

BILL NO. 83-66

ORDINANCE NO. 3079

AN ORDINANCE DESIGNATED AS THE "1983 BOND ORDINANCE"; PROVIDING FOR THE ISSUANCE OF \$20,500,000 PRINCIPAL AMOUNT OF CITY OF LAS VEGAS GENERAL OBLIGATION (LIMITED TAX) SANITARY SEWER BONDS, (ADDITIONALLY SECURED BY PLEDGED REVENUES), SERIES NOVEMBER 1983, 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") has determined and declared that the public interest necessitates certain sewer projects for the relief and expansion of the existing sanitary sewer system of the City, including the following:

<u>Proposed Project or Cost Item</u>	<u>Proposed Budget</u>
Downtown interceptor	\$7,800,000
Sahara/Oakey interceptor	5,800,000
Tenaya/Vegas Drive interceptor	932,000
Decatur interceptor	4,306,000
Critical combined relief projects	781,000
Design for future projects	566,000
Financial, legal and administrative costs	315,000

and that such projects (the "Projects") be financed by the issuance of general obligation bonds in an aggregate principal amount not to exceed \$20,500,000 (the "Bonds");

WHEREAS, pursuant to NRS 350.001 to 350.006, inclusive, the City Council has submitted to the General Obligation Bond Commission of the County of Clark (the "Commission") the City's proposal to issue the Bonds;

WHEREAS, the Commission on the 2nd day of June, 1983, approved such proposal;

WHEREAS, Section 7.030, 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 has determined and declared that the Projects are a corporate purpose within the meaning of said Charter provision;

WHEREAS, NRS 350.020 provides that if the payment of a general obligation of the city is additionally secured by a pledge of the revenues of a project to be financed by its issue, and the city council of such city determines that the pledged revenues will at least equal the amount required in each year for the payment of interest and principal (without regard for any option reserved by the city for early redemption), the city may incur the general obligation without an election, unless a petition requesting an election is presented within the requisite time by 5% of the registered voters who together with any corporate petitioners own not less than 2% in assessed value of the taxable property in the city;

WHEREAS, the City Council has determined and declared that the revenues from the Project to be pledged to the payment of the Bonds will at least equal the amount required in each year for the payment of interest and principal on the Bonds (without regard to any option reserved by the City for early redemption) and accordingly, the City Council on the 15th day of June, 1983 adopted a resolution (the "Resolution of Intent") declaring the City's intention to incur such general obligation without an election unless a petition as hereinabove described was presented to the City Council within 30 days after the publication of a notice of the Resolution of Intent;

WHEREAS, the notice of the Resolution of Intent was duly published in the Las Vegas Review-Journal on the 17th day of June, 1983, and no such petition was filed within the prescribed period;

WHEREAS, the City is therefore authorized to issue and sell the Bonds without an election in an aggregate principal amount not exceeding \$20,500,000;

WHEREAS, the City Council has determined and declared that the Bonds are to be issued for a purpose necessary, expedient and advisable for the protection and preservation of the property and natural resources of the State, and for obtaining the benefits thereof;

WHEREAS, in order to obtain an interest rate or rates which otherwise might not be available, the City is therefore authorized pursuant to NRS Chapter 350A (the "Bond Bank Act") to sell the 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 City Council has requested the State Treasurer, as administrator of the State's municipal bond

bank, to make a loan to the City by purchasing the Bonds in the aggregate principal amount of \$20,500,000 (the "Lending Project");

WHEREAS, by her letter of September 1, 1983, the State Treasurer requested the State Board of Examiners (the "Board") to issue state securities in the aggregate principal amount of \$20,500,000, in one or more series, to defray the cost of the Lending Project (the "State Securities");

WHEREAS, by its resolution, duly adopted on September 1, 1983, the Board declared its intent to issue the State Securities; subject, however, to judicial confirmation that the obligation to be so incurred would be exempt, pursuant to the second paragraph of section 3, article 9, of the constitution of the State, from the State's debt limit;

WHEREAS, by its Judgment and Decree, duly entered on October 17, 1983, the First Judicial District Court for the State of Nevada, in and for Carson City, Nevada, ordered, adjudged and decreed that the State Securities are exempt, pursuant to the second paragraph of section 3, article 9, of the constitution of the State, from the State's debt limit;

WHEREAS, the City intends hereby to authorize the issuance of \$20,500,000 principal amount of the Bonds to be sold under the Lending Project, the Bonds to bear interest at the same rates as the \$20,500,000 issue of State Securities publicly sold on this October 24, 1983 for the purpose of providing funds to purchase such \$20,500,000 of Bonds;

WHEREAS, after private negotiation pursuant to the Bond Act and the Bond Bank Act, the City Council has determined to sell the Bonds, to be designated "City of Las Vegas General Obligation (Limited Tax) Sanitary Sewer Bonds (Additionally Secured by Pledged Revenues), Series November 1983," in the principal amount of \$20,500,000, maturing, bearing interest and having the other terms and conditions provided below, to the State for a purchase price consisting of their principal amount and a premium of \$ 642.39; and

WHEREAS, the City Council hereby elects to have the provisions of Chapter 260, statutes of Nevada, 1983 apply to the bonds; and

WHEREAS, the City Council has determined and hereby declares that each of the limitations and other conditions to the issuance of the Bonds in 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 as may be cited as the "1983 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 Lending 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 Bonds, Series November 1983," in the principal amount of \$20,500,000, consisting of fully registered bonds, numbered, in denominations of \$5,000 or any integral multiple thereof, dated as of the date of initial delivery of the Bonds, 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 the respective principal amounts and on the respective dates set forth below:

<u>Date</u> <u>(November 1)</u>	<u>Principal</u> <u>Amounts</u>	<u>Interest Rates</u>
1984	\$ 345,000	10.8 %
1985	380,000	10.8 %
1986	420,000	10.8 %
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 %

<u>Date</u> <u>(November 1)</u>	<u>Principal</u> <u>Amounts</u>	<u>Interest Rates</u>
1993	835,000	10 %
1994	925,000	8.8 %
1995	1,015,000	8.8 %
1996	1,120,000	9 %
1997	1,240,000	9 %
1998	1,365,000	9 %
1999	1,505,000	9 %
2000	1,660,000	9 %
2001	1,830,000	9 %
2002	2,020,000	9 %
2003	2,230,000	9 %

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 City Treasurer of the City or any successor thereto as paying agent hereunder (the "Paying Agent") in Las Vegas, Nevada, except as hereinafter provided in the event a Single Bond (as hereinafter defined) evidences the Bonds.

Each 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, or unless it is registered on or prior to April 15, 1984, in which event it shall bear interest from the date of initial delivery of the Bonds; 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 books of the Paying Agent 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 on such registration books.

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.

Section 5. Terms of Redemption of Bonds. Bonds maturing on or before November 1, 1993 shall not be subject to redemption prior to their respective maturities. Bonds maturing on and after November 1, 1994, shall be subject to redemption prior to their respective maturities, at the option of the City, on or after November 1, 1993, in whole or in part on any interest payment date 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, 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 %

If a Single Bond is issued to evidence the Bonds as hereinafter provided, installments of principal maturing on or prior to November 1, 1993, shall not be subject to prepayment, but installments of principal on the Single Bond maturing on or after November 1, 1994 shall be subject to prepayment on or after November 1, 1993, in whole or in part on any interest payment date, in amounts of \$5000 or any multiple thereof and in inverse order of maturity, at the same prices and upon the same terms as if any such installment being prepaid were evidenced by a separate Bond.

Section 6. Notice of Redemption of Bonds. Notice of any prior redemption shall be given by the Paying Agent 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 not more than 60 days before the date fixed for redemption to the respective registered owner of each Bond at the address for such owner on the Bond registration books 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 Burrows, Smith and Company, a Division of Prudential-Bache Securities, 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 by registered mail to the State Treasurer at least 75 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 of the City and by the City Treasurer and attested by the City Clerk of the City, with the seal of the City affixed thereto. The Mayor, the City Treasurer and the City Clerk are hereby authorized and directed, respectively, as such officers to execute each of the Bonds on behalf of the City and to affix the seal of the City thereto. The signatures of said Mayor, City Treasurer and City Clerk on the Bonds may, after the filing with the Secretary of State of the State of Nevada of their respective manual signatures certified under oath, be by engraved, imprinted, stamped or otherwise reproduced facsimile thereof. 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 authentication and 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 authenticated 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 books 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 for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form approved by the Paying Agent.

Whenever any Bond or Bonds shall be surrendered for transfer, the City shall execute and the Paying Agent shall authenticate 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 will be issued 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.

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 books 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 books, 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 or 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 authenticate 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 authenticate 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 Face of Bond]

CITY OF LAS VEGAS  
GENERAL OBLIGATION (LIMITED TAX)  
SANITARY SEWER BOND (ADDITIONALLY  
SECURED BY PLEDGED REVENUES),

SERIES NOVEMBER 1983

No. \_\_\_\_\_

\$ \_\_\_\_\_

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 April 15, 1984, 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 rate of \_\_\_\_\_ percent (\_\_\_%) per annum, payable semiannually on May 1 and November 1 in each year. The principal (or redemption price) hereof is payable upon surrender hereof at the office of the Paying Agent of the City or any successor thereto 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 books 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 Twenty Million Five Hundred Thousand Dollars (\$20,500,000) 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 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 "1983 Bond Ordinance" and duly adopted by the City Council of the City on October 24, 1983 (herein called the "Ordinance").

Bonds maturing on or prior to November 1, 1993 are not subject to redemption prior to their respective maturities. Bonds maturing on or after November 1, 1994 are subject to redemption prior to their respective maturities, at the option of the City, on or after November 1, 1993, in whole or in part on any interest payment date 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, 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 %

Redemption shall be made upon not less than 30 nor more than 60 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 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 or not 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 resulting 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 certificate of authentication and registration hereon endorsed 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 integral multiple thereof. 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 said 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 and cancellation of this bond. Upon such transfer a new registered bond or bonds, of authorized denomination or denominations, of the same issue and maturity and for the same aggregate principal amount, will be issued to the transferee in exchange herefor. The Paying Agent shall not be required to register the transfer of this bond during the five days next preceding any date established by the Trustee for the selection of bonds for redemption.

The City and the Paying Agent may treat the registered owner hereof as the absolute owner hereof for all

purposes, and the City and the Paying Agent shall not be affected by any notice to the contrary.

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 facsimile signature of its Mayor and by the facsimile signature of its City Treasurer, 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 November, 1983.

CITY OF LAS VEGAS

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
City Treasurer

[SEAL]

Attest:

\_\_\_\_\_  
City Clerk

[Form of Paying Agent's Certificate of  
Authentication for Bonds]

Date of authentication  
and registration: \_\_\_\_\_

This is one of the bonds described in the within-  
mentioned Ordinance, and this bond has been duly registered  
on the registration books kept by the undersigned as Paying  
Agent for such bonds.

\_\_\_\_\_  
By \_\_\_\_\_  
Authorized Officer or Employee

[Form of Assignment for Bonds]

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within bond and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney, to transfer the same on the books 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 \$20,500,000, numbered SBR-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 City Treasurer, 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 the registered owner of the Single Bond and mailed to the address of the registered owner shown on the Bond registration books 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 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 City Treasurer shall maintain at his office so long as the Bonds are evidenced by a Single Bond, a registration book 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 City Treasurer 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 a form satisfactory to the City Treasurer. Any such transfer shall be noted on the registration book 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 fixed for the prepayment of principal installments or during the thirty days next 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 BOND,  
 SERIES NOVEMBER 1983

No. SBR-1

\$20,500,000

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, the principal sum of Twenty Million Five Hundred Thousand Dollars (\$20,500,000) 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 April 15, 1984, 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.

Said installments of principal 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>Date</u> <u>(November 1)</u>	<u>Principal</u> <u>Amounts</u>	<u>Interest</u> <u>Rates</u>
1984	\$ 345,000	_____ %
1985	380,000	_____ %
1986	420,000	_____ %
1987	465,000	_____ %
1988	510,000	_____ %
1989	565,000	_____ %
1990	625,000	_____ %
1991	685,000	_____ %
1992	760,000	_____ %
1993	835,000	_____ %

<u>Date</u> <u>(November 1)</u>	<u>Principal</u> <u>Amounts</u>	<u>Interest</u> <u>Rates</u>
1994	925,000	_____ %
1995	1,015,000	_____ %
1996	1,120,000	_____ %
1997	1,240,000	_____ %
1998	1,365,000	_____ %
1999	1,505,000	_____ %
2000	1,660,000	_____ %
2001	1,830,000	_____ %
2002	2,020,000	_____ %
2003	2,230,000	_____ %

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 books of the City Treasurer 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 Twenty Million Five Hundred Thousand Dollars (\$20,500,000) 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's 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 "1983 Bond Ordinance" and duly adopted by the City Council of the City on October 24, 1983 (herein called the "Ordinance").

Installments of principal of this bond maturing on or before November 1, 1993 are not subject to prepayment.

Installments of principal of this bond maturing on or after November 1, 1994 shall be 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 multiple thereof and in inverse order of maturity, 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, 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 %

Prepayments shall be made upon not less than forty-five (45) days' prior mailed notice in the manner and upon the conditions provided in the Ordinance. If the State of Nevada is the owner hereof not less than 75 days prior mailed notice of any prepayment shall be given. 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 redemption. 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 on the back side hereof.

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 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 or not 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 resulting 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 said 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 fixed for the prepayment of principal installments 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.

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 City Treasurer, 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 November, 1983.

CITY OF LAS VEGAS

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
City Treasurer

[SEAL]

ATTEST:

\_\_\_\_\_  
City Clerk

[Form of Registration Panel  
on back of Single Bond]

MANDATORY REGISTRATION FOR PAYMENT  
AS TO PRINCIPAL AND INTEREST

The within single bond is registered in the office of the City Treasurer of the City of Las Vegas, Nevada, as 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 Treasurer shall deliver it to the State on receipt of the agreed purchase price and shall authenticate and register it in the name of the State on the Bond registration books of the City Treasurer and make notation of such registration on the back of the Single Bond. Any accrued interest and premium shall be deposited in the Interest Fund created below. The balance of the funds realized from the sale of the Bonds shall be placed in a special account hereby created within the treasury of the City designated as the "City of Las Vegas General Obligation (Limited Tax) Sanitary Sewer Bonds, Series November 1983 Acquisition Fund" (the "Acquisition Fund"), and shall be applied solely to the Projects including, without limitation, as a part of the cost of the Projects as provided in NRS 350.516, all costs of issuing the Bonds and all costs of issuance of the State Securities, which the City Council hereby determines are necessary and desirable and appertain to the Projects. After completion of the Projects, or after adequate provision therefor is made, any unexpended balance of Bond proceeds shall be deposited in the Principal Fund created below.

Section 18. Completion of Project. The City, with the proceeds derived from the sale of the Bonds, shall proceed to complete the Projects 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 Acquisition Fund to defray, in part, the cost of the Projects or, if adequate provision has been made for the Projects, into the Principal Fund or the Interest Fund for the respective payment of the principal of or interest on the Bonds.

Section 20. Use of Proceeds to Pay Bonds. Subject to other provisions of this Ordinance, the City Treasurer shall use any Bond proceeds credited to the Acquisition Fund, without further order or warrant, to pay the principal of and interest on the Bonds as the same become due, whenever and to the extent moneys otherwise available therefor are insufficient for that purpose, unless such Bond proceeds shall be needed to defray obligations accrued and to accrue under any contracts then existing and relating to the Projects.

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, agents or employees of the moneys derived from the sale of the Bonds or of any other moneys referred to in this Ordinance.

Section 22. Levy of General Taxes. The principal and interest falling due on the Bonds on or before May 1, 1985, 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 Bonds, Series November 1983 Principal Fund" (the "Principal Fund") and the "City of Las Vegas General Obligation (Limited Tax) Sanitary Sewer Bonds, Series November 1983 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.

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 and 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. Revenue Fund. So long as any of the Bonds shall be outstanding, the entire Gross Revenues (as hereinafter defined), upon their receipt from time to time by the City, shall be set aside and credited immediately to a separate account hereby created in the treasury of the City and designated as the "City of Las Vegas Sanitary Sewer System Gross Revenues Fund" (the "Revenue Fund"). So long as any of the Bonds hereby authorized shall be outstanding, the Revenue Fund shall be administered and the moneys on deposit therein shall be applied in the order of priority specified in Sections 25 through 30.

Section 25. Operation and Maintenance Fund. First, from time to time there shall be transferred and credited to a separate account hereby created in the treasury of the City and designated as the "City of Las Vegas Sanitary Sewer System Operation and Maintenance Fund" (the "Operation and Maintenance Fund"), moneys sufficient to pay Operation and Maintenance Expenses (as hereinafter defined), as budgeted and approved in accordance with law, as such expenses become due and payable, and thereupon they shall be

promptly paid. Any surplus remaining in the Operation and Maintenance Fund at the end of the fiscal year of the City and not needed for Operation and Maintenance Expenses shall be transferred to the Revenue Fund.

Section 26. Interest Fund. Second, from any moneys thereafter remaining in the Revenue Fund, i.e., from the Net Revenues, there shall 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 accumulate by substantially equal monthly installments (together with any other moneys from time to time available therefor from whatever sources) the amount necessary to pay the installment of interest next due on the Bonds (and such Parity Securities).

Section 27. Principal Fund. Third, from any moneys thereafter remaining in the Revenue Fund, there shall be transferred and credited to the Principal Fund (and to any other fund or account established for the payment of principal or sinking fund installments 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 to accumulate by substantially equal monthly installments (together with any other moneys from time to time available therefor from whatever sources) to pay the installment of principal due on the Bonds (and such Parity Securities) on the next succeeding November 1.

Section 28. Capital Reserve Fund. (a) Fourth, from any moneys thereafter remaining in the Revenue Fund, there shall be transferred and credited to a separate account hereby created in the treasury of the City and designated as the "City of Las Vegas Sanitary Sewer System Capital Reserve Fund" (the "Capital Reserve Fund"), monthly, commencing the first day of the month immediately succeeding the delivery to the State of the Single Bond, the sum of (1) an amount equal to one-one hundred twentieth ( $1/120$ ) of maximum annual debt service on the Bonds, plus (2) such amount as may be necessary to restore in the Capital Reserve Fund the amount of any withdrawals from such fund to pay debt service on the Bonds or any Parity Securities which withdrawal has not previously been restored; provided, however, that such transfer and credit shall be made only if the amount then in the Capital Reserve Fund is less than maximum annual debt service on the Bonds and any Parity Securities then outstanding. The transfer and credit provided for in (1) above shall be made only during the ten year period

commencing on the date of delivery to the State of the Single Bond.

(b) Any proceedings for the issuance of additional Parity Securities shall require, in addition to the transfers and credits described in subsection (a) of this Section, transfers and credits to the Capital Reserve Fund monthly, commencing the first day of the month immediately succeeding the initial delivery of such Parity Securities, in the amount necessary to accumulate additionally, by substantially equal monthly installments during the ten year period after the date of initial delivery of such Parity Securities, an amount equal to maximum annual debt service on such Parity Securities. In the alternative, such proceedings may provide that all or part of such maximum annual debt service reserve requirement be funded with the proceeds of such Parity Securities or with other moneys, and may provide for more rapid funding of such requirement, and may provide for a higher requirement.

(c) Amounts in the Capital Reserve Fund shall be used solely for the purpose of paying debt service on the Bonds and any Parity Securities whenever and to the extent Revenues otherwise available therefor are insufficient for that purpose, provided, however, that any amount in such fund in excess of maximum annual debt service on the Bonds and any Parity Securities then outstanding (or any higher requirement established by proceedings for the issuance of additional Parity Securities) may be transferred to the Revenue Fund.

(d) For purposes of this Section, "debt service" shall mean and include scheduled payments of interest, serial principal and mandatory sinking fund installments.

Section 29. Payment of Subordinate Securities.

Fifth, any moneys thereafter remaining in the Revenue Fund may be used by the City for the payment of the principal of and interest on Subordinate Securities (as hereinafter defined); and may be used to create reasonable reserves for such securities.

Section 30. Surplus Revenues.

Sixth, any moneys thereafter remaining in the Revenue Fund 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 31. 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 32. 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 of 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 outstanding Parity Securities and the proposed 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 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 that 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 33. Subordinate Securities for the System. Nothing herein, except as expressly hereinafter provided, shall prevent the City from issuing additional securities payable from Net Revenues and constituting a lien thereon subordinate to the lien thereon of the Bonds and any outstanding Parity Securities; provided, however, that the proceeds of any such Subordinate Securities shall be used only to pay the cost (including, without limitation, incidental expenses) of a project for the betterment, enlargement, extension, other improvement or equipment of the System, or any combination thereof.

Section 34. Conditions to Subordinate Securities. Any additional Parity or Subordinate Securities issued in compliance with the terms hereof shall bear interest payable semiannually on the first days of May and November in each year, but the first interest payment date may be for interest accruing for any period not in excess of one year; and such additional securities shall mature on November 1 in the year

or years designated by the City Council, except for any term securities maturing on November 1 of a designated year and which are to be paid serially under a schedule of mandatory prior redemption calls or which are to be paid from a sinking fund into which payments are to be made serially. In connection with the authorization of any such additional securities the City Council may on behalf of the City adopt any additional covenants or agreements with the holders of such additional securities; provided, however, that no such covenant or agreement may be in conflict with the covenants and agreements of the City herein and no such covenant or agreement may be materially adverse to the interests of the holders of the Bonds. Any finding of the City Council to the effect that the foregoing requirements are met shall, if made in good faith, conclusively establish that the foregoing requirements have been met for purposes of this Ordinance.

Section 35. 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, 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 36. 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 or Subordinate 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 37. 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 for 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 38. 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 which, together with any other funds available therefor, will be in each fiscal year of the City at least equal to the sum of:

- (a) an amount equal to the annual Operation and Maintenance Expenses for such fiscal year;
- (b) an amount equal to the sum of (1) the debt service (as defined in Section 28) due in such fiscal year on the then outstanding Bonds and any outstanding Parity Securities, plus (2) the amount required to be transferred and credited to the Capital Reserve Fund pursuant to Section 28; and
- (c) any other amounts payable from the Net Revenues and pertaining to the System, including, without limitation, debt service on any Subordinate Securities and any other securities pertaining to the System, operation and maintenance reserves, additional capital reserves and prior deficiencies pertaining to any account relating to Gross Revenues.

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, rates 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 39. 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 40. No Arbitrage Covenant. The City shall make no use of the proceeds of the Bonds or any other funds of the City in any manner which will cause the Bonds to be "arbitrage bonds" within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended.

Section 41. Ordinance Constitutes Contract. After the sale of the 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 42. 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 as they relate to the Net Revenues 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 43. 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 receipt of the bond purchase price, the exemption of interest on the bonds from federal income taxation, the completeness and accuracy of any information provided the State in connection with the Bonds 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 44. Registration; Paying Agent. Before any Bonds are delivered, they shall be registered by the City Treasurer in a book kept in his office 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 shall be 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 Treasurer 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 Treasurer for such payment.

Section 45. 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 or not 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 practicing 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.

"Operation and Maintenance Expenses" means all reasonable and necessary current expenses of the City, paid or accrued, of operating, maintaining and repairing the System, including, without limitation:

- (a) engineering, auditing, reporting, legal and other overhead expenses relating to the administration, operation and maintenance of the System;
- (b) fidelity bond and property and liability insurance premiums pertaining to the System or a reasonably allocable share of a premium of any blanket bond or policy pertaining to the System;
- (c) payments to pension, retirement, health and hospitalization funds, and other insurance and to any self-insurance fund as insurance premiums not in excess of such premiums which would otherwise be required for such insurance;

- d) any general taxes, assessments, excise taxes or other charges which may be lawfully imposed upon the City, the System, revenues therefrom or the City's income from or operations of any properties under its control and pertaining to the System, or any privilege in connection with the System or its operations;
- (e) the reasonable charges of any Paying Agent and any other depositary bank pertaining to the Bonds or any other securities payable from Gross Revenues or otherwise pertaining to the System;
- (f) contractual services, professional services, salaries, other administrative expenses and costs of materials, supplies, repairs and labor, pertaining to the System or to the issuance of the Bonds as herein defined, or any other securities relating to the System, including, without limitation, the expenses and compensation of any receiver or other fiduciary under the Bond Act;
- (g) the costs incurred by the City Council in the collection and any refunds of all or any part of Gross Revenues;
- (h) any costs of utility services furnished to the System;
- (i) any lawful refunds of any Gross Revenues; and
- (j) all other administrative, general and commercial expenses pertaining to the System;

but excluding:

- (i) any allowance for depreciation;
- (ii) any costs of extensions, enlargements, betterments and other improvements, or any combination thereof;
- (iii) any reserves for major capital replacements, other than normal repairs;
- (iv) any reserves for operation, maintenance or repair of the System;
- (v) excluding any allowance for the redemption of any Bond or other security or the payment of any interest thereon or any prior redemption premium due in connection therewith;

- (vi) any liabilities incurred in the acquisition or improvement of any properties comprising any project or any existing facilities, or any combination thereof, pertaining to the System, or otherwise; and
- (vii) any liabilities imposed on the City for any ground legal liability not based on contract, including, without limitation, negligence in the operation of the System.

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

"Paying Agent" means the City Treasurer or any successor thereto as paying agent for the Bonds and appointed by the City Council in accordance with Section 44.

"Subordinate Securities" means securities of the City pertaining to the System and payable from and secured by Net Revenues subordinate and junior to the pledge thereof to 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 46. 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 47. Severability. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall in no way affect any remaining provisions of this Ordinance.

Section 48. Effectiveness of Ordinance. The City Council has determined and hereby declares that this Ordinance is an ordinance pertaining to the sale and issuance of bonds, and that this ordinance may accordingly be adopted as if an emergency now exists and may become effective at any time when an emergency ordinance of the City may go into effect. Consequently, final action shall be taken immediately and this ordinance shall be in effect from and

after its publication by title and collateral statement as herein provided.

Section 49. 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:

BILL NO. 83-66

ORDINANCE NO. 3079

AN ORDINANCE DESIGNATED AS THE 1983 BOND ORDINANCE; PROVIDING FOR THE ISSUANCE OF \$20,500,000 PRINCIPAL AMOUNT OF CITY OF LAS VEGAS GENERAL OBLIGATION (LIMITED TAX) SANITARY SEWER BONDS (ADDITIONALLY SECURED BY PLEDGED REVENUES), SERIES NOVEMBER 1983, 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 THE SECURITY THEREFOR; PROVIDING FOR THE COLLECTION 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-numbered and 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 her office in the City Hall, Las Vegas, Nevada; and that the ordinance was proposed by Councilman Lurie on October 24, 1983, and was passed on that date as an emergency measure by the following vote of the City Council of the City:

Those voting aye:

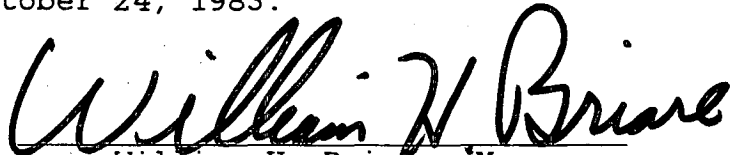
MAYOR WILLIAM H. BRIARE  
COUNCILMAN RON LURIE  
COUNCILMAN PAUL J. CHRISTENSEN  
COUNCILMAN AL LEVY  
COUNCILMAN BOB NOLEN

Those voting nay:

NONE

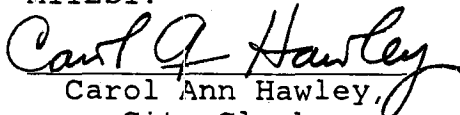
This ordinance shall be in full force and effect from and after October 28, 1983, i.e., the date after the date of publication of the ordinance by its title only.

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 October 24, 1983.

  
William H. Briare, Mayor

[SEAL]

ATTEST:

  
Carol Ann Hawley,  
City Clerk

Councilman Lurie then moved that the ordinance be passed and adopted as read, and, no second to the motion to adopt said ordinance being required by the rules of procedure established by the City Council and the question being called upon the passage and adoption of such ordinance, the roll was called with the following results:

Those voting aye:

MAYOR WILLIAM H. BRIARE  
COUNCILMAN RON LURIE  
COUNCILMAN PAUL J. CHRISTENSEN  
COUNCILMAN AL LEVY  
COUNCILMAN BOB NOLEN

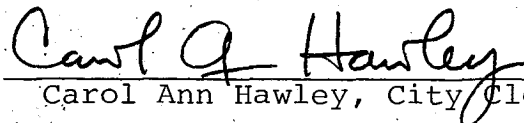
Those voting nay:

NONE

Mayor Briare thereupon declared that all the members of the City Council elected having voted in favor thereof, the motion was carried and the ordinance duly passed and adopted.

On motion duly adopted, it was ordered that the ordinance be numbered 3079, and, after signature by the Mayor and attestation by the City Clerk, be recorded 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, seconded and unanimously adopted, adjourned.

  
\_\_\_\_\_  
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 47, are excerpts from the minutes of a regular meeting of the City Council of said City, originally convened on the 19th day of October, 1983 and recessed to and reconvened on the 24th day of October, 1983, constitute a true copy of the record of proceedings of the City Council so far as such minutes relate to Ordinance No. 3079, a true copy of which is set forth as pages 2 through 46 therein.

2. The original of the ordinance has been fully authenticated by the signatures of the Mayor and myself, as City Clerk of said City, sealed with the corporate seal of said 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.

IN WITNESS WHEREOF, I have hereunto set my hand and the corporate seal of the City of Las Vegas, Nevada, this 25th day of October, 1983.

  
\_\_\_\_\_  
Carol Ann Hawley, City Clerk

[SEAL]

APPENDAGE TO ORDINANCE NO. 3079

## RESOLUTION

A RESOLUTION RELATING TO GENERAL OBLIGATION BONDS OF THE CITY OF LAS VEGAS TO BE ISSUED IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$20,500,000 TO FINANCE CERTAIN SEWER PROJECTS; AND REQUESTING THE STATE TREASURER, AS ADMINISTRATOR OF THE MUNICIPAL BOND BANK OF THE STATE OF NEVADA, TO MAKE A LOAN TO THE CITY BY PURCHASING SUCH BONDS.

WHEREAS, the City Council (the "City Council") of the City of Las Vegas, in the County of Clark, State of Nevada (the "City") has determined and declared that the public interest necessitates the construction of certain sewer projects (the "Projects") for the relief and expansion of the existing sanitary sewer system of the City and that such projects be financed by the issuance of general obligation bonds in an aggregate principal amount not to exceed \$20,500,000 (the "Bonds");

WHEREAS, the estimated cost of certain of the Projects, as reflected in the preliminary budget therefor, has been recalculated to reflect the most recent estimates of said costs, as follows:

	<u>Original Estimate</u>	<u>Revised Estimate</u>
1. Downtown Interceptor - Rancho Drive to Sahara and Arden	\$ 7,800,000	\$ 6,600,000
2. Sahara/Oakey Interceptor - West from Rancho Drive	5,800,000	6,130,000
3. Tenaya/Vegas Drive Intercep- tor from Westcliff to 680' East of Torrey Pines	932,000	1,069,000

*Carl A. Hawley*

	<u>Original Estimate</u>	<u>Revised Estimate</u>
4. Decatur Interceptor - Lone Mountain to Rancho Drive to Smoke Ranch Road	4,306,000	5,393,000
5. Critical combined relief, extensions, oversizing, and future projects design	1,347,000	993,000
6. Financial, legal and administrative costs	315,000	315,000
TOTAL	\$20,500,000	\$20,500,000

WHEREAS, pursuant to NRS 350.001 to 350.006, inclusive, the City Council has submitted to the General Obligation Bond Commission of the County of Clark (the "Commission") the City's proposal to issue the Bonds (the "General Obligation Bond Proposal");

WHEREAS, the Commission on the 2nd day of June, 1983, approved the General Obligation Bond Proposal;

WHEREAS, Section 7.020, Article VII, of the Charter of the City provides that the City may borrow money for any municipal purpose and for that purpose may issue bonds or other securities, and the City Council has determined and hereby declares that the construction of the Projects is a municipal purpose within the meaning of said Charter provision;

WHEREAS, NRS 350.020 provides that if the payment of a general obligation of a city is additionally secured by a pledge of the revenues of a project to be financed by its issue, and the governing body determines that the pledged revenues will at least equal the amount required in each year

for the payment of interest and principal (without regard for any option reserved by the city for early redemption), the city may incur the general obligation without an election, unless a petition requesting an election is presented within the requisite time by 5% of the registered voters who, together with any corporate petitioners, own not less than 2% in assessed value of the taxable property in the city;

WHEREAS, the City Council has determined and declared that the revenues from the Projects to be pledged to the payment of the Bonds will at least equal the amount required in each year for the payment of interest and principal on the Bonds (without regard to any option reserved by the City for early redemption) and accordingly, the City Council on the 15th day of June, 1983 adopted a resolution (the "Resolution of Intent") declaring the City's intention to incur such general obligation without an election unless a petition as hereinabove described was presented to the City Council within 30 days after the publication of a notice of the Resolution of Intent;

WHEREAS, the notice of the Resolution of Intent was duly published in the Las Vegas Review-Journal on the 17th day of June, 1983, and no such petition was filed within the prescribed period;

WHEREAS, the City is therefore authorized to issue and sell the Bonds without an election in an aggregate principal amount not exceeding \$20,500,000; and

WHEREAS, in order to obtain an interest rate or rates which otherwise might not be available, the City is authorized pursuant to NRS 350A.180 to sell the Bonds at private sale to the State of Nevada, represented by the State Treasurer (the "Treasurer") as administrator of the State's municipal bond bank;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAS VEGAS AS FOLLOWS:

1. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the City Council and the officers of the City directed toward the Projects and toward the issuance of the Bonds is hereby approved, ratified and confirmed.

2. The City Council has determined and hereby declares that the Bonds are to be issued for the purpose of financing the Projects and are therefore for a purpose necessary, expedient and advisable for the protection and preservation of the property and natural resources of the State, and for obtaining the benefits thereof.

3. The City Council hereby requests the Treasurer, as administrator of the State's municipal bond bank, to make a loan to the City by purchasing the Bonds in the aggregate principal amount of \$20,500,000 (the "Lending Project").

4. The Bonds shall be issued and sold to the Treasurer as general obligation bonds (additionally secured by pledged revenues) in one or more series and with such terms and conditions as may be required by the Resolution of

Intent, NRS 350A.010 to 350A.210, inclusive, and otherwise as may be agreed upon by the City Council and the Treasurer.

5. The City Council shall hereafter adopt a definitive ordinance authorizing the issuance and sale of such bonds, which ordinance will set forth the specific terms of the bonds and which will, in addition, contain provisions for additionally securing the payment of the bonds by pledging the revenues of the Projects to their payment.

6. The City Clerk is authorized and directed to certify a copy of this resolution to the Treasurer, which act shall constitute the formal request of the City for the Lending Project. The City Clerk and other officers and employees of the City additionally are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution, including without limitation the furnishing of such additional information concerning the Project as may be required by the Treasurer.

7. All resolutions, or parts thereof, in conflict herewith are hereby repealed to the extent of such inconsistency.

8. The invalidity of any provision of this Resolution shall not affect any remaining provisions hereof.

9. This Resolution shall be in effect after its



CERTIFIED RECORD  
OF  
PROCEEDINGS OF THE  
CITY COUNCIL  
OF  
THE CITY OF LAS VEGAS, NEVADA

RELATING TO

AN ORDINANCE DESIGNATED AS THE 1983 BOND ORDINANCE;  
PROVIDING FOR THE ISSUANCE OF \$20,500,000 PRINCIPAL  
AMOUNT OF CITY OF LAS VEGAS GENERAL OBLIGATION (LIMITED  
TAX) SANITARY SEWER BONDS (ADDITIONALLY SECURED BY  
PLEDGED REVENUES), SERIES NOVEMBER 1983, 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 BOND, THE METHOD OF THEIR PAYMENT AND THE SECURITY  
THEREFOR; PROVIDING FOR THE COLLECTION 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

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

The City Council of the City of Las Vegas, Nevada, held a regular meeting, open to the public, at the City Hall in Las Vegas, Nevada, on Wednesday, October 19, 1983, commencing at 10:00 A.M. and, after conducting business not relevant to the ordinance hereinafter set forth, recessed until October 24, 1983, at 5:00 P.M., at which time said meeting, open to the public, at the City Hall in Las Vegas, Nevada, was reconvened.

The following members of the City Council were present upon reconvening:

- MAYOR WILLIAM H. BRIARE
- COUNCILMAN RON LURIE
- COUNCILMAN PAUL J. CHRISTENSEN
- COUNCILMAN AL LEVY
- COUNCILMAN BOB NOLEN

The following persons were also present: City Attorney George Ogilvie, City Clerk Carol Ann Hawley, Acting City Manager Don Saylor, Stanley J. Dirks, Atty.; Ardel Jorgensen, Gary Ur, Acting Deputy City Manager Richard Campbell and Deputy City Manager Ashley Hall.

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. 83-66

ORDINANCE NO. 3079

AN ORDINANCE DESIGNATED AS THE 1983 BOND ORDINANCE; PROVIDING FOR THE ISSUANCE OF \$20,500,000 PRINCIPAL AMOUNT OF CITY OF LAS VEGAS GENERAL OBLIGATION (LIMITED TAX) SANITARY SEWER BONDS (ADDITIONALLY SECURED BY PLEDGED REVENUES), SERIES NOVEMBER 1983, 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 THE SECURITY THEREFOR; PROVIDING FOR THE COLLECTION 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-numbered and 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 her office in the City Hall, Las Vegas, Nevada; and that the ordinance was proposed by Councilman Lurie on October 24, 1983, 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 PAUL J. CHRISTENSEN  
COUNCILMAN AL LEVY  
COUNCILMAN BOB NOLEN

Those voting nay:

NONE

This ordinance shall be in full force and effect from and after October 28, 1983, i.e., the date after the date of publication of the ordinance by its title only.  
PUB: October 27, 1983  
Las Vegas SUN

# AFFIDAVIT OF PUBLICATION

STATE OF NEVADA, }  
COUNTY OF CLARK } ss.

Carol Black

, being first duly sworn,

deposes and says: That he is Legal Clerk of the LAS VEGAS SUN, a daily newspaper of general circulation, printed and published 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 1 time.

from October 27, 1983 to October 27, 1983

inclusive, being the issues of said newspaper for the following dates, to-wit:

October 27, 1983

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

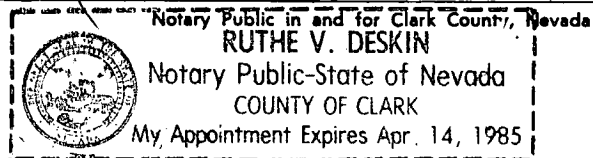
Signed

Carol Black

Subscribed and sworn to before me this 27th  
day of October, 1983

Ruth V. Deskin

My Commission Expires



RECEIVED

OCT 32 12 06 PM '83

CITY CLERK

BILL NO. 83-66  
 ORDINANCE NO. 3079  
 AN ORDINANCE DESIGNATED AS THE  
 1983 BOND ORDINANCE, PROVIDING  
 FOR THE ISSUANCE OF \$20,500,000  
 PRINCIPAL AMOUNT OF CITY OF LAS  
 VEGAS GENERAL OBLIGATION  
 (LIMITED TAX) SANITARY SEWER  
 BONDS (ADDITIONALLY SECURED BY  
 PLEDGED REVENUES), SERIES NO-  
 VEMBER 1983, STATING THE PUR-  
 POSSES FOR WHICH THE BONDS ARE  
 TO BE ISSUED; ACCEPTING A PRO-  
 POSAL FOR THE PURCHASE OF THE  
 BONDS BY THE STATE TREASURER  
 AS ADMINISTRATOR OF THE MUNICI-  
 PAL BOND BANK OF THE STATE; PRO-  
 VIDING THE TERMS, CONDITIONS AND  
 FORM OF THE BONDS, THE METHOD  
 OF THEIR PAYMENT AND THE SECURI-  
 TY THEREFOR; PROVIDING FOR THE  
 COLLECTION AND DISPOSITION OF  
 REVENUES DERIVED FROM THE OPE-  
 RATION 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-  
 numbered and 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  
 her office in the City Hall, Las Vegas,  
 Nevada; and that the ordinance was pro-  
 posed by Councilman Lurie on October  
 24, 1983, and was passed on that date  
 as an emergency measure by the fol-  
 lowing vote of the City Council of the  
 City:  
 Those voting aye:  
 MAYOR WILLIAM H. BRIARE  
 COUNCILMAN RON LURIE  
 COUNCILMAN PAUL J. CHRISTENSEN  
 COUNCILMAN AL LEVY  
 COUNCILMAN BOB NOLÉN  
 Those voting nay:  
 NONE  
 This ordinance shall be in full force and  
 effect from and after October 28, 1983,  
 i.e., the date after the date of publication  
 of the ordinance by its title only.  
 PUB: October 27, 1983  
 Las Vegas SUN

# AFFIDAVIT OF PUBLICATION

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Signed Carol Black

Subscribed and sworn to before me this 27th  
 day of October, 1983

Ruth V. Deskin

Notary Public in and for Clark County, Nevada  
**RUTH V. DESKIN**  
 Notary Public-State of Nevada  
 COUNTY OF CLARK  
 My Appointment Expires Apr. 14, 1985

My Commission Expires



RECEIVED

OCT 32 12 06 PM '83

CITY CLERK