidavit of Publication of
Bond Ordinance for Districts Nos. 35 and 36)

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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: **01/28/05 - 02/04/05**, for exact publication dates please see last line of Proof of Publication below.

Subscribed and sworn to before me

Signed: *Julia Ketcham*

FEB 10 2005



Tana Ciccotti

Proof of Publication

BILL NO. 1441 ORDINANCE NO. 1257 (of Washoe County, Nevada) AN ORDINANCE AUTHORIZING THE ISSUANCE OF REGISTERED LOCAL IMPROVEMENT DISTRICT BONDS, SERIES 2005, FOR WASHOE COUNTY, NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 35 (RHODES ROAD) AND WASHOE COUNTY, NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 36 (EVERGREEN HILLS DRIVE) IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$534,235 TO FINANCE THE CONSTRUCTION OF STREET AND WATER IMPROVEMENTS; AND BY DECLARING THIS ORDINANCE PERTAINS TO THE SALE, ISSUANCE AND PAYMENT OF THE BONDS, PROVIDING FOR ITS ADOPTION AS IF AN EMERGENCY EXISTS; AND PROVIDING 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 at 350 South Center Street, Suite 100, Reno, Nevada, and that such Ordinance was proposed by Commissioner Humke on January 25, 2005, and was passed and adopted at a regular meeting of the Washoe County Board of County Commissioners at the same meeting on January 25, 2005, by the following vote of the Board of County Commissioners: Those Voting

Aye: Jim Galloway David Humke Robert M. Larkin Bonnie Weber Those Voting
Nay:(none) Those Absent:Pete Sferrazza This ordinance shall be in full force and effect from
and after February 4, 2005, i.e., the date of the second publication of such ordinance by its 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 January 25, 2005. /s/
Bonnie Weber, Chairman Board of County Commissioners Washoe County, Nevada (SEAL)
Attest: /s/Amy Harvey County Clerk No. 627395 Jan 28; Feb 4, 2005