R-0506-1992

RESOLUTION TRANSFERRING A PORTION OF THE 1992 STATE CEILING OF THE CITY OF LAS VEGAS, NEVADA TO CLARK COUNTY, NEVADA IN CONNECTION WITH THE FINANCING OF FACILITIES FOR THE LOCAL FURNISHING OF ELECTRIC ENERGY FOR NEVADA POWER COMPANY.

WHEREAS, the City of Las Vegas, Nevada (the "City") has been advised that Clark County, Nevada (the "County") is in the process of undertaking proceedings in connection with the issuance of its revenue bonds (the "Bonds") pursuant to the County Economic Development Revenue Bonds Law (the "Act") to finance facilities for the furnishing of electric energy within the County (the "Project") for Nevada Power Company (the "Company"); and

WHEREAS, Section 146 of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), imposes an annual dollar limit (the "State Ceiling") on the amount of private activity bonds (which, as defined therein, would include the Bonds) which can be issued in each state, the interest on which is exempt from federal income taxes; and

WHEREAS, Section 146 of the Internal Revenue Code provides that each state may determine the method by which its State Ceiling for each year is to be allocated among the issuers of the state; and

WHEREAS, under the provision of Chapter 348A of the Nevada Revised Statutes, as amended (the "Allocation Act"), and Regulations thereunder adopted by the Director of the Department of Commerce (the "Director") on February 11, 1988 (the "Allocation Regulations"), Nevada's State Ceiling for 1988 and each year thereafter is allocated 50% to the Director and 50% to local governments, and the local governments' share is allocated between cities and counties on the basis of population (which in the case of counties is the population of the unincorporated areas of the counties); and

WHEREAS, in accordance with the provisions of the Allocation Act and the Allocation Regulations, the Director has determined that the City's share of the Nevada State Ceiling for 1992 is $16,839,911; and

WHEREAS, the City has been requested to transfer $16,839,911, representing its allocated share of the State Ceiling for 1992, to the County to be applied to the Bonds for the purpose of financing the Project for the Company, and such transfer is authorized and permitted by the Allocation Act and the Allocation Regulations; and

WHEREAS, the City anticipates that it will be unable to utilize such portion of its share of the State Ceiling for 1992, and the City will incur no cost or liability in connection with the issuance of the Bonds; and

WHEREAS, the public benefits resulting from the issuance of the Bonds will inure to residents throughout the service territory of the Company, including residents of the City:

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAS VEGAS, NEVADA, as follows:

Section 1. That the City of Las Vegas, Nevada hereby transfers to Clark County, Nevada, a portion of its 1992 State Ceiling in the amount of $10,000,000.00 to be applied to the Bonds to finance the Project for Nevada Power Company.

Section 2. That the City Clerk is hereby authorized and directed to file or caused to be filed a certified copy of this resolution with the County Clerk of the County, the Director and the Secretary of the State Board of Finance within five days after the date of the adoption of this resolution.

Section 3. That this resolution shall take effect immediately upon its passage and adoption.

Upon motion of Council Member Nolen, the foregoing resolution was passed and adopted this 6th day of May, 1992 by the following vote of the Council:

Ayes: Councilmen Nolen, Adamsen, Higginson, Hawkins Jr. and Mayor Jones

Nays: None

Abstain: None

Absent: None

Approved this 6th day of May, 1992

Mayor OK 5-8-92 RAW

ATTEST:

City Clerk

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