

STATE OF NEVADA)
)
COUNTY OF CLARK) ss.
)
CITY OF LAS VEGAS)

The City Council of the City of Las Vegas, Nevada, held a special meeting, open to the public, at the City Hall in Las Vegas, Nevada, on Monday, the 18th day of May, 1987, commencing at the hour of 4:00 P.M.

The following members of the City Council were present:

Mayor William H. Briare
Councilman Ron Lurie
Councilman Al Levy
Councilman Bob Nolen
Councilman W. Wayne Bunker

The following member of the City Council was absent:

None

The following persons were also present:

Ashley Hall, City Manager
George F. Ogilvie, City Attorney
Carol Ann Hawley, City Clerk
Stephen D. Gill, Dep. Dir. Finance & Computer
Services

Councilman Lurie introduced a bill for the following ordinance, copies thereof having previously been made available to the City Council and the public:

BILL NO. 87-27
BOND ORDINANCE
NO. 3287

AN ORDINANCE DESIGNATED AS THE "1987 SANITARY SEWER REFUNDING BOND ORDINANCE"; PROVIDING FOR THE ISSUANCE OF \$16,675,000 PRINCIPAL AMOUNT OF CITY OF LAS VEGAS GENERAL OBLIGATION (LIMITED TAX) SANITARY SEWER REFUNDING BONDS, SERIES MAY 1987, STATING THE PURPOSES FOR WHICH THE BONDS ARE TO BE ISSUED; ACCEPTING A PROPOSAL FOR THE PURCHASE OF THE BONDS BY THE STATE TREASURER AS ADMINISTRATOR OF THE MUNICIPAL BOND BANK OF THE STATE; PROVIDING THE TERMS, CONDITIONS AND FORM OF THE BONDS, THE METHOD OF THEIR PAYMENT AND DISPOSITION OF REVENUES DERIVED FROM THE OPERATION OF THE CITY'S SANITARY SEWER SYSTEM; AND PROVIDING FOR CERTAIN COVENANTS, AGREEMENTS AND OTHER MATTERS RELATING TO THE BONDS.

WHEREAS, the City Council (the "City Council") of the City of Las Vegas (the "City") determined and declared that the public interest necessitated certain sewer projects for the relief and expansion of the existing sanitary sewer system of the City, and that such projects were to be financed by the issuance of general obligation bonds;

WHEREAS, Article VII of the Charter of the City provides that the City may borrow money for any corporate purpose and for such purpose may issue bonds or other securities, and the City Council determined and declared that the projects are a corporate purpose within the meaning of said Charter provision;

WHEREAS, pursuant to the City Charter and NRS 350.500 through 350.720, the City on November 16, 1983 issued its registered "City of Las Vegas General Obligation (Limited Tax) Sanitary Sewer Bonds, Series November 1983" in the principal amount of \$20,500,000 (the "1983 Municipal Bond");

WHEREAS, the 1983 Municipal Bond bears interest from November 16, 1983 on the principal installments designated below, payable semiannually on May 1 and November 1, as follows:

<u>Maturity Date</u> <u>(November 1)</u>	<u>Principal</u> <u>Installment</u>	<u>Interest</u> <u>Rate</u>
1987	465,000	10.8%
1988	510,000	10.8%
1989	565,000	10.8%
1990	625,000	10.8%
1991	685,000	10.8%
1992	760,000	10.8%
1993	835,000	10.0%
1994	925,000	8.8%
1995	1,015,000	8.8%
1996	1,120,000	9.0%
1997	1,240,000	9.0%
1998	1,365,000	9.0%
1999	1,505,000	9.0%
2000	1,660,000	9.0%
2001	1,830,000	9.0%
2002	2,020,000	9.0%
2003	2,230,000	9.0%

and principal installments in the aggregate amount of \$1,145,000 have, prior to the date hereof, matured and been paid;

WHEREAS, the 1983 Municipal Bond provides that installments of principal maturing on or before November 1, 1993 are not subject to prepayment. Installments of principal maturing on or after November 1, 1994 are subject to prepayment on or after November 1, 1993, in whole or in part on any interest payment date, in amounts of \$5,000 or any integral multiple thereof and in inverse order of maturity, at the prepayment prices (expressed as percentages of the principal amount of each installment so prepaid) set forth below, plus interest accrued thereon to the date fixed for prepayment:

<u>Date Fixed for Prepayment</u>	<u>Prepayment Price</u>
November 1, 1993 or May 1, 1994	102-1/2%
November 1, 1994 or May 1, 1995	102 %
November 1, 1995 or May 1, 1996	101-1/2%
November 1, 1996 or May 1, 1997	101 %
November 1, 1997 or May 1, 1998	100-1/2%
November 1, 1998 and thereafter	100 %

WHEREAS, in order to obtain an interest rate or rates which otherwise might not be available, the City is authorized pursuant to NRS Chapter 350A (the "Bond Bank Act") to sell its bonds at private sale to the State of Nevada (the "State"), represented by the State Treasurer as administrator of the State's municipal bond bank;

WHEREAS, the State Treasurer, as administrator of the State's municipal bond bank, made a loan to the City by purchasing the 1983 Municipal Bond with the Project No. 11 portion of the proceeds of its issue of state securities in the aggregate principal amount of \$26,500,000, State of Nevada General Obligation (Limited Tax) Bonds, Series November 1, 1983 (Nevada Municipal Bond Bank Project No. 9-12), (the "1983 State Securities");

WHEREAS, interest rates have substantially declined since the issuance of the 1983 Municipal Bond and the 1983 State Securities;

WHEREAS, pursuant to NRS 350.684, the City is authorized to issue general obligation bonds in order to refund, pay and discharge a portion of the 1983 Municipal Bond and for the purpose of reducing interest rates and effecting other economies;

WHEREAS, based on the report to the City submitted by Nevada Municipal Consultants Inc., Las Vegas, Nevada, the City has found and determined and hereby finds and determines that a refunding (the "Refunding" or "Refunding Project") of the refundable portion of 1983 Municipal Bond with the bonds herein authorized to be sold will reduce interest rates and effect other economies;

WHEREAS, NRS 350.2011 provides that the bonds may bear interest at a rate or rates which do not exceed by more than 3% the "Index of Twenty Bonds" which was most recently published in the "Weekly Bond Buyer" (now "Credit Markets") before an offer is accepted for the bonds;

WHEREAS, the effective interest rate on the bonds herein authorized does not exceed by more than 3% the Index of Twenty Bonds which was most recently published (i.e., published on May 11, 1987) before an offer was accepted for the bonds;

WHEREAS, pursuant to NRS 350.688, the City is authorized to agree with the State to exchange any outstanding bonds issued by the City and held by the State for refunding bonds of the City or otherwise to surrender at such price and time and otherwise upon such conditions and other terms and in such manner as may be mutually agreeable such outstanding bonds for refunding at any time prior to their respective maturities or to any date as of which the City has the right and option to call on its behalf such outstanding bonds for prior redemption as expressly provided in the outstanding bonds and any ordinance

authorizing their issuance;

WHEREAS, by resolution duly adopted on April 15, 1987, the City requested that the Treasurer of the State of Nevada (the "Treasurer"), as administrator of the municipal bond bank of the State under NRS Chapter 350A (the "Bond Bank Act"), refund a portion of the outstanding 1983 State Securities and exchange a portion of the 1983 State Securities for the bonds herein authorized in an aggregate principal amount necessary to effect the Refunding Project;

WHEREAS, the City Council has been advised that the State intends to issue its State of Nevada General Obligation (Limited Tax) Bonds (Nevada Municipal Bond Bank Refunding Project No. 3) Series May 1, 1987C (the "Refunding State Securities") for the purpose of achieving debt service savings on certain Nevada Municipal bond bank projects, including Project No. 11;

WHEREAS, the City herein elects to exercise its option to call the portions of the 1983 Municipal Bond that mature on and after November 1, 1994 for prior redemption on November 1, 1993;

WHEREAS, the sufficiency of the proceeds of the investments made with the proceeds of the bonds deposited into the escrow account pursuant to the Escrow Agreement between the State and Valley Bank of Nevada, dated as of May 1, 1987, to pay the interest on the refundable portion of the 1983 Municipal Bond when due, and to pay the principal, together with a premium of 2.5%, due on such refundable portion on November 1, 1993 will be

verified by a firm of certified public accountants;

WHEREAS, the City intends hereby to authorize the issuance of \$16,675,000 of its City of Las Vegas General Obligation (Limited Tax) Sanitary Sewer Refunding Bond, Series May 1987 (the "Refunding Municipal Bond" or the "Bonds") to be sold to the Bond Bank to achieve further debt service savings;

WHEREAS, the Bond Act and the Bond Bank Act permit Municipal Securities to be sold at private sale to the State;

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

WHEREAS, the City has determined and does hereby declare:

(a) This Ordinance pertains to the sale, issuance and payment of the Refunding Municipal Bond; and

(b) Such declaration shall be conclusive in the absence of fraud or gross abuse of discretion in accordance with the provisions of subsection 2 of NRS 350.579; and

(c) This ordinance may accordingly and in accordance with the provisions of Section 2.110 of the City Charter be adopted as if an emergency now exists and may become effective at any time when an emergency ordinance of the City may go into effect.

WHEREAS, the City Council has determined and hereby declares that each of the limitations and other conditions to the issuance of the bonds contained in the Nevada Local Government

Securities Law, NRS 350.500 to 350.720, inclusive (the "Bond Act") and in any other relevant act of the State or the federal government has been met;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAS VEGAS DOES ORDAIN:

Section 1. Citation. This ordinance shall be known and may be cited as the "1987 Sanitary Sewer Refunding Bond Ordinance".

Section 2. Due Authorization. The City Council has reviewed all proceedings heretofore taken relative to the authorization and issuance of the bonds and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, happen or be performed precedent to and in the authorization and issuance of the bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the City is now authorized pursuant to each and every requirement of law, including the Charter of the City and applicable provisions of the Bond Act, to issue the bonds and incur an indebtedness in the manner and form as in this ordinance provided, and all limitations contained in the Bond Act have been met.

Section 3. Approval of Sale of Bonds. The Refunding Project and purchase by the State of the bonds is hereby approved.

Section 4. Issuance and Terms of Bonds. On behalf of the City and upon its credit, the City Council shall issue negotiable general obligation bonds, designated as the "City of

Las Vegas General Obligation (Limited Tax) Sanitary Sewer Refunding Bonds, Series May, 1987," in the principal amount of \$16,675,000, consisting of fully registered bonds, dated as of the date of initial delivery of the bonds, numbered from R1 upwards, in denominations of \$5,000 or any integral multiple thereof up to the total amount of any one maturity, payable to registered owner or registered assigns thereof, bearing interest (payable semiannually on May 1 and November 1 in each year) at the respective rates per annum and maturing in principal amounts and on the respective dates set forth below:

<u>Principal Installment Maturity Date</u>	<u>Amount</u>	<u>Interest Rate</u>
November 1, 1987	\$110,000	4.5%
November 1, 1988	120,000	5.1%
November 1, 1989	125,000	5.3%
November 1, 1990	130,000	5.6%
November 1, 1991	140,000	5.8%
November 1, 1992	145,000	6.0%
November 1, 1993	155,000	6.25%
November 1, 1994	1,080,000	6.5%
November 1, 1995	1,160,000	6.7%
November 1, 1996	1,250,000	6.9%
November 1, 1997	1,355,000	7.1%
November 1, 1998	1,465,000	7.25%
November 1, 1999	1,585,000	7.4%
November 1, 2000	1,725,000	7.5%
November 1, 2001	1,870,000	7.625%
November 1, 2002	2,040,000	7.625%
November 1, 2003	2,220,000	7.625%

The principal (or redemption price) of and interest on the bonds shall be payable in lawful money of the United States of America at the office of the Finance Director of the City or any successor thereto as paying agent hereunder (the "Paying Agent").

The bond shall bear interest from the interest payment date next preceding the date of registration thereof unless it is registered as of a day during the period from the 16th day of the month next preceding any interest payment date to such interest payment date, inclusive, in which event it shall bear interest from such interest payment date; provided, however, that if, at the time of registration of any bond, interest is in default on outstanding bonds, such bond shall bear interest from the interest payment date to which interest has previously been paid or made available for payment on the outstanding bonds. Payment of the interest on any bond shall be made to the person whose name appears on the bond registration records as the registered owner thereof as of the close of business on the 15th day of the month next preceding the applicable interest payment date, whether or not such day is a business day, such interest to be paid by check or draft mailed to such registered owner at his or her address as it appears in such registration records.

If any bond is not paid upon presentation at its maturity, interest shall continue at the rate borne by the bond until the principal thereof is discharged as provided herein.

Pursuant to NRS 350.710, 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.

Section 5. Terms of Redemption of Bonds. Bonds, or, if a single bond is issued as provided herein, installments of principal maturing on or prior to November 1, 1997, shall not be

subject to prepayment, but bonds or installments of principal maturing on or after May 1, 1998 shall be subject to prepayment on and after November 1, 1997, in whole or in part at any time at a price equal to the bonds or principal installment, or portion thereof, so redeemed, accrued interest thereon to the redemption date, and a premium computed in accordance with the following schedule:

2.00% of the principal amount, or portion thereof, so redeemed if redeemed on or before October 31, 1998:

1.50% of the principal amount, or portion thereof, so redeemed if redeemed thereafter and on or before October 31, 1999;

1.00% of the principal amount, or portion thereof, so redeemed if redeemed thereafter and on or before October 31, 2000;

.50% of such principal amount if redeemed thereafter and on or before October 31, 2001; and

No premium if redeemed thereafter.

Section 6. Notice of Redemption of Bonds. Notice of any prior redemption shall be given by the Finance Director in the name of the City by sending a copy of the notice by certified or registered first-class mail, postage prepaid, at least 30 but no more than 60 days before the date fixed for redemption to the registered owner of each bond at the address for such owner as found in the registration records of the Paying Agent. Actual receipt of mailed notice by any owner of bonds shall not be a condition precedent to redemption of such bonds. A similar notice shall be mailed by or on behalf of the City at least 30 days but not more than 60 days before the date fixed for

redemption to Nevada Municipal Consultants Inc., but such mailing shall not be a condition precedent to such redemption and failure to mail or to receive any such notice shall not affect the validity of the proceedings for the redemption of such bonds. If at the time of any redemption the State owns all of the then outstanding bonds, such notice shall be given to the State Treasurer at least 45 days before the date fixed for redemption.

The notice shall identify the bonds to be redeemed, or if a single bond evidences the bonds, the installments of principal to be prepaid, and the date fixed for redemption; and the notice shall further state that on the date fixed for redemption there will become and will be due and payable upon each bond so to be redeemed at the office of the Paying Agent (designated by title), the applicable redemption price of such bond and interest accrued thereon to the date fixed for redemption, and that from and after such date interest on such bonds will cease to accrue. Notice having been given in the manner hereinabove provided, the bond or bonds, or installments of principal, so called for redemption shall become due and payable on the redemption date so designated; and upon presentation thereof at the office of the Paying Agent, the City shall pay the bond or bonds, or installments of principal, so called for redemption. Any bonds redeemed before their respective maturities by call for prior redemption (or otherwise) shall not be reissued and shall be cancelled the same as bonds redeemed at or after maturity.

Section 7. Execution of Bonds. The bonds shall be executed on behalf of the City by the Mayor, the City Treasurer and the Finance Director and attested by the City Clerk of the City, with the seal of the City affixed thereto. The Mayor, the City Treasurer, the Finance Director and the City Clerk are hereby authorized and directed, respectively, to execute each of the bonds on behalf of the City and to affix the seal of the City thereto. The signatures of the Mayor, Treasurer and Finance Director on the bonds may, after the filing in accordance with Chapter 351 of the Nevada Revised Statutes with the Secretary of State of the State of Nevada of their manual signatures certified under oath, be by engraved, imprinted, stamped or otherwise reproduced facsimile thereof, but the attestation of said City Clerk shall be manually subscribed to the bonds. The seal of the City may be affixed manually or may be printed, engraved, stamped or otherwise placed in facsimile on the bonds. Such signing, attesting and sealing as herein provided shall be a sufficient and binding execution of the bonds by the City. The bonds bearing the signatures of the officers in office at the time of the signing thereof shall be the valid and binding obligations of the City, notwithstanding that before the delivery thereof and payment therefor any or all of the persons whose signatures appear thereon shall have ceased to fill their respective offices. Any officer herein authorized to sign the bonds, at the time of their execution and of the execution of a signature certificate pertaining thereto, may adopt as and for his own

facsimile signature the facsimile signature of his predecessor in office in the event that such facsimile signature appears upon any of the bonds appertaining thereto.

Only such of the bonds as shall bear thereon a certificate of registration in the form hereinafter set forth, manually executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Ordinance, and such certificate of the Paying Agent shall be conclusive evidence that the bonds so registered have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this Ordinance.

Section 8. Transfer of Bonds. Any bond may, in accordance with its terms, be transferred, upon the records required to be kept pursuant to the provisions of Section 10, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such bond, accompanied by delivery of a written instrument of transfer, duly executed in the form attached to the bond.

Whenever any bond or bonds shall be surrendered for transfer, the City shall execute and the Paying Agent shall register and deliver a new fully registered bond or bonds, of authorized denomination or denominations and for the aggregate principal amount of such bond or bonds then remaining outstanding, to the transferee in exchange therefor. The Paying Agent shall require the payment by the Bondholder requesting such transfer of any tax or other governmental charge required to be

paid with respect to such transfer and may collect a charge equal to the customary fee charged by the Paying Agent for such transfers.

No transfer of any bond shall be required either during the five days next preceding any date established by the Paying Agent for the selection of bonds for redemption or after the selection of such bond for redemption.

Section 9. Exchange of Bonds. Any bond may, in accordance with its terms, be exchanged, at the office of the Paying Agent, for a new fully registered bond or bonds, of any authorized denomination or denominations and for the aggregate principal amount of such bond then remaining outstanding. The Paying Agent may collect a charge equal to the customary fee charged by the Paying Agent for such exchanges.

Section 10. Bond Register. The Paying Agent will keep or cause to be kept, at its office in Las Vegas, Nevada, sufficient records for the registration and transfer of the bonds; and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on such records, bonds as hereinbefore provided.

Section 11. Ownership of Bonds. The person in whose name any bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal and redemption price of, and the interest on, any such bond, shall be made only to or upon the

order of the registered owner thereof of his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such bond including the interest thereon to the extent of the sum or sums so paid.

Section 12. Bonds Mutilated, Lost, Destroyed or Stolen. If any bond shall become mutilated, the City, at the expense of the owner of said bond, shall execute and the Paying Agent shall thereupon register and deliver, a new bond of like tenor and number in exchange and substitution for the bond so mutilated, but only upon surrender to the Paying Agent of the bond so mutilated. Every mutilated bond so surrendered to the Paying Agent shall be cancelled by it and delivered to, or upon the order of, the City. If any bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Paying Agent and, if such evidence be satisfactory to the Paying Agent and indemnity satisfactory to the Paying Agent shall be given, the City, at the expense of the owner, shall execute, and the Paying Agent shall thereupon register and deliver, a new bond of like tenor and number in lieu of and in substitution for the bond so lost, destroyed or stolen (or if any such bond shall have matured or shall be about to mature, instead of issuing a substitute bond, the Paying Agent may pay the same without surrender thereof). The City may require payment of a sum not exceeding the actual cost of preparing each new bond issued under this Section and of the expenses which may be incurred by the City and the Paying Agent

in the premises. Any bond issued under the provisions of this Section in lieu of any bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the City whether or not the bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Ordinance with all other bonds secured by this Ordinance.

Section 13. Negotiability. The bonds shall be fully negotiable in form and, subject to the provisions therein and herein concerning registration, the bonds shall have all the qualities of negotiable paper and the holder or holders thereof shall possess all rights enjoyed by the holders of negotiable instruments under the provisions of the Uniform Commercial Code - Investment Securities.

Section 14. Form of Bonds. The bonds shall be in substantially the following form, said form to be completed with necessary or appropriate variations and insertions consistent with the provisions of this Ordinance:

[Form of Bond]

CITY OF LAS VEGAS
GENERAL OBLIGATION (LIMITED TAX)
SANITARY SEWER REFUNDING BOND
SERIES MAY 1987

No. R _____
Interest Rate
_____ % per annum

\$ _____
CUSIP Number

The CITY OF LAS VEGAS (herein called the "City"), in the County of Clark, State of Nevada, hereby acknowledges itself indebted and for value received promises to pay to _____, or registered assigns, on the first day of _____, _____ (subject to any right of prior redemption hereinafter reserved) the principal sum of \$ _____ (\$ _____) in lawful money of the United States of America, and to pay interest thereon in like lawful money from the interest payment date next preceding the date of registration of this bond (unless this bond is registered as of a day during the period from the sixteenth day of the month next preceding any interest payment date to such interest payment date, inclusive, in which event it shall bear interest from such interest payment date, or unless this bond is registered prior to November 1, 1987, in which event it shall bear interest from the date of initial delivery of the issue of bonds of which it is one) until payment of such principal sum

shall have been discharged as provided in the Ordinance hereinafter mentioned, at the interest rate specified above, payable semiannually on May 1 and November 1 in each year, or, if such interest payment date is not a business day, on or before the next succeeding business day. The principal (or redemption price) hereof is payable upon surrender hereof at the office of the Finance Director of the City or any successor as paying agent for such issue (herein called the "Paying Agent"), in Las Vegas, Nevada, and the interest hereon is payable by check or draft mailed to the person in whose name this bond or any predecessor bond is registered at the close of business on the fifteenth day of the month next preceding the applicable interest payment date, at such person's address as it appears on the bond registration records of the Paying Agent. If this bond is not paid upon presentation at its maturity, interest at the rate specified above shall continue to be borne hereby until the principal hereof is discharged as provided in the Ordinance.

This bond is one of a duly authorized issue of bonds of the City aggregating Sixteen Million Six Hundred Seventy-Five Thousand Dollars (\$16,675,000) in principal amount, all of like tenor and date (except for such variations, if any, as may be required to designate varying numbers, maturities, interest rates or redemption provisions), and is issued under and pursuant to the Charter of the City and the Constitution and statutes of the State of Nevada, including the Local Government Securities Law (constituting NRS 350.500 to 350.720, inclusive, and herein

called the "Bond Act"), pursuant to which this recital is conclusive evidence of the validity of the bonds and the regularity of their issuance, and under and pursuant to an ordinance of the City designated therein as the "1987 Sanitary Sewer Refunding Ordinance" and duly adopted by the City Council of the City on May 18, 1987 (herein called the "Ordinance").

Bonds maturing on or prior to November 1, 1997 are not subject to redemption prior to their respective maturities. Bonds maturing on or after May 1, 1998 are subject to redemption prior to their respective maturities, at the option of the City, on or after November 1, 1997, as a whole or in part, at any time, in inverse order of maturity (and by lot within a maturity), at the redemption prices (expressed as percentages of the principal amount of each bond so redeemed) set forth below, plus interest accrued thereon to the date fixed for redemption:

<u>Date Fixed for Redemption</u>	<u>Redemption Price</u>
November 1, 1997 through October 31, 1998	102 %
November 1, 1998 through October 31, 1999	101-1/2%
November 1, 1999 through October 31, 2000	101 %
November 1, 2000 through October 31, 2001	100-1/2%
November 1, 2001 and thereafter	100 %

Redemption shall be made upon not less than 30 days' prior mailed notice in the manner and upon the conditions provided in the Ordinance. If this bond is called for redemption and payment is duly provided therefor as specified in the Ordinance, interest shall cease to accrue hereon from and after the date fixed for redemption.

It is hereby certified, recited and declared that all

acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of this bond exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this bond, together with all other indebtedness of the City, does not exceed any limit prescribed by the Constitution or statutes of the State of Nevada or the Charter of the City and that provision has been made as required by the Constitution and statutes of the State of Nevada and the Charter of the City for the levy and collection of annual general (ad valorem) taxes sufficient to pay the principal of and interest on this bond as the same become due (except to the extent other funds are available therefor), subject to the limitations imposed by the Constitution and statutes of the State of Nevada. The full faith and credit of the City are hereby pledged for the punctual payment of the principal of and interest of this bond, and the principal of and interest on this bond are payable from annual general (ad valorem) taxes.

Payment of the principal of and interest on the bonds are additionally secured by a pledge of the net revenues (herein called the "Net Revenues") derived by the City from the operation and use of, and otherwise pertaining to, the sanitary sewer system of the City, consisting of all properties, real, personal, mixed or otherwise, now owned or hereafter acquired by the City, through purchase, construction or otherwise, and in any way pertaining thereto, whether located within or without or both within and without the boundaries of the City, for the

collection, interception, transportation, treatment, purification and disposal of sewage, liquid wastes, solid wastes, night soil and industrial wastes, including, without limitation, sewerage improvements, sewage purification, treatment and disposal works, and appurtenant machinery, apparatus, structures, and buildings, and related or appurtenant furniture, fixtures and other equipment, or any combination thereof (herein called the "System"), whether such net revenues result from extensions, enlargements, repairs, betterments or other improvements to the System, or otherwise, but excluding (1) moneys raised for capital improvements, and (2) grants, appropriations or gifts for limited uses, and after provision is made for the payment of all necessary and reasonable operation and maintenance expenses of the System, which Net Revenues are so pledged as more specifically provided in the Ordinance.

The bonds are equally and ratably secured by such pledge of the Net Revenues, and such pledge constitutes an irrevocable first lien (but not necessarily an exclusively first lien) upon the Net Revenues. Additional securities may be issued and made payable from the Net Revenues of the System and having a lien thereon subordinate to or on a parity with such pledge, in each case subject to the conditions of and in accordance with the Ordinance.

Reference is made to the Ordinance and to the Bond Act, for an additional description of the nature and extent of the security for the bonds, the accounts, funds, or revenues pledged,

the nature and extent and manner of enforcement of the pledge, the rights and remedies of the registered owners of the bonds with respect thereto, the terms and conditions upon which the bonds are issued, and a statement of rights, duties, immunities, and obligations of the City, and other rights and remedies of the owners of the bonds.

To the extent and in the respect permitted by the Ordinance, the provisions of the Ordinance may be amended or otherwise modified by action of the City taken in the manner and subject to the conditions and exceptions prescribed in this Ordinance. The pledge of Net Revenues under the Ordinance may be discharged at or prior to the respective maturities or prior redemption of the bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Ordinance.

This bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the registration panel hereon shall have been signed on behalf of the Paying Agent.

The bonds are issuable only in fully registered form in denominations of \$5,000 and any authorized multiple thereof within one maturity. Subject to the limitations and upon payment of the charges, if any, provided in the Ordinance, this bond may be exchanged, at said office of the Paying Agent, for a like aggregate principal amount of registered bonds of the same issue and maturity of other authorized denominations.

This bond is transferable by the registered owner hereof, in person or by his attorney duly authorized in writing, at the office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the Ordinance, and upon surrender of this bond. The Paying Agent shall not be required to register the transfer of this bond during the five days next preceding any date established for redemption of this bond for redemption.

This bond, the interest received hereon, and its transfer shall forever be free and exempt from taxation by the State of Nevada or any subdivision thereof.

No recourse shall be had for the payment of this bond or for any claim based thereon or otherwise upon the Ordinance against any individual member of the City Council of the City, or any officer or other agent of the City, past, present or future, either directly or indirectly through the City Council of the City or the City, 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 specifically waived and released.

IN WITNESS WHEREOF, the City of Las Vegas has caused this bond to be executed in its name by the manual or facsimile signature of its Mayor and by the manual or facsimile signature of its Finance Director, and attested by the manual signature of its City Clerk and has caused the seal of the City to be

reproduced hereon, all as of the _____ day of May, 1987.

CITY OF LAS VEGAS

By: _____
WILLIAM BRIARE, Mayor

By: _____
MARVIN A. LEAVITT, C.P.A.,
Finance Director

By: _____
MICHAEL K. OLSON, Treasurer

[SEAL]

Attest:

CAROL ANN HAWLEY, City Clerk

MANDATORY REGISTRATION FOR PAYMENT
AS TO PRINCIPAL AND INTEREST

The within single bond is registered in the office of the Paying Agent in the name of the last owner listed below; and the principal amount of the bond and interest thereon shall be payable only to such owner, all in accordance with the within-mentioned Ordinance.

<u>Date of Registration</u>	<u>Name of Owner</u>	<u>Address of Owner</u>	<u>Signature of Paying Agent</u>
May __, 1987	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

[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 in the records kept for registration of the within bond, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Name and 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.

Section 15. The Single Bond. Notwithstanding Section 14, the bonds shall be initially evidenced by a single registered bond (the "Single Bond") in the principal amount and denomination of \$16,675,000, numbered R-1, which Single Bond shall be manually signed and executed in the name of and on behalf of the City by the Mayor, countersigned and manually subscribed by the Finance Director, with the seal of the City affixed thereto and attested and manually signed by the City Clerk. The principal (or redemption price) of and interest on the Single Bond shall be paid by check, draft or warrant made to the order of this registered owner of the Single Bond and mailed to the address of the registered owner shown in the bond registration records of the Paying Agent. So long as the State is the registered owner, such payment shall be made by depositing with the State Treasurer, not later than 15 days prior to any principal or interest payment date or date fixed for redemption, the amount coming due on the bonds on such date. The final installment of principal on the Single Bond shall be made only upon surrender of the Single Bond at the office of the Paying Agent in Las Vegas, Nevada. The Single Bond shall mature in installments of principal, bear interest and be subject to the prepayments of installments of principal, substantially as provided in Sections 4, 5 and 6. If a portion of principal of the Single Bond is called for prior redemption, no payment of the principal or redemption price of or interest on the Single Bond, due on or after the date fixed for redemption shall be made

unless the Single Bond is presented to the Paying Agent and notation of the installments of principal so called for prior redemption is made on such Single Bond. The Single Bond must be registered in the name of its owner and may be assigned by the registered owner in the manner and with the effect set forth in the provisions for registration contained in the form thereof hereinafter set forth.

The Paying Agent shall maintain, so long as the bonds are evidenced by a Single Bond, a registration record for the Single Bond showing the name and address of the registered owner, the amounts and dates of any principal prepayments on the Single Bond, and the dates of any transfers of the Single Bond. The Paying Agent shall permit at all reasonable times the transfer of ownership of the Single Bond on presentation of the Single Bond at his office together with a written request for transfer signed by the registered owner or his attorney duly authorized in writing in the form attached to the Single Bond. Any such transfer shall be noted in the registration records and on the registration panel on the back of the Single Bond. No transfer shall be permitted during the seventy-five days next preceding any date for the selection of principal installments for prepayment, after the selection of any principal installment for redemption or during the thirty days preceding any date for the payment of principal of (or redemption price of) or interest on the Single Bond.

Upon written request of the registered owner of the

Single Bond or his attorney duly authorized in writing, in form satisfactory to the Paying Agent, the City shall issue, at the registered owner's expense and within 60 days from the date of such request, definitive negotiable registered bonds in the form provided by Section 14 and in the denominations requested by the registered owner, in an aggregate principal amount equal to the amount of unpaid principal of the Single Bond and of like tenor and date, and with the maturities, interest rates and terms otherwise prescribed by this Ordinance for such bonds.

Section 16. Form of Single Bond. The Single Bond shall be in substantially the following form, said form to be completed with necessary or appropriate variations and insertions consistent with the provisions of this Ordinance:

[Form of Single Bond]

CITY OF LAS VEGAS
GENERAL OBLIGATION (LIMITED TAX) SANITARY SEWER,
REFUNDING BOND, SERIES MAY 1987

No. R-1

\$16,675,000

The CITY OF LAS VEGAS (herein called the "City"), in the County of Clark, State of Nevada, hereby acknowledges itself indebted and for the value received promises to pay to the State of Nevada Municipal Bond Bank, or registered assigns, the principal sum of Sixteen Million Six Hundred Seventy-Five Thousand Dollars (\$16,675,000) in installments of principal in the amounts and years listed below (unless prepaid as provided herein and noted on the Prepayment Panel on the back hereof) in lawful money of the United States of America, and to pay interest on each unpaid installment hereof in like lawful money from the interest payment date next preceding the date of registration of this bond (unless this bond is registered as of a day during the period from the 16th day of the month next preceding any interest payment date to such interest payment date, inclusive, in which event it shall bear interest from such interest payment date, or unless this bond is registered prior to November 1, 1987, in which event it shall bear interest from the date of initial delivery hereof) until payment of such principal installment shall have been discharged as provided in the Ordinance

hereinafter mentioned, said interest being payable semiannually on May 1 and November 1 in each year, or, if such interest payment date is not a business day, on or before the next succeeding business day. The installments of principal payable hereunder shall bear interest at the respective rates per annum and mature in the respective principal amounts and on the respective dates set forth below:

<u>Principal Installment Maturity Date</u>	<u>Amount</u>	<u>Interest Rate</u>
November 1, 1987	\$110,000	4.5%
November 1, 1988	120,000	5.1%
November 1, 1989	125,000	5.3%
November 1, 1990	130,000	5.6%
November 1, 1991	140,000	5.8%
November 1, 1992	145,000	6.0%
November 1, 1993	155,000	6.25%
November 1, 1994	1,080,000	6.5%
November 1, 1995	1,160,000	6.7%
November 1, 1996	1,250,000	6.9%
November 1, 1997	1,355,000	7.1%
November 1, 1998	1,465,000	7.25%
November 1, 1999	1,585,000	7.4%
November 1, 2000	1,725,000	7.5%
November 1, 2001	1,870,000	7.625%
November 1, 2002	2,040,000	7.625%
November 1, 2003	2,220,000	7.625%

The principal (or redemption price) of and interest on this bond is payable by check, draft or warrant mailed to the person in whose name this bond or any predecessor bond is registered at the close of business on the fifteenth day of the month next preceding the applicable payment date, at such person's address as it appears on the bond registration records of the Finance Director of the City or any successor thereto as paying agent for this bond (herein called the "Paying Agent"). If the State of

Nevada (herein called the "State") is the registered owner hereof, payment of such principal, redemption price and interest shall be made by depositing with the State Treasurer, not later than fifteen days prior to any payment date, the amount coming due on such payment date. If payment of any installment of principal of this bond is not made when due, interest on such installment shall continue to be borne at the rate specified above for such installment until such installment is discharged as provided in the Ordinance. The final installment of principal on this bond is payable only upon surrender of this bond at the office of the Paying Agent.

This bond is one a duly authorized issue of bonds of the City aggregating Sixteen Million Six Hundred Seventy-Five Thousand Dollars (\$16,675,000) in principal amount, and is issued under and pursuant to the Charter of the City and the Constitution and statutes of the State of Nevada, including the Local Government Securities Law (constituting NRS Chapter 350 and herein called the "Bond Act"), pursuant to which this recital is conclusive evidence of the validity of the bonds and the regularity of their issuance, and under and pursuant to an ordinance of the City designated therein as the "1987 Sanitary Sewer Refunding Bond Ordinance" and duly adopted by the City Council of the City on May 18, 1987 (herein called the "Ordinance").

Installments of principal of this bond maturing on or before November 1, 1997 are not subject to redemption prior to

their respective maturities. Installments of principal of this bond maturing on or after May 1, 1998 shall be subject to prepayment on or after November 1, 1997, in whole or in part, at any time at the redemption prices (expressed as percentages of the principal amount of each installment so prepaid) set forth below, plus interest accrued thereon to the date fixed for redemption:

<u>Date Fixed for Redemption</u>	<u>Redemption Price</u>
November 1, 1997 through October 31, 1998	102%
November 1, 1998 through October 31, 1999	101-1/2%
November 1, 1999 through October 31, 2000	101%
November 1, 2000 through October 31, 2001	100-1/2%
November 1, 2001 and thereafter	100%

Prepayments shall be made upon not less than thirty (30) days' prior mailed notice in the manner and upon the conditions provided in the Ordinance. If any installment of principal of this bond is called for prepayment and payment is duly provided therefor as specified in the Ordinance, interest shall cease to accrue thereon from and after the date fixed for prepayment. If a portion of the principal of this bond is called for prepayment, no payment of the principal (or redemption price) of or interest on this bond due on or after the date fixed for prepayment shall be made unless this bond is presented to the Paying Agent and notation of the installments of principal so called for prepayment is made on the Prepayment Panel set forth below.

It is hereby certified, recited and declared that all acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of this bond exist,

have happened and have been performed in due time, form and manner as required by law, and that the amount of this bond, together with all other indebtedness of the City, does not exceed any limit prescribed by the Constitution or statutes of the State of Nevada or the Charter of the City and that provision has been made as required by the Constitution and statutes of the State of Nevada and the Charter of the City for the levy and collection of annual general (ad valorem) taxes sufficient to pay the principal of and interest on this bond as the same become due (except to the extent other funds are available therefor), subject to the limitations imposed by the Constitution and statutes of the State of Nevada. The full faith and credit of the City are hereby pledged for the punctual payment of the principal of and interest on this bond, and the principal of and interest on this bond are payable from annual general (ad valorem taxes).

Payment of the principal of and interest on the bonds are additionally secured by a pledge of the net revenues (herein called the "Net Revenues") derived by the City from the operation and use of, and otherwise pertaining to, the sanitary sewer system of the City, consisting of all properties, real, personal, mixed or otherwise, now owned or hereafter acquired by the City, through purchase, construction or otherwise, and in any way pertaining thereto, whether located within or without or both within and without the boundaries of the City, for the collection, interception, transportation, treatment, purification and disposal of sewage, liquid wastes, solid wastes, night soil

and industrial wastes, including, without limitation, sewerage improvements, sewage purification, treatment and disposal works, and appurtenant machinery, apparatus, structures and buildings, and related or appurtenant furniture, fixtures and other equipment, or any combination thereof (herein called the "System"), whether such net revenues result from extensions, enlargements, repairs, betterments or other improvements to the System, or otherwise, but excluding (1) moneys raised for capital improvements, and (2) grants, appropriations or gifts for limited uses, and after provision is made for the payment of all necessary and reasonable operation and maintenance expenses of the System, which Net Revenues are so pledged as more specifically provided in the Ordinance.

The bonds are equally and ratably secured by such pledge of the Net Revenues, and such pledge constitutes an irrevocable first lien (but not necessarily an exclusively first lien) upon the Net Revenues. Additional securities may be issued and made payable from the Net Revenues of the System and having a lien thereon subordinate to or on a parity with such pledge, in each case subject to the conditions of and in accordance with the Ordinance.

Reference is made to the Ordinance and to the Bond Act for an additional description of the nature and extent of the security for the bonds, the accounts, funds, or revenues pledged, the nature and extent and manner of enforcement of the pledge, the rights and remedies of the registered owners of the bonds

with respect thereto, the terms and conditions upon which the bonds are issued, and a statement of rights, duties, immunities, and obligations of the City, and other rights and remedies of the owners of the bonds.

To the extent and in the respects permitted by the Ordinance, the provisions of the Ordinance may be amended or otherwise modified by action of the City taken in the manner and subject to the conditions and exceptions prescribed in the Ordinance. The pledge of Net Revenues under the Ordinance may be discharged at or prior to the respective maturities or prior redemption of the bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Ordinance.

This bond shall not be entitled to any benefit under the Ordinance, or become valid or obligatory for any purpose, until the registration panel hereon shall have been signed on behalf of the Paying Agent.

This bond is transferable by the registered owner hereof, in person or by his attorney duly authorized in writing, at the office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the Ordinance, and upon surrender of this bond. The Paying Agent shall not be required to register the transfer of this bond during the seventy-five days next preceding any date established by the City for the selection of principal installments for redemption, after the selection of any portion

of this bond for prepayment or during the thirty days next preceding any date for the payment of principal (or redemption price) of or interest on this bond.

On written request of the registered owner hereof or his attorney duly authorized in writing in a form satisfactory to the Paying Agent, the City shall issue, at the registered owner's expense and within sixty days from the date of such request, negotiable registered bonds in such authorized denominations as the registered owner may request, in an aggregate principal amount equal to the amount of unpaid principal on this bond, maturing at the same times as and bearing interest at the same rates as such unpaid principal, and otherwise containing such terms and conditions as prescribed in and being in the form provided in the Ordinance.

This bond, the interest received hereon, and its transfer shall forever be free and exempt from taxation by the State of Nevada or any subdivision thereof.

No recourse shall be had for the payment of this bond or for any claim based thereon or otherwise upon the Ordinance against any individual member of the City Council of the City, or any officer or other agent of the City, past, present or future, either directly or indirectly through the City Council of the City or the City, 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 specifically waived and released.

IN WITNESS WHEREOF, the City of Las Vegas has caused this bond to be executed in its name by the manual signature of its Mayor and by the manual signature of its Finance Director, and attested by the manual signature of its City Clerk and has caused the seal of the City to be reproduced hereon, all as of the _____ day of May, 1987.

CITY OF LAS VEGAS

By: _____
WILLIAM BRIARE, Mayor

By: _____
MARVIN A. LEAVITT, CPA
Finance Director

By: _____
MICHAEL K. OLSON, Treasurer

[SEAL]

ATTEST:

CAROL ANN HAWLEY, City Clerk

MANDATORY REGISTRATION FOR PAYMENT
AS TO PRINCIPAL AND INTEREST

The within Single Bond is registered in the office of the Paying Agent in the name of the last owner listed below; and the principal amount of the bond and interest thereon shall be payable only to such owner, all in accordance with the within-mentioned Ordinance.

<u>Date of Registration</u>	<u>Name of Owner</u>	<u>Address of Owner</u>	<u>Signature of Paying Agent</u>
_____	State of Nevada, c/o State Treasurer, as Administrator of the Municipal Bond Bank of the State of Nevada	State Treasurer, Capitol Complex, Carson City, Nevada 89710	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

[Form of Principal Prepayment Panel on Single Bond]

PREPAYMENT PANEL

The following installments of principal (or portions thereof) of this Single Bond have been prepaid by the City of Las Vegas, Nevada in accordance with the terms of the within-mentioned Ordinance.

<u>Date of Prepayment</u>	<u>Due Date of Installments (or portions thereof) Prepaid</u>	<u>Principal Amount Prepaid</u>	<u>Signature of Paying Agent</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Section 17. Delivery of the Single Bond; Deposit of Proceeds. When the Single Bond has been duly executed, the City shall deliver it to the State upon presentation of the City of Las Vegas General Obligation (Limited Tax) Sanitary Sewer Bond, Series November 1983 to the City showing notation thereon of the prepayment of the installments of principal maturing on and after November 1, 1994. The City shall then register the Single Bond in the name of the State on the bond registration records of the Paying Agent and make notation of such registration on the back of the Single Bond. Any accrued interest shall be deposited in the Interest Fund created below. All costs of issuing the bonds shall be paid by the City.

Section 18. Completion of Refunding Project. The City, with the proceeds derived from the sale of the bonds, shall proceed to complete the Refunding Project with due diligence to the best of the City's ability, as hereinabove provided.

Section 19. Gains From the Investment of Proceeds. Any gain from the investment or reinvestment of proceeds of the bonds shall be deposited promptly upon the receipt of such gain into the Principal Fund or the Interest Fund for the respective

payment of the principal of or interest on the bonds.

Section 20. Tax Covenant. The City covenants for the benefit of the owners of the Refunding Municipal Bonds that it will not make any use of the proceeds of such bonds, any funds reasonably expected to be used to pay the principal of or interest on such bonds, or any other funds of the City, and will not make any use of any facilities financed with the proceeds of the 1983 Municipal Bond which would cause the interest on either of such bonds to become subject to federal income taxation under the Internal Revenue Code of 1986, as amended (the "Tax Code") (except for the alternative minimum tax imposed on corporations by section 55 of the Tax Code and except for the environmental tax imposed on corporations by section 59A of the Tax Code) or subject the City to any penalties under section 148 of the Tax Code, and that it will not take any action or omit to take any action with respect to the Refunding Municipal Bonds, the proceeds thereof or any facilities financed with the 1983 Municipal Bonds if such action or omission would cause the interest on either of such bonds to become subject to federal income taxation under the Tax Code (except for the alternative minimum tax imposed on corporations by section 55 of the Tax Code and except for the environmental tax imposed on corporations by section 59A of the Tax Code) or subject the City to any penalties under section 148 of the Tax Code.

In order to implement the provisions of Section 148(f) of the Code, the City will establish a separate fund, held by its

Treasurer, called the "Rebate Fund" into which will be deposited any amount required to be rebated to the federal government pursuant to Section 148(f) of the Code. Section 148(f) of the Code requires the payment to the United States of the excess of the amount earned on the investment of Gross Proceeds in Nonpurpose Obligations over the amount that would have been earned on such investment had the amount so invested been invested at a rate equal to the Yield on the Bonds, together with any income attributable to such excess. Except as provided below, all investment in Nonpurpose Obligations and all investment earnings on such investments are subject to this requirement. In order to meet the rebate requirements of the Code, unless during each Bond Year all Gross Proceeds are invested at a Yield that is less than the Yield on the Bonds or are invested in Tax-Exempt Obligations or unless paragraph (F) below applies, the City will take the following action:

(A) For each Computation Period specified in paragraph (B) below, the City shall compute Yield on the Bonds as required by and in the manner required by Section 148(f) of the Code using payments or prepayments of principal and interest actually made through the last day of the Computation Period.

(B) The City will determine the amount of earnings received on all investments of Gross Proceeds other than investments in Tax-Exempt Obligations and investment of amounts held in the Rebate Fund, during

the Computation Periods ending with the following determination dates: (i) November 30, 1987 and each succeeding November 30; (ii) the maturity date of the Bonds; and (iii) if the Bonds are redeemed in whole prior to their maturity date, the date on which the Bonds are redeemed. In addition, where Nonpurpose Obligations are retained by the City after retirement of the Bonds, any unrealized gains or losses as of the date of retirement of the Bonds will be taken into account in calculating the earnings on such Nonpurpose Obligations with each such obligation treated as sold for its fair market value on the date of retirement of the Bonds. In calculating the earnings described above, earnings received in that Bond Year shall include amounts which would be treated as income (e.g. accrued original discount) under Section 1272 of the Code. In addition, earnings received in any Bond Year within the Computation Period shall include the gain or loss on the sale of any investment sold determined by subtracting the Adjusted Fair Market Value of the investment from the disposition price of the investment.

(C) For each Computation Period specified in paragraph (B) above, the City will calculate for each investment of Gross Proceeds (other than investments held in the Rebate Fund) the earnings

which would have been received on each investment if in each Bond Year an amount equal to the Adjusted Fair Market Value of such investment at the beginning of such Bond Year were invested at an interest rate equal to the Yield on the Bonds for that Bond Year or portion thereof.

(D) For each Computation Period specified in paragraph (B) above, the City will determine the amount of earnings received on all investments held in the Rebate Fund during the Computation Period. In calculating the earnings, earnings received within the Computation Period shall include amounts which would be treated as income (e.g. accrued original issue discount) under Section 1272 of the Code. In addition, earnings received in any Bond Year within the Computation Period shall include the gain or loss on the sale of any investment sold determined by subtracting the Adjusted Fair Market Value of the investment from the disposition price of the investment.

(E) For each Computation Period specified in paragraph (B) above, and within 15 days of the end of each Computation Period, the City will calculate the Rebate Amount, i.e., an amount equal to the amount determined in paragraph (B), less the amount determined in paragraph (C), plus the amount

determined in paragraph (D) and less all amounts which have previously been paid to the United States pursuant to Section 9.3 below. Within 15 days of the end of the Computation Period, if the Rebate Amount exceeds the amount on deposit in the Rebate Fund, the City will deposit or cause to be deposited in the Rebate Fund an amount such that the balance in the Rebate Fund after such deposit equals the Rebate Amount. If the amount in the Rebate Fund exceeds the Rebate Amount such excess amount may be withdrawn from the Rebate Fund (except that earnings or amounts previously deposited in the Rebate Fund may not be withdrawn from the Rebate Fund). The City's obligation to make such deposits and to make payments to the United States as provided below shall be a special obligation of the City, payable only from investment income earned on investments of Gross Proceeds and other funds, to the extent appropriated therefor, there being no obligation on the City to appropriate any funds other than such investment income. The obligation to make such deposits and payments to the United States shall not constitute a debt or indebtedness of the City under any constitutional or statutory provisions applicable to the City. In the event the City does not appropriate investment income or other funds for the purpose of

making deposits into the Rebate Fund, the City shall invest all Gross Proceeds at such a Yield that no deposit into the Rebate Fund is required.

(F) Notwithstanding anything in this Section 9.2 to the contrary, if the gross earnings from the investments held in a debt service fund for the Bonds for the Bonds Year in question are less than \$100,000, then any amount earned on such debt service fund shall not be taken into account in determining the Rebate Amount. For purpose of this paragraph (F), the term "gross earnings" means the aggregate amount earned on the Nonpurpose Obligations in which the Gross Proceeds deposited to the debt service fund are invested, including amounts earned on such amounts if allocated to the debt service fund.

Unless the Bonds are redeemed prior to such time, the City will pay to the United States, not later than 30 days after the end of the fifth Bond Year, and not later than five years after the preceding payment was due or would have been due if a Rebate Amount existed at that time, an amount not less than the excess of (i) 90 percent of the sum of the balance, if any, required by this Certificate to be on deposit in the Rebate Fund at such time plus all previous payments made to the United States, over (ii) the sum of all previous payments made to the United States. The City will pay to the United States, not later than 60 days after the Bonds are paid or redeemed, 100 percent of

the amount required to be on deposit in the Rebate Fund by this Certificate as of the end of the final Computation Period. The City will mail each payment to the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255.

The City will not enter into any transaction to reduce the Yield on the investment of Gross Proceeds of the Bonds in such a manner that the amount to be rebated to the Federal government pursuant to this section is less than it would have been had the transaction been at arm's length. The City will maintain such evidence as is necessary so as to demonstrate compliance with this paragraph, including obtaining certificates and bids if required by Regulations under Section 148 of the Code similar to those required by 26 C.F.R. § 1.103-15AT(d)(6). Pending the promulgation of such regulations under Section 148, the City shall comply with 26 C.F.R. § 1.103-15AT(d)(6).

In connection with rebate requirements the City will maintain the following additional records:

(y) The City will retain records of the determinations made pursuant to this Section 20 until six years after the retirement of the last obligations of the issue; and

(z) The City will record all amounts paid to the United States pursuant to this Section.

The foregoing covenants shall remain in full force and effect notwithstanding the defeasance of the bonds pursuant to Section 34 hereof or any other provision hereof until the later

of the final maturity date of the bonds or the date on which all payments required under Section 148 of the Tax Code have been made.

Section 21. Validity of the Bonds. The validity of the bonds shall be neither dependent on nor affected by the validity or regularity of any proceedings relating to the Projects, or any part thereof, or to the completion of the Projects. Neither the State nor any subsequent holder of any bond shall be in any manner responsible for the application or disposal by the City or by any of its officers, agent or employees of the moneys derived from the sale of the bonds or any other moneys referred to in this Ordinance.

Section 22. Levy of General Taxes. The interest falling due on the bonds on or before November 1, 1987, shall be paid out of the general fund of the City or out of any other funds that may be available for such purpose, including, without limitation, any proceeds of General Taxes. 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 interest on other than a temporary basis), and for the purpose of creating funds for the payment of the principal of and interest on the bonds, there are hereby created separate accounts designated respectively as the "City of Las Vegas General Obligation (Limited Tax) Sanitary Sewer Refunding Bonds, Series May 1987 Principal Fund" (the "Principal Fund") and the "City of Las Vegas General Obligation (Limited Tax) Sanitary Sewer

Refunding Bonds, Series May 1987 Interest Fund" (the "Interest Fund"). There shall be levied in due season, immediately after the issuance of the bonds and annually thereafter, until all of the principal of and interest on the bonds shall have been fully paid, satisfied and discharged, a General Tax on all property, both real and personal, subject to taxation within the boundaries of the City, including the net proceeds of mines, fully sufficient to reimburse such fund or funds for any such amount temporarily advanced to pay such initial installment of interest, 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 as hereinabove provided, after there are made due allowances for probable delinquencies. The proceeds of such annual levies shall be duly credited to such separate accounts for the payment of the principal of and interest on the bonds. In the preparation of the annual budget or appropriation resolution or ordinance for the City, the City Council shall first make proper provisions through the levy of sufficient general taxes for the payment of the interest on and the retirement of the principal of the bonded indebtedness of the City, including, without limitation, the bonds, subject to the limitations imposed by NRS 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 City. In any year in which the total General Taxes levied against the property in the City by any and all overlapping units

within the boundaries of the City may exceed the limitation imposed by NRS 361.453, and it shall become necessary by reason thereof to reduce the levies made by any and all such units, the reduction so made shall be in General Taxes levied by such unit or units (including, without limitation, the City and the State) for purposes other than the payment of their bonded indebtedness, including interest thereon. The General Taxes levied for the payment of such bonded indebtedness and the interest thereon shall always enjoy a priority over General Taxes levied by each such unit (including, without limitation, the City and the State) for all other purposes where reduction is necessary in order to comply with the limitation of NRS 361.453.

Such General 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 Principal Fund and in the Interest Fund, which shall be used for no purpose other than the payment of the principal of and interest on the bonds, respectively as the same fall due.

Any sums becoming due on the bond at any time when there are on hand from such General Taxes (and any other available moneys) insufficient funds to pay the same shall be promptly paid when due from general funds on hand belonging to the City, reimbursement to be made for such general funds in the amounts so advanced when the General Taxes herein provided for have been collected.

Nothing in this Ordinance prevents the City from applying any funds (other than General Taxes but including Net Revenues as hereinafter defined) that may be available for that purpose to the payment of the principal of and interest on the bonds as the same, respectively, fall due, and upon such application, the levy or levies herein provided may thereupon to that extent be diminished.

It shall be the duty of the City Council annually, at the time and the manner provided by law for levying other General Taxes of the City, 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 General Taxes; and the City Council shall require the officers of the City to levy, extend and collect such general taxes in the manner provided by law for the purpose of creating funds for the payment of principal of and interest on the bonds. Such General Taxes when collected shall be kept for and applied only to the payment of the principal of and interest on the bonds as hereinabove specified.

There is hereby specially appropriated the proceeds of such General Taxes to the payment of the principal of and interest on the bonds; and such appropriations will not be repealed nor the General Taxes postponed or diminished (except as herein otherwise expressly provided) until the principal of and interest on the bonds have been wholly paid.

The payment of the bonds is not secured by an

encumbrance, mortgage or other pledge of property of the City, except for the proceeds of General Taxes, and any other moneys pledged for the payment of the bonds. No property of the City, subject to such exception, shall be liable to be forfeited or taken in payment of the bonds.

Section 23. Pledge of Net Revenues. Subject only to the provisions of this Ordinance permitting the application thereof for or to the purposes and on the terms and conditions set forth herein, there are hereby additionally pledged to secure the payment of principal of and interest on the bonds in accordance with their terms and the provisions of this Ordinance, all of the Net Revenues (as hereinafter defined) of the System (as hereinafter defined). This pledge shall be valid and binding from and after the date of the delivery to the State of the Single Bond; and the Net Revenues, as received by the City shall immediately be subject to the lien of this pledge without any physical delivery thereof, any filing or further act; and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the City (except as herein otherwise provided) irrespective of whether such parties have notice thereof. The lien of this pledge and the obligation to perform the contractual provisions hereby made shall have priority over any and all other obligations and liabilities of the City payable from the net revenues, except as herein otherwise provided.

Section 24. Debt Service Funds.

From the Net Revenues, there shall first be transferred and credited to the Interest Fund (and to any other fund or account established for the payment of interest on any Parity Securities as hereinafter defined) monthly, commencing the first day of the month immediately succeeding the delivery to the State of the Single Bond, the amount necessary to pay the installment of interest next due on the bonds (and such Parity Securities).

Second, from moneys thereafter remaining from the Net Revenues, there shall be transferred and credited to the Principal Fund (and to any other fund or account established for the payment of principal on Parity Securities) monthly, commencing on the first day of the month immediately succeeding the delivery to the State of the Single Bond, the amount necessary (together with any other moneys from time to time available therefor from whatever sources) to pay the installment of principal next due on the bonds (and such Parity Securities).

Third, from moneys remaining from the Net Revenues, there shall be transferred to the Rebate Fund the amounts required to be transferred by Section 20 hereof.

Fourth, any moneys thereafter remaining of the Net Revenues may be used by the City at the end of any fiscal year of the City, or whenever there shall have been credited all amounts required to be deposited in the respective foregoing separate accounts for all of that fiscal year, for any lawful purposes of the City, as the City Council may from time to time determine, including, without limitation, for the creation of operation and

maintenance reserves and capital reserves, the payment of capital costs and major maintenance costs of the System, to pay any other obligations pertaining to the System or otherwise.

Section 25. Equal Security. The bonds and any Parity Securities from time to time outstanding shall be equally and ratably secured by the pledge of Net Revenues hereunder and shall not be entitled to any priority one over the other in the application of the Net Revenues regardless of the time or times of the issuance of the bonds and any such Parity Securities.

Section 26. Conditions to Additional Parity Securities. Nothing herein, except as expressly hereinafter provided, shall prevent the issuance by the City of additional securities payable from Net Revenues and constituting a lien thereon on a parity with, but not prior or superior to, the lien thereon of the bonds, provided, however, that the following are express conditions to the authorization and issuance of any such Parity Securities:

(a) At the time of adoption of the instrument authorizing the issuance of the additional Parity Securities, the City shall not be in default in the payment of principal or interest on the bonds.

(b) The Net Revenues (subject to adjustment as hereinafter provided) derived from the System in the fiscal year of the City next preceding the day of adoption of the instrument authorizing the issuance of the additional Parity Securities shall have been equal to 100% of the combined

maximum annual principal and interest requirements of the bonds, any additional outstanding Parity Securities and the proposed Parity Securities.

In determination of whether or not additional Parity Securities may be issued in accordance with the foregoing historical earnings test, the amount of the Net Revenues for the next preceding Fiscal Year shall be decreased and may be increased by the amount of loss or gain estimated by an Independent Accountant (as hereinafter defined) resulting from any change in any schedule of fees, rates and other service charges pertaining to the System and the Gross Revenues including, without limitation, any periodic minimum charges and any periodic charges for the availability of service or periodic standby charges, but excluding any modification of any connection privilege fees and any tap fees, based upon the number of users or connections, or both users and connections, as the case may be, during the next preceding fiscal year, as if such modified schedule of fees, rates and other service charges had been in effect during the entire next preceding fiscal year, if such change shall have been made by the City Council prior to the computation of such test but may in the same fiscal year as in which such computation is made or in the next preceding fiscal year.

In any determination of whether or not additional Parity Securities may be issued in accordance with the foregoing historical earnings test, consideration shall be given to any

probable estimated increase (but not reduction) in operation and maintenance expenses that will result from the expenditure of the funds proposed to be derived from the issuance and sale of the additional Parity Securities.

In any determination of whether or not additional Parity Securities may be issued in accordance with the foregoing historical earnings test, the respective annual principal (or redemption price) and interest requirements shall be reduced to the extent such requirements are scheduled to be paid with moneys held in trust or in escrow for that purpose by any trust bank within or without the State, including the known minimum yield from any investment in federal securities (as hereinafter defined).

A written certificate or written opinion by an Independent Accountant that the foregoing historical earnings test is met, based upon estimates and as adjusted thereby as provided in the foregoing paragraphs, shall be conclusively presumed to be accurate in determining the right of the City to authorize, issue, sell and deliver additional Parity Securities.

Section 27. Operation of the System. The City shall at all times operate the System properly and in a sound and economical manner and shall maintain, preserve and keep the System properly, or cause the same so to be maintained, preserved and kept, in good repair, working order and condition. The City also shall from time to time make or cause to be made all necessary and proper repairs, replacements and renewals so that

at all times the operation of the System may be properly and advantageously conducted in conformity with standards customarily followed by municipalities operating sanitary sewer facilities of like size and character.

Except for the use of the System or services pertaining thereto in the normal course of business, neither all nor a substantial part of the System shall be sold, leased or mortgaged; pledged, encumbered, alienated or otherwise disposed of until all the bonds have been paid in full, or unless provision has been made therefor as hereinafter provided.

Section 28. Payment of Taxes, Etc. The City shall pay or cause to be paid all taxes, assessments and other municipal or governmental charges, if any, lawfully levied or assessed upon or in respect of the System or any part thereof, or upon any portion of the gross revenues, when the same shall become due. The City shall duly observe and comply with all valid requirements of any municipal or governmental authority relative to the System or any part thereof, except for any period during which the validity of the same is being contested in good faith by proper legal proceedings. The City shall not create or suffer to be created any lien or charge on the System or any part thereof, or upon the gross revenues, except the pledge and lien created by this Ordinance for the payment of the bonds and any other outstanding Parity Securities issued in accordance herewith, and except as herein otherwise permitted. The City shall pay or cause to be discharged or shall make adequate provision to satisfy and to

discharge, within 60 days after the same shall become payable, all lawful claims and demands for labor, materials, supplies or other objects which, if unpaid, might by law become a lien upon the System or any part thereof, or upon the gross revenues. Nothing herein contained requires the City to pay or cause to be discharged or to make provision for any such tax, assessment, lien, charge or demand before the time when payment thereon shall be due, or so long as the validity thereof shall be contested in good faith by appropriate legal proceedings.

Section 29. No Competing Facilities. The City shall neither construct nor permit to be constructed other facilities or structures to be operated by the City separate from the System and competing for gross revenues otherwise available from the payment of the bond or any other securities payable from Net Revenues; provided, however, that nothing herein contained shall impair the police powers of the City or otherwise cause the City to violate any applicable law.

Section 30. Rate Covenant. The City shall charge against users or against purchasers of services or commodities pertaining to the System such fees, rates and other charges as shall be sufficient to produce gross revenues annually and any other funds available therefor at least to pay in each fiscal year of the City:

(a) an amount equal to the annual operation and maintenance expenses for such fiscal year,

(b) an amount equal to One Hundred Twenty-Five Percent

(125%) of the aggregate of the principal (or redemption price) and interest due in such fiscal year on the then outstanding bonds and any other outstanding Parity Securities the payment of which is secured by a pledge of the Net Revenues, and

(c) any other amounts payable from the Net Revenues and pertaining to the System, including, without limitation, any other securities, operation and maintenance reserves, capital reserves and prior deficiencies pertaining to any book account relating to gross revenues or any securities payable therefrom.

The foregoing rate covenant is subject to compliance by the City with any legislation of the United States of America, the State or other governmental body, or any regulation or other action taken by the United States, the State or any agency or political subdivision of the State pursuant to such legislation, in the exercise of the police power thereof for the public welfare, which legislation, regulation or action limits or otherwise inhibits the amounts of fees, rate and other charges collectible by the City for the use of or otherwise pertaining to, and all services rendered by, the System.

Subject to the foregoing, the City shall cause all fees, rates and other charges pertaining to the System to be collected as soon as reasonable and shall provide methods of collection and penalties to the end that the gross revenues shall be adequate to meet the requirements hereof.

Section 31. Books of Record and Account. So long as any of the bonds remain outstanding, proper books of record and account shall be kept by the City, separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the System and to all moneys pertaining thereto, including, without limitation, the gross revenues.

Section 32. No Personal Liability. No recourse shall be had for the payment 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 City Council or any officer or other agent of the City, past, present or future, either directly or indirectly through the City Council or the City, or otherwise, whether by virtue or 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 bonds and as a part of the consideration of their issuance specially waived and released.

Section 33. Ordinance Constitutes Contract. After issuance of the Refunding State Securities and until the Single Bond is delivered to the State, this Ordinance shall constitute an irrevocable contract between the City and the State. After the delivery of the Single Bond, the provisions of the Bond Act and of this Ordinance shall be a part of the irrevocable contract between the City and the holder or holders from time to time of

the bonds; and after the issuance of any of the bonds hereby authorized, no change, variation or alteration of any kind in the provisions of the Bond Act or this Ordinance shall be made in any manner without the consent of all of the holders of bonds then outstanding, until such time as all the bonds issued hereunder and the interest accruing thereon shall have been paid in full. Nothing in this Ordinance shall prohibit or otherwise limit or inhibit the reasonable exercise in the future by the State and its governmental bodies of the police powers and powers of taxation inherent in the sovereignty of the State and the exercise by the United States of the powers delegated to it by the Federal Constitution.

Section 34. Defeasance. When the principal (or redemption price) of and interest on all bonds have been paid, the pledge and lien upon the Net Revenues and all obligations hereunder shall thereby be discharged. There shall be deemed to be such due payment if the City has placed in escrow or in trust with a trust bank exercising trust powers, an amount sufficient (including the known minimum yield available for such purpose from Federal Securities in which such amount wholly or in part may be initially invested) to pay such principal (or redemption price) and interest as such principal (or redemption price) and interest become due to the fixed maturity dates of the bonds or to any redemption date as to which the City shall have obligated itself to exercise its prior redemption option by a call of the bonds thereafter maturing for payment then. Any such Federal

Securities shall not be callable by the issuer thereof and shall become due prior to the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the City and such bank at the time of the creation of the escrow or trust, or such Federal Securities shall be subject to redemption at the option of the holders thereof to assure such availability as so needed to meet such schedule.

Section 35. Further Actions. The officers of the City are hereby 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 printing of the bonds or the Single Bond, the execution of such certificates as may be required by the State relating to the signing of the Single Bond, the tenure and identity of the officials of the City, the assessed valuation of the taxable property in and the indebtedness of the City, the rate of taxes levied against the taxable property within the City, the delivery of the Single Bond and the prepayment of the refunded portion of the 1983 Municipal Bond, the exemption of interest on the bond from federal income taxation, the completeness and accuracy of any information provided to the State in connection with the bond as of the date of delivery of the Single Bond, and, if it is in accordance with the facts, the absence of litigation, pending or threatened, affecting the validity of the bonds or affecting the completeness or accuracy of such information.

Section 36. Registration; Paying Agent. Before any bonds are delivered, they shall be registered by the Paying Agent in a record kept for that purpose. The register shall show (a) the aggregate principal amount of the bonds and the denomination of each bond, (b) the time of payment of each of the bonds, and (c) the rate of interest which each of the bonds bears.

The City shall maintain a Paying Agent for the bonds in Las Vegas, Nevada. Such Paying Agent may be the City Finance Director, the City Treasurer, or any bank or other financial institution appointed by the City Council to act as Paying Agent for the bonds. The City shall make such credit arrangements with the Paying Agent as may be necessary to assure the prompt payment of the principal (or redemption price) of and interest on the bonds presented to the Paying Agent, to the extent of the moneys held by the City for such payment.

Section 37. Additional Definitions. The terms in this section defined shall have the meanings herein specified for all purposes of this Ordinance and of any instrument amendatory hereof or supplemental hereto, and of any other instrument or other document pertaining hereto, except where the context by clear implication otherwise requires.

"System" means the sanitary sewer system of the City, consisting of all properties, real, personal, mixed or otherwise, now owned or hereafter acquired by the City, through purchase, construction or otherwise, and used in connection with such system of the City, and in any way pertaining thereto, whether

located within or without or both within and without the boundaries of the City, for the collection, interception, transportation, treatment, purification and disposal of sewage, liquid wastes, solid wastes, night soil and industrial waste, including, without limitation, sewage improvements, sewage purification, treatment and disposal works, appurtenant machinery, apparatus, structures, buildings and related or appurtenant furniture, fixtures and other equipment, as such system is from time to time extended, bettered or otherwise improved, or any combination thereof.

"Federal Securities" means bills, certificates of indebtedness, notes, bonds or similar securities which are direct obligations of, or the principal and interest of which are unconditionally guaranteed by, the United States.

"Gross Revenues" means all income and revenues derived directly or indirectly by the City from the operation and use and otherwise pertaining to the System or any part thereof, whether resulting from repairs, enlargements, extensions, betterments or other improvements to the System, or otherwise, and includes all revenues received by the issuer from the System, including, without limitation, all fees, rates, and other charges for the use of the System, or for any service rendered by the City in the operations thereof, directly or indirectly, the availability of any such service or the sale or other disposal of any commodity derived therefrom, but excluding any moneys borrowed and used for the acquisition of capital improvements and any moneys received

as grants, appropriations or gifts from the United States, the State or other sources, the use of which is limited by the grantor or donor to the construction of capital improvements for the System, except to the extent any such moneys shall be received as payments for the use of the System, services rendered thereby, the availability of any such service or the disposal of any such commodities. "Gross Revenues" shall also include all income or other gain from the investment of such income and revenues and of the proceeds of securities payable from Gross Revenues or Net Revenues.

"Independent Accountant" means any certified public accountant, or any firm of certified public accountants, duly licensed to practice and practising as such under the laws of the State, as from time to time appointed and compensated by the City Council on behalf and in the name of the City: (a) who is, in fact, independent and not under the domination of the City; (b) who does not have any substantial interest, direct or indirect, with the City; and (c) who is not connected with the City as an officer or employee thereof, but who may be regularly retained to make annual or similar audits of any books or records of the City.

"Net Revenues" means the Gross Revenues remaining after the deduction of operation and maintenance expenses.

"Parity Securities" means securities of the City pertaining to the System and payable from Net Revenues on a parity with the bonds, to the extent issued in accordance with the terms, conditions and limitations hereof.

Other capitalized terms used herein shall have the meanings given to such terms in the text hereof, except where the context by clear implication otherwise requires.

Section 38. Repeal of Conflicting Actions. All bylaws, orders, resolutions and ordinances, or parts thereof, in conflict with this Ordinance are hereby repealed. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 39. 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 in no way affect any remaining provisions of this Ordinance.

Section 40. Amendments. This Ordinance may be amended or supplemented by instruments adopted by the City, without receipt by the City of any additional consideration, but with the written consent of the owners of 66% in aggregate principal amount of the bonds outstanding at the time of the adoption of the amendatory or supplemental instrument, excluding bonds which may then be held or owned for the account of the City, but including such refunding securities as may be issued for the the purpose of refunding any of the bonds if the refunding securities are not owned by the City. No such instrument shall permit:

(a) A change in the maturity or in the terms of redemption of the principal or any installment thereof of any outstanding bond or any installment of interest thereon;

or

(b) A reduction in the principal amount of any bond, the rate of interest thereon, without the consent of the owner of the bond; or

(c) A Reduction of the principal amount or percentages or otherwise affecting the description of bonds the consent of the owners of which is required for any modification or amendment; or

(d) The establishment of priorities as between bonds issued and outstanding under the provisions of this Ordinance; or

(e) The modification of, or other action which materially and prejudicially affects the rights or privileges of the owners of less than all of the bonds then outstanding.

Whenever the City proposes to amend or modify this Ordinance under the provisions hereof, it shall cause notice of the proposed amendment (i) to be published, unless the Single Bond herein authorized is owned by the State, one time in each of a newspaper published and of general circulation in Clark County, in the State of Nevada, and a financial newspaper or journal published in the City of New York, in the State of New York, as determined by the Board; and (ii) to be mailed within 30 days to the State Treasurer, the Financial Consultant, at its office in Las Vegas, Nevada, or to any successor, and each registered owner of each registered bond. The notice shall briefly set forth the

nature of the proposed amendment and shall state that a copy of the proposed amendatory instrument is on file in the office of the City Clerk for public inspection.

Whenever at any time within one year from the date of such notice there shall be filed in the office of the City Clerk an instrument or instruments executed by the owners of at least 66% in aggregate principal amount of the bonds then outstanding, which instrument or instruments shall refer to the proposed amendatory instrument described in the notice and shall specifically consent to and approve the adoption of the instrument; thereupon, but not otherwise, the Board may adopt the amendatory instrument and the instrument shall become effective.

If the owners of at least 66% in aggregate principal amount of the bonds outstanding, at the time of the adoption of the amendatory instrument, or the predecessors in title of such owners, shall have consented to and approved the adoption thereof as herein provided, no owner of any bond, whether or not the owner shall have consented thereto, shall have any right or interest to object to the adoption of the amendatory instrument or to object to any of the terms or provisions therein contained or to the operation thereof or to enjoin the City from taking any action pursuant to the provisions thereof. Any consent given by the holder of a bond pursuant to the provisions hereof shall be irrevocable.

Bonds authenticated and delivered after the effective date of any action taken as provided in this Section 40 may bear

a notation by endorsement or otherwise in form approved by the City as to the action; and if any bond so authenticated and delivered shall bear such notation, then upon demand of the owner of any bond outstanding at such effective date and upon presentation of his bond, suitable notation shall be made on the bond as to any such action. If the City so determines, new bonds so modified as in the opinion of the City to conform to such action shall be prepared, registered and delivered; and upon demand of the owner of any bond then outstanding, shall be exchanged without cost to the owner for bonds then outstanding upon surrender of such bonds.

Section 41. Publication of Ordinance. After this Ordinance is signed by the Mayor and attested and sealed by the City Clerk, this ordinance shall be published by its title only, together with the names of the members of the City Council voting for or against its passage, and with a statement that typewritten copies of the Ordinance are available for inspection by all interested parties at the office of the City Clerk, the publication to be made in the Las Vegas Review-Journal, a newspaper published and having general circulation in the City, at least once, such publication to be in substantially the following form:

[Form of Publication]

BOND ORDINANCE

(of the City of Las Vegas, Nevada)

AN ORDINANCE DESIGNATED AS THE 1987 SANITARY SEWER REFUNDING BOND ORDINANCE; PROVIDING FOR THE ISSUANCE OF \$16,675,000 PRINCIPAL AMOUNT OF CITY OF LAS VEGAS GENERAL OBLIGATION (LIMITED TAX), SANITARY SEWER REFUNDING BONDS, SERIES MAY 1987, STATING THE PURPOSES FOR WHICH THE BONDS ARE TO BE ISSUED; ACCEPTING A PROPOSAL FOR THE PURCHASE OF THE BONDS BY THE STATE TREASURER AS ADMINISTRATOR OF THE MUNICIPAL BOND BANK OF THE STATE; PROVIDING THE TERMS, CONDITIONS AND FORM OF THE BONDS, THE METHOD OF THEIR PAYMENT AND DISPOSITION OF REVENUES DERIVED FROM THE OPERATION OF THE CITY'S SANITARY SEWER SYSTEM; AND PROVIDING FOR CERTAIN COVENANTS, AGREEMENTS AND OTHER MATTERS RELATING TO THE BONDS.

PUBLIC NOTICE IS HEREBY GIVEN that typewritten copies of the above entitled ordinance are available for inspection by all interested parties at the office of the City Clerk of the City of Las Vegas, Nevada at the Clerk's office in Las Vegas City Hall, Las Vegas, Nevada; and that the ordinance was proposed by Councilmember _____ on May 18, 1987, and was passed on that date as an emergency measure by the following vote of the City Council of the City:

Those voting aye:	Mayor William H. Briare Councilman Ron Lurie Councilman Al Levy Councilman Bob Nolen Councilman W. Wayne Bunker
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Those Voting nay:	None
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This ordinance shall be in full force and effect from and after _____, 1987, i.e., the day after the date of publication of the ordinance by its title only.

IN WITNESS WHEREOF, the City Council of the City of Las Vegas, Nevada, has caused this ordinance to be published by title only. Dated this May 18, 1987.

WILLIAM H. BRIARE, Mayor

[SEAL]

ATTEST:

CAROL ANN HAWLEY, City Clerk

While there are no rules of the City Council which might prevent, unless suspended, the final passage and adoption of such proposed ordinance at this meeting as through an emergency existed, Section 2.110 of the City Charter states that final passage and adoption at this meeting requires the unanimous vote of all elected members of the City Council.

Councilmember Lurie then moved that the ordinance be passed and adopted as read. No second to the motion to pass the Ordinance being required by the rules of procedure established by the Council, the question was called for the passage and adoption of such ordinance, and roll was called with the following results:

Those voting Aye:	Mayor William H. Briare Councilman Ron Lurie Councilman Al Levy Councilman Bob Nolen Councilman W. Wayne Bunker
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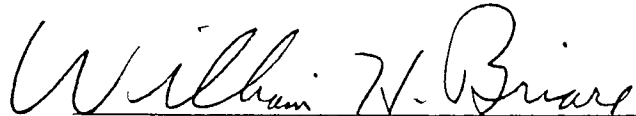
Those voting nay:	None
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The Mayor thereupon declared that all the members of the City Council having voted in favor thereof, the motion carried and the ordinance duly passed and adopted.

It was ordered that the ordinance, after signature by the Mayor and the City Clerk and the affixing thereto of the City seal, be recorded in the minute book of the Council according to law.

Thereupon, after the consideration of other business not relevant to the matters contained in the ordinance, the

meeting, upon motion duly made and unanimously adopted, adjourned.


WILLIAM H. BRIARE, Mayor



[SEAL]

ATTEST:


CAROL ANN HAWLEY, City Clerk

STATE OF NEVADA)
)
COUNTY OF CLARK) ss.
)
CITY OF LAS VEGAS)

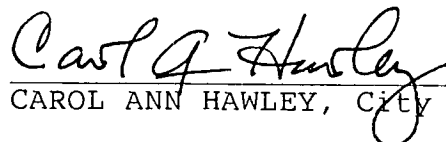
I, CAROL ANN HAWLEY, the duly appointed, qualified acting city clerk of the City of Las Vegas, Nevada, do hereby certify that:

1. The foregoing pages numbered 1 through 74 excerpts from the minutes of a special meeting of the City Council of the City, held on the 18th day of May, 1987, constitute a true copy of the record of proceedings of the City Council so far as such minutes relate to the 1987 Sanitary Sewer Refunding Bond Ordinance, a true copy of which is set forth as pages 2 through 72 therein.

2. The original of the ordinance has been fully authenticated by the signatures of the Mayor and myself, as City Clerk of the City, sealed with the corporate seal of the City, and made a part of the records of the City Council in a book kept for ordinances, which record has been duly signed by such officers and properly sealed.

3. All members of the City Council were given due and proper notice of the meeting including, but not limited to, such notice as is required by NRS 241.020. A copy of the notice given is attached hereto.

IN WITNESS WHEREOF, I have hereunto set my hand and the corporate seal of the City of Las Vegas, Nevada, this 18th day of May, 1987.



CAROL ANN HAWLEY, City Clerk

[SEAL]

(Attach Notice of City Council
May 18, 1987 Meeting)

City of Las Vegas

CITY COUNCIL
COUNCIL CHAMBERS • 400 EAST STEWART AVENUE
PHONE 386-6011

A Special Meeting of the City Council of the City of Las Vegas, Nevada is hereby called to be held in the City Manager's Conference Room, 10th Floor, City Hall Complex, 400 East Stewart Avenue, Las Vegas, Nevada, on Monday, May 18, 1987 at the hour of 4:00 P.M. to consider the following matter:

AGENDA

DEPARTMENT OF FINANCE & COMPUTER SERVICES

- A. BILL NO. 87-27 - PROVIDES FOR ISSUANCE OF \$16,675,000.00 IN GENERAL OBLIGATION REFUNDING BONDS TO THE STATE TREASURER, AS ADMINISTRATOR OF THE NEVADA MUNICIPAL BOND BANK, FOR THE PURPOSE OF REFUNDING CERTAIN SANITARY SEWER BONDS THAT WERE ISSUED ON NOVEMBER 16, 1983.

(Attach Affidavit of
Publication of Ordinance)

11130

AFFIDAVIT OF PUBLICATION

STATE OF NEVADA) SS
COUNTY OF CLARK)

Mr. George J. Vasconi, being first duly sworn, deposes and says that he is Business Manager for the LAS VEGAS REVIEW-JOURNAL, a daily newspaper at Las Vegas, in the County of Clark, State of Nevada, and that the attached was continuously published in said newspaper for a period of One insertions from period of May 20, 1987 to May 20, 1987 inclusive, being the issue of said newspaper for the following dates, to wit:

May 20, 1987

That said newspaper was regularly issued and circulated on each of the dates above named.

RECORDED
MAY 22 1987
CLERK

BILL NO. 87-27
BOND ORDINANCE
3287
of the City of Las Vegas, Nevada.
AN ORDINANCE DESIGNATED AS THE 1987 SANITARY SEWER REFUNDING BOND ORDINANCE, PROVIDING FOR THE ISSUANCE OF \$16,675,000 PRINCIPAL AMOUNT OF CITY OF LAS VEGAS GENERAL OBLIGATION (LIMITED TAX), SANITARY SEWER REFUNDING BONDS, SERIES MAY 1987, STATING THE PURPOSES FOR WHICH THE BONDS ARE TO BE ISSUED; ACCEPTING A PROPOSAL FOR THE PURCHASE OF THE BONDS BY THE STATE TREASURER AS ADMINISTRATOR OF THE MUNICIPAL BOND BANK OF THE STATE; PROVIDING THE TERMS, CONDITIONS AND FORM OF THE BONDS, THE METHOD OF THEIR PAYMENT AND DISPOSITION OF REVENUES DERIVED FROM THE OPERATION OF THE CITY'S SANITARY SEWER SYSTEM; AND PROVIDING FOR CERTAIN COVENANTS, AGREEMENTS AND OTHER MATTERS RELATING TO THE BONDS.
PUBLIC NOTICE IS HEREBY GIVEN that typewritten copies of the above entitled ordinance are available for inspection by all interested parties at the office of the City Clerk of the City of Las Vegas, Nevada at the Clerk's office in Las Vegas City Hall, Las Vegas, Nevada; and that the ordinance was proposed by Councilmember RON LURIE on May 18, 1987, and was passed on that date as an emergency measure by the following vote of the City Council of the City:
THOSE VOTING AYE:
Mayor William H. Briare
Councilman Ron Lurie
Councilman Al Levy
Councilman Bob Nolen
Councilman W. Wayne Bunker
THOSE VOTING NAY: None
This ordinance shall be in full force and effect from and after MAY 21, 1987, i.e., the day after the date of publication of the ordinance by its title only.
IN WITNESS WHEREOF, the City Council of the City of Las Vegas, Nevada, has caused this ordinance to be published by title only. Dated this May 18, 1987.
WILLIAM H. BRIARE, Mayor
SEAL
ATTEST:
CAROL ANN HAWLEY, City Clerk
PUB: May 20, 1987

SIGNED

GEORGE J. VASCONI

Subscribed and sworn to before me this 20th day of May, 1987

NOTARY PUBLIC, IN AND FOR CLARK COUNTY, NEVADA



MARJORIE E. OUELLETTE
Notary Public - State of Nevada
CLARK COUNTY
My Appointment Expires Dec. 2, 1989

CITY CLERK

JUN 1 1 24 PM '87

RECEIVED

AFFIDAVIT OF PUBLICATION

STATE OF NEVADA) SS
COUNTY OF CLARK)

Mr. George J. Vasconi, being first duly sworn, deposes and says that he is Business Manager for the LAS VEGAS REVIEW-JOURNAL, a daily newspaper at Las Vegas, in the County of Clark, State of Nevada, and that the attached was continuously published in said newspaper for a period of One insertions from period of May 20, 1987 to May 20, 1987 inclusive, being the issue of said newspaper for the following dates, to wit:

May 20, 1987

That said newspaper was regularly issued and circulated on each of the dates above named.

RECORDED
MAY 20 11 52 AM '87

BILL NO. 87-27
BOND ORDINANCE
3287
of the City of Las Vegas, Nevada.
AN ORDINANCE DESIGNATED AS THE 1987 SANITARY SEWER REFUNDING BOND ORDINANCE; PROVIDING FOR THE ISSUANCE OF \$16,475,000 PRINCIPAL AMOUNT OF CITY OF LAS VEGAS GENERAL OBLIGATION (LIMITED TAX), SANITARY SEWER REFUNDING BONDS, SERIES MAY 1987, STATING THE PURPOSES FOR WHICH THE BONDS ARE TO BE ISSUED; ACCEPTING A PROPOSAL FOR THE PURCHASE OF THE BONDS BY THE STATE TREASURER AS ADMINISTRATOR OF THE MUNICIPAL BOND BANK OF THE STATE; PROVIDING THE TERMS, CONDITIONS AND FORM OF THE BONDS, THE METHOD OF THEIR PAYMENT AND DISPOSITION OF REVENUES DERIVED FROM THE OPERATION OF THE CITY'S SANITARY SEWER SYSTEM; AND PROVIDING FOR CERTAIN COVENANTS, AGREEMENTS AND OTHER MATTERS RELATING TO THE BONDS.
PUBLIC NOTICE IS HEREBY GIVEN that typewritten copies of the above entitled ordinance are available for inspection by all interested parties at the office of the City Clerk of the City of Las Vegas, Nevada at the Clerk's office in Las Vegas City Hall, Las Vegas, Nevada; and that the ordinance was proposed by Councilmember RON LURIE on May 18, 1987, and was passed on that date as an emergency measure by the following vote of the City Council of the City:
THOSE VOTING AYE:
Mayor William H. Briare
Councilman Ron Lurie
Councilman Al Levy
Councilman Bob Nolan
Councilman W. Wayne Bunker
THOSE VOTING NAY: None
This ordinance shall be in full force and effect from and after MAY 21, 1987, i.e., the day after the date of publication of the ordinance by its title only.
IN WITNESS WHEREOF, the City Council of the City of Las Vegas, Nevada, has caused this ordinance to be published by title only. Dated this May 18, 1987.
WILLIAM H. BRIARE, Mayor
SEAL
ATTEST:
CAROL ANN HAWLEY, City Clerk
PUB: May 20, 1987

SIGNED

GEORGE J. VASCONI

Subscribed and sworn to before me this 20th day of May, 1987

NOTARY PUBLIC, IN AND FOR CLARK COUNTY, NEVADA



MARJORIE E. OUELLETTE
Notary Public - State of Nevada
CLARK COUNTY
My Appointment Expires Dec. 2, 1989

CITY CLERK

MAY 24 11 24 PM '87

RECEIVED

AFFIDAVIT OF PUBLICATION

STATE OF NEVADA) SS
COUNTY OF CLARK)

Mr. George J. Vasconi, being first duly sworn, deposes and says that he is Business Manager for the LAS VEGAS REVIEW-JOURNAL, a daily newspaper at Las Vegas, in the County of Clark, State of Nevada, and that the attached was continuously published in said newspaper for a period of One insertions from period of June 4, 1987 to June 4, 1987 inclusive, being the issue of said newspaper for the following dates, to wit: June 4, 1987

That said newspaper was regularly issued and circulated on each of the dates above named.

BILL NO. 87-28
AN ORDINANCE CONFIRMING THE PROCEEDINGS HERETOFORE TAKEN IN INSTALLING CERTAIN IMPROVEMENTS WITHIN LAS VEGAS, NEVADA, SPECIAL IMPROVEMENT DISTRICT NO. 457, PROVIDING FOR THE PAYMENT OF THE COSTS AND EXPENSES OF SAID IMPROVEMENTS; ASSESSING THE COSTS AND EXPENSES OF SAID IMPROVEMENTS AGAINST THE ASSESSABLE LOTS AND PARCELS OF PROPERTY BENEFITTED BY SAID IMPROVEMENTS; DESCRIBING THE MANNER FOR THE COLLECTION AND PAYMENT OF SAID ASSESSMENTS; PROVIDING PENALTY FOR DELINQUENT PAYMENTS; APPROVING, RATIFYING AND CONFIRMING ALL ACTION PREVIOUSLY TAKEN BY THE CITY COUNCIL AND THE OFFICERS OF SAID CITY, DIRECTED TOWARD THE INSTALLATION OF SAID IMPROVEMENTS IN SAID DISTRICT; PRESCRIBING DETAILS IN CONNECTION THEREWITH; AND PROVIDING FOR OTHER MATTERS RELATING THERETO.
SPONSORED BY:
Ordinance required step procedure.
SUMMARY:
Levies the by assessments.
At a City Council meeting
May 20, 1987.
BILL NO. 87-28 WAS READ BY TITLE AND REFERRED TO RECOMMENDING COMMITTEE.
COUNCILMEN Nolen and Bunker
COPIES OF THE COMPLETE ORDINANCE ARE AVAILABLE FOR PUBLIC INFORMATION IN THE OFFICE OF THE CITY CLERK, 10TH FLOOR, CITY HALL, 400 EAST STEWART AVENUE, LAS VEGAS, NEVADA.
PUB: June 4, 1987

SIGNED _____

GEORGE J. VASCONI

Subscribed and sworn to before me
this 4th day of June, 1987

Marjorie E. Ouellette

NOTARY PUBLIC, IN AND FOR CLARK COUNTY, NEVADA



MARJORIE E. OUELLETTE

Notary Public - State of Nevada

CLARK COUNTY

My Appointment Expires Dec. 2, 1989

CITY CLERK

JUN 10 11 30 PM '87



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