R-0805D-1992

R E S O L U T I O N

A RESOLUTION CONCERNING CITY OF LAS VEGAS, NEVADA, SPECIAL IMPROVEMENT DISTRICT NO. 411 (DECATUR BOULEVARD), CITY OF LAS VEGAS, NEVADA, SPECIAL IMPROVEMENT DISTRICT NO. 412 (WASHINGTON AVENUE), CITY OF LAS VEGAS, NEVADA, SPECIAL IMPROVEMENT DISTRICT NO. 492 (LAKE MEAD BOULEVARD) AND CITY OF LAS VEGAS, NEVADA, SPECIAL IMPROVEMENT DISTRICT NO. 494 (LAKE MEAD BOULEVARD), DESIGNATED BY THE SHORT TITLE AS THE "IMPROVEMENT DISTRICT NOS. 411, 412, 492 AND 494 PUBLIC SALE RESOLUTION", AUTHORIZING THE PUBLIC SALE OF SPECIAL ASSESSMENT BONDS FOR SAID DISTRICTS; PRESCRIBING THE FORM OF THE NOTICE THEREFOR; PROVIDING FOR GIVING NOTICE OF SUCH SALE AND OTHER DETAILS IN CONNECTION THEREWITH; AND RATIFYING ALL ACTION PREVIOUSLY TAKEN CONSISTENT WITH THE PROVISIONS HEREOF.

WHEREAS, the City Council of the City of Las Vegas (the "City Council" and the "City", respectively, herein), in the County of Clark and State of Nevada, has taken all of the requisite legal action that is preliminary to and in the creation of "City of Las Vegas, Nevada, Special Improvement District No. 411 (Decatur Boulevard)", "City of Las Vegas, Nevada, Special Improvement District No. 412 (Washington Avenue)", "City of Las Vegas, Nevada, Special Improvement District No. 492 (Lake Mead Boulevard)" and "City of Las Vegas, Nevada, Special Improvement District No. 494 (Lake Mead Boulevard)" (individually, "Improvement District No. 411", "Improvement District No. 412", "Improvement District No. 492", and "Improvement District No. 494", respectively, herein and sometimes, collectively, the "Districts" herein) for the purposes of providing for the construction and installation therein of certain local improvements and of defraying the entire cost and expense thereof by special assessments against the assessable lots and parcels of property within each assessment unit of each of the Districts according to the benefits that were anticipated would be derived from such improvements by the respective lots and parcels that were proposed to be so assessed, all in accordance with the provisions of the Nevada Revised Statutes that provide therefor; and

WHEREAS, the City Council, pursuant to Ordinance No. 3611 that was duly passed, adopted and approved on the 20th day of November, 1991, created Improvement District No. 411 and ordered the construction and installation of the proposed local improvements in said District; and

WHEREAS, the City Council, pursuant to Ordinance No. 3603 that was duly passed, adopted and approved on the 19th day of September, 1991, created Improvement District No. 412 and ordered the construction and installation of the proposed local improvements in said District; and

WHEREAS, the City Council, pursuant to Ordinance No. 3510 that was duly passed, adopted and approved on the 6th day of June, 1990, created Improvement District No. 492 and ordered the construction and installation of the proposed local improvements in said District; and

WHEREAS, the City Council, pursuant to Ordinance No. 3533 that was duly passed, adopted and approved on the 3rd day of October, 1990, created Improvement District No. 494 and ordered the construction and installation of the proposed local improvements in said District; and

WHEREAS, the City Council, pursuant to Ordinance No. 3660 that was duly passed, adopted and approved on the 15th day of

July, 1992, levied assessments in the aggregate amount of $405,161.00 upon the assessable lots and parcels of property that have been benefited by the local improvements that have been constructed and installed in Improvement District No. 411, but it is anticipated that, at the close of the thirty day cash payment period on the 20th day of August, 1992, a portion of such assessments will have been paid and that, accordingly, there will remain unpaid on and after said date valid assessments against such lots and parcels in an aggregate amount that will be somewhat less than $405,161.00; and

WHEREAS, the City Council, pursuant to Ordinance No. 3661 that was duly passed, adopted and approved on the 15th day of July, 1992, levied assessments in the aggregate amount of $194,465.00 against the assessable lots and parcels of property that have been benefited by the local improvements that have been constructed and installed in Improvement District No. 412, but it is anticipated that, at the close of the thirty day cash payment period on August 20, 1992, a portion of such assessments will have been paid and that, accordingly, there will remain unpaid on and after said date valid assessments against such lots and parcels in an aggregate amount that will be somewhat less than $194,465.00; and

WHEREAS, the City Council, pursuant to Ordinance No. 3662 that was duly passed, adopted and approved on the 15th day of July, 1992, levied assessments in the aggregate amount of $193,435.00 against the assessable lots and parcels of property that have been benefited by the local improvements that have been constructed and installed in Improvement District No. 492, but it is anticipated that, at the close of the thirty day cash payment period on August 20, 1992, a portion of such assessments will have been paid and that, accordingly, there will remain unpaid on and after said date valid assessments against such lots and parcels in an aggregate amount that will be somewhat less than $193,435.00; and

WHEREAS, the City Council, pursuant to Ordinance No. 3663 that was duly passed, adopted and approved on the 15th day of July, 1992, levied assessments in the aggregate amount of $465,278.00 against the assessable lots and parcels of property that have been benefited by the local improvements that have been constructed and installed in Improvement District No. 494, but it is anticipated that, at the close of the thirty day cash payment period on August 20, 1992, a portion of such assessments will have been paid and that, accordingly, there will remain unpaid on and after said date valid assessments against such lots and parcels in an aggregate amount that will be somewhat less than $465,278.00; and

WHEREAS, the City Council has determined, and by this Resolution does so determine, that it is necessary and in the best interests of the City, each of the Districts and the inhabitants thereof that, pursuant to NRS 271.485, the Special Assessment, Local Improvement Bonds, Series September 1, 1992, in the principal amount of ____________ , which is an amount that does not exceed the aggregate amount of the assessments against the lots and parcels of property within the Districts that remained unpaid at the close of such thirty day cash payment period, be sold at this time at a public sale to finance the local improvements that have been constructed and installed in each of the Districts (the "Bonds" herein).

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Las Vegas, Nevada, at this regular meeting thereof that is being held on this 5th day of August, 1992, as follows:

Section 1. This Resolution shall be known, and may be cited by the short title as, the "Improvement District Nos. 411, 412, 492 and 494 Public Sale Resolution".

Section 2. The Bonds shall be, and the same are hereby ordered to be, advertised publicly for sale, and the City Council on Wednesday, the 2nd day of September, 1992, at the hour of 8:00 a.m., Pacific Daylight Time, in the Office of the Director of Finance of the City in the Las Vegas City Hall Complex, 400 East Stewart Avenue, Las Vegas, Nevada, shall cause sealed bids for the purchase of the Bonds to be received and to be opened publicly by the City Treasurer (the "City Treasurer" herein).

Section 3. The Official Notice of Bond Sale shall be, substantially, in the following form with such changes (particularly as to the amounts) as are approved by the City Treasurer, subject, in each case, to the ratification of any such change by the City Council when it adopts the ordinance that authorizes the issuance of the Bonds (provided that a more condensed form of said Notice may be published in any financial journal or paper, within or without the State of Nevada, in the discretion of the City Treasurer):

(Form of Official Notice of Bond Sale)

OFFICIAL NOTICE OF BOND SALE

CITY OF LAS VEGAS, NEVADA

SPECIAL IMPROVEMENT DISTRICT NO. 411 (DECATUR BOULEVARD)

SPECIAL IMPROVEMENT DISTRICT NO. 412 (WASHINGTON AVENUE)

SPECIAL IMPROVEMENT DISTRICT NO. 492 (LAKE MEAD BOULEVARD)

SPECIAL IMPROVEMENT DISTRICT NO. 494 (LAKE MEAD BOULEVARD)

SPECIAL ASSESSMENT, LOCAL IMPROVEMENT BONDS

SERIES SEPTEMBER 1, 1992

$1,257,000.00*

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of the City of Las Vegas (the "City Council" and the "City", respectively, herein) in the County of Clark and State of Nevada (the "State" herein), on

Wednesday, the 2nd day of September, 1992,

at the hour of 8:00 a.m., Pacific Daylight Time, in the

Office of the City Treasurer
6th Floor
Las Vegas City Hall Complex
400 East Stewart Avenue
Las Vegas, Nevada 89101

shall cause sealed bids to be received and to be opened publicly for the purchase of the fully registered, special improvement

*Not to exceed

district special assessment bond issues of the City that are described with particularity below. Bids must be delivered (no bid will be received by mail) to the City Council at the Office of the City Treasurer of the City (the "City Treasurer" herein) in the City Hall Complex by such hour addressed to the City Council, c/o Michael K. Olson, City Treasurer, for receipt by him, or by someone who is designated by him to receive the same, on or before 8:00 o'clock a.m., Las Vegas time, on the day of the sale.

BOND PROVISIONS

ISSUE: The "City of Las Vegas, Nevada, Special Improvement District No. 411 (Decatur Boulevard), City of Las Vegas, Nevada, Special Improvement District No. 412 (Washington Avenue), City of Las Vegas, Nevada, Special Improvement District No. 492 (Lake Mead Boulevard) and City of Las Vegas, Nevada, Special Improvement District No. 494 (Lake Mead Boulevard) Special Assessment, Local Improvement Bonds, Series September 1, 1992" (said Districts being referred to herein, individually, as "Improvement District No. 411", "Improvement District No. 412", Improvement District No. 492" and "Improvement District NO. 494", respectively, and sometimes, collectively, as the "Districts"), in the maximum aggregate principal amount of $1,257,000.00 (the "Bonds" herein); provided, however, that the principal amount may be reduced prior to the date of such sale if additional assessments are paid.

MATURITIES: The Bonds shall be dated as of the 1st day of September, 1992, shall be payable to the registered owner or owners thereof, shall consist of Bonds in various denominations in the maximum aggregate principal amount of $1,257,000.00 (a maximum of $405,000.00 for Improvement District No. 411, a maximum of $194,000.00 for Improvement District No. 412, a maximum of $193,000.00 for Improvement District No. 492 and a maximum of $465,000.00 for Improvement District No. 494) and shall mature serially on the 1st days of March and September in each of the amounts and years that are designated in a maturity schedule for the Bonds (the "August 26 Maturity Schedule" herein) which shows the aggregate principal amount of the Bonds for each District that is to be paid on each maturity date.

The Bonds shall be divided among, and attributed to, Improvement District No. 411, Improvement District No. 412, Improvement District No. 492 and Improvement District No. 494 in the respective amounts and years that are shown on the August 26 Maturity Schedule and will mature serially on the dates that are designated therein. Copies of the August 26 Maturity Schedule may be obtained from the City Treasurer or the City's Financial Advisor at their respective addresses that are shown under "Official Statement and Information" below at any time on and after August 26, 1992.

PRIOR REDEMPTION: Each of the Bonds will be subject to redemption prior to its maturity at the City's option (in any order of maturity for the bonds of any District) on any interest payment date, for the principal amount of the Bond that is so redeemed, the interest that has accrued thereon to the redemption date and a premium that is equal to three percent (3%) of the principal of the Bond that is so redeemed, upon the City's giving at least 30 days' prior notice by limited mail that is addressed to the registered owner of the Bond that is to be redeemed, in the manner and upon the conditions that will be provided in the ordinance that authorizes each issue of the Bonds (the "Bond Ordinance" herein). If less than all of the Bonds that are attributed to any District, or less than all of the Bonds that are attributed to any District and have a single maturity, are being called, such Bonds will be selected by the City Treasurer, as the paying agent (the "Paying Agent" herein), by lot, giving proportionate weight to Bonds that are in denominations that are larger than $5,000.00, all in such manner as the Paying Agent may determine. Whenever it is considered to be advisable by the City Treasurer, and whenever funds are available for such purpose (to the credit of any District), he may call a suitable number of Bonds for such District for payment.

Notice of such redemption, unless the same is waived, will be given by mailing a copy of the same at least 30 days prior to the date that is fixed for such redemption, addressed to (among others) the registered owner of each Bond that is to be redeemed (which shall be The Depository Trust Company, New York, New York (the "DTC" herein), registered in the name of Cede & Co.), in the manner and upon the conditions that will be provided in each Bond Ordinance. After the notice of such redemption has been given as aforesaid, the Bonds, or the portions of the Bonds, that are to be redeemed shall, on the redemption date, become due and payable at the redemption price that is specified in such notice and, from and after such date, such Bonds, or such portions of such Bonds, shall cease to bear interest. The failure to give such notice to the registered owner of any Bond, or any defect in such notice, shall not affect the validity of the proceedings for the redemption of any other Bond.

INTEREST RATES AND LIMITATIONS: The following interest limitations are applicable:

A. Interest shall be payable to the registered owners of the Bonds on the 1st day of March, 1993, and semiannually thereafter on the 1st days of March and September in each year.

B. The interest rate that is specified for any maturity of the Bonds and the True Interest Cost (see "Basis of Award" below) of the Bonds may not exceed by more than 3% the "Index of Twenty Bonds" which has been most recently published in the Bond Buyer before the date on which the bids are received.

C. The maximum interest rate spread that is permitted for the issue is 2% per annum, *i.e.*, the rate of interest on any Bond may not exceed the rate of interest on any other Bond by more than 2% per annum.

D. Each interest rate that is specified in the bid must be stated in a multiple of 1/8th or 1/20th of 1% per annum.

E. One interest rate only shall be stated for any maturity of the issue, i.e., all of the Bonds that have the same maturity shall bear the same rate of interest.

F. Each Bond shall bear interest from its date to its stated maturity date at the interest rate that is stated for that maturity in the bid. No Bond shall bear more than one rate of interest. A zero (0) rate of interest cannot be named.

It is permissible to bid different interest rates for the Bonds, as is stated only in the bid, subject to the limitations that are stated above. If any Bond is not paid upon its presentation at or after its maturity, it shall continue to draw interest at the rate per annum that is stated therein until the principal thereof is paid in full.

DISCOUNT PERMITTED: The Bonds will be sold for their principal amount and the interest that has accrued thereon to the date of their delivery to the purchaser or purchasers, plus any premium or less a discount in the maximum amount that is shown in the August 26 Maturity Schedule.

DTC CUSTODY: The successful bidder must make arrangements for the custodial deposit of the Bonds with the DTC. Each Bond Ordinance will contain such provisions, and the Bonds will be issued in such manner, as will make them eligible for such custodial deposit. After the initial deposit of the Bonds with the DTC, they may not be removed from such custodial deposit, transferred or exchanged except in the manner that is provided for in each Bond Ordinance.

BOOK ENTRY/TRANSFER AND EXCHANGE: The Bonds will be issued in registered form, and a bond certificate for each maturity for each District will be issued to the DTC , registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book entry system will be employed, evidencing the ownership of the Bonds, with transfers of ownership being effected in the records of the DTC and its participants pursuant to the rules and procedures that have been adopted by the DTC and its participants. The successful bidder, as a condition precedent to the delivery of the Bonds, will be required to deposit the bond certificates with the DTC, registered in the name of Cede & Co. The principal of, and the interest on, the Bonds will be payable by the Paying Agent by a wire transfer or in clearing-house funds to the DTC or its nominee, as the registered owner of the Bonds. The transfer of the principal and interest payments to the participants of the DTC will be the responsibility of the DTC. The transfer of the principal and interest payments to the beneficial owners by the participants of the DTC will be the responsibility of such participants and the nominees of the beneficial owners. Neither the City nor the Paying Agent will be responsible or liable for any payment by the DTC to its participants or by the DTC's participants to the beneficial owners or for maintaining, supervising or reviewing the records that are maintained by the DTC, its participants or any person who is acting through such participants.

PLACE OF PAYMENT: The principal of, and any prior redemption premium that may be due in connection with, the Bonds shall be payable at the Office of the Paying Agent in lawful money of the United States of America, without deduction for exchange or collection charges, solely to the registered owner or owners thereof (i.e., Cede & Co.), as the same is shown in the registration records that are kept by the City Treasurer, being both the registrar (i.e., the transfer agent) (the "Registrar" herein) and the Paying Agent for the Bonds, upon the maturity thereof and upon the presentation and surrender of each such Bond to the Paying Agent. The payment of the interest on any Bond shall be made to the registered owner thereof (i.e., Cede & Co.) by way of a check or draft that is mailed by the Paying Agent, on or before each interest payment date (or, if such interest payment date is not a business day, on or before the next succeeding business day), to the registered owner thereof (i.e., Cede & Co.) at such owner's address as it last appears in the registration records that are kept by the Registrar (or by such other arrangement as may be mutually agreed upon by the Paying Agent and the DTC). All such payments shall be made in lawful money of the United States of America.

DENOMINATIONS: The Bonds will be issued in the denomination of $5,000.00, or an integral multiple thereof, and will consist of Bonds for each District that equal the amount of the Bonds that mature for that District on each maturity date, as the same is shown on the August 26 Maturity Schedule; provided, however, that the principal amount of the first maturity of the Bonds for any District may be in the denomination of $1,000.00, or an integral multiple thereof.

SECURITY BY SPECIAL ASSESSMENTS: A portion of the costs of constructing and installing certain local improvements in Improvement District No. 411, Improvement District No. 412, Improvement District No. 492 and Improvement District No. 494 has been assessed against the taxable lots and parcels of property within the respective Districts, as the same are more particularly described in the City's Ordinance No. 3660 (for Improvement District No. 411), in the City's Ordinance No. 3661 (for Improvement District No. 412), in the City's Ordinance No. 3662 (for Improvement District No. 492) and in the City's Ordinance No. 3663 (for Improvement District No. 494), each of which was duly passed, adopted and approved on the 15th day of July, 1992. The assessments constitute a lien upon the respective lots and parcels of property against which the same have been assessed until such assessments are paid in full. Such assessments were due and payable without demand on or before 30 days after the effective dates of the ordinances that are identified above. The assessments in each District that remain unpaid at the end of such period are to be paid in 20 semiannual installments of principal. The amount of the Bonds for each District shall not exceed the amount of the unpaid assessments for the corresponding District, and interest on the unpaid principal of the assessments in each District shall be at a rate, to be determined following the sale of the Bonds, which does not exceed by more than 1% the highest interest rate that is borne by the Bonds. The installments of the assessments against the lots and parcels of property within Improvement District No. 411 shall be deposited in a special bond fund that is designated as "City of Las Vegas, Nevada, Special Improvement District No. 411 Bond Fund", the monies in which are pledged solely to the payment of the Bonds for Improvement District No. 411, the installments of the assessments against the lots and parcels of property within Improvement District No. 412 shall be deposited in a special bond fund that is designated as "City of Las Vegas, Nevada, Special Improvement District No. 412 Bond Fund", the monies in which are pledged solely to the payment of the Bonds for Improvement District No. 412, the installments of the assessments against the lots and parcels of property within Improvement District No. 492 shall be deposited in a special bond fund that is designated as "City of Las Vegas, Nevada, Special Improvement District No. 492 Bond Fund", the monies in which are pledged solely to the payment of the Bonds for Improvement District No. 492, and the installments of the assessments against the lots and parcels of property within Improvement District No. 494 shall be deposited in a special bond fund that is designated as "City of Las Vegas, Nevada, Special Improvement District No. 494 Bond Fund", the monies in which are pledged solely to the payment of the Bonds for Improvement District No. 494.

SURPLUS AND DEFICIENCY FUND: NRS 271.428 requires the creation of a surplus and deficiency fund to which, when all of the outstanding bonds that were issued to defray the cost and expense that the City incurs in connection with any of its special improvement districts have been fully paid, any surplus amount that remains in the special bond fund with respect to such bonds must be transferred and out of which (to the extent of the monies that are available therein) any deficiency in such bond fund must be paid before any payment is made out of the general fund of the City. The City Council, pursuant to that certain Resolution that was duly passed, adopted and approved on the 3rd day of June, 1992, established such a surplus and deficiency fund, designated in Section 1 of such Resolution as the "City of Las Vegas Special Improvement District Surplus and Deficiency Fund (the "Fund" herein), for all of the City's special improvement districts.

ADDITIONAL SECURITY: If any of said Bond Funds becomes insufficient to pay the Bonds for the corresponding District, and the interest thereon, as the same become due, and the amount that is then contained in the Fund is insufficient for that purpose, such deficiency must be paid out of the general fund of the City. If there is a deficiency in such general fund, it is mandatory for the City (in accordance with Section 271.495 of the Nevada Revised Statutes ("NRS" herein)) to levy and collect, subject to the limitations of the Constitution of the State (the "Constitution" herein), a general (ad valorem) tax upon all of the property within the City that is by law taxable for state, county and municipal purposes, without regard to any statutory tax limitation that existed on or after May 14, 1965, and without limitation as to the rate or the amount, that is fully sufficient to provide for the payment of the Bonds and the interest thereon, subject to the limitations that are imposed by Section 2 of Article 10 of the Constitution (see "Constitutional Tax Limitation" below). The Bonds for each District, and the interest thereon, are payable solely from the unpaid assessments that have been levied in the corresponding District, the monies, if any, that are then contained in the Fund, the general fund of the City and the proceeds of the general tax to which reference is hereinabove made.

CONSTITUTIONAL TAX LIMITATION: Article 10, Section 2, of the Constitution provides:

> The total tax levy for all public purposes including levies for bonds, within the state, or any subdivision thereof, shall not exceed five cents on one dollar of assessed valuation.

AUTHORITY: The Bonds are to be issued, and their payment is to be secured, pursuant to the Constitution, NRS Chapter 271 (designated in NRS 271.010 as the "Consolidated Local Improvements Law") and the resolutions and ordinances that were adopted by the City Council preliminary to and in the creation of each of the Districts (under the Consolidated Local Improvements Law).

PURPOSE: The Bonds for each District are to be issued to complete the financing of the construction and installation of certain local improvements, including the expenses that were incidental thereto, in the respective Districts, completely within the corporate boundaries of the City.

FEDERAL TAX EXEMPTION: In the opinion of the Bond Counsel, assuming the continuous compliance by the City with certain covenants that are described below, the interest on the Bonds is not included in the gross income of the recipients thereof under the present federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Tax Code" herein), and the interest on the Bonds is also not included in the alternative minimum taxable income, as that term is defined in Section 55(b)(2) of the Tax Code, of such recipients under the present federal income tax laws; provided, however, that such interest is required to be included in calculating the adjusted current earnings" adjustment that is applicable to corporations for the purpose of computing the alternative minimum taxable income of such corporations, as is described below.

The Tax Code imposes several requirements that must be met with respect to the Bonds in order for the interest thereon to be excluded from the gross income and the alternative minimum taxable income of the recipients thereof (except to the extent of the aforementioned adjustment that is applicable to corporations). Certain of these requirements must be met on a continuous basis throughout the term of the Bonds. These requirements include: (a) limitations with respect to the proceeds of the Bonds; (b) limitations on the extent to which the proceeds of the Bonds may be invested in higher yielding investments; and (c) a provision, subject to certain limited exceptions, that requires that all of the investment earnings on the proceeds of the Bonds that are above the yield on the Bonds be paid to the United States Treasury. The City will covenant and represent in the Bond Ordinance for each District that it will take every step to comply with the requirements of the Tax Code to the extent that may be necessary in order to maintain the exclusion of the interest on the Bonds from the gross income and the alternative minimum taxable income of the recipients thereof (except to the extent of the aforementioned adjustment that is applicable to corporations) under the present federal income tax laws. The Bond Counsel's opinion with respect to the exclusion of the interest on the Bonds from the gross income and the alternative minimum taxable income of the recipients thereof (to the extent that is described above) will be rendered in reliance upon these covenants and assumes the continuous compliance therewith. The failure or the inability of the City to comply with these requirements could cause the interest on the Bonds to be included in the gross income or the alternative minimum taxable income, or both, of the recipients thereof from the date of the issuance of the Bonds.

Section 55 of the Tax Code imposes a 20% alternative minimum tax on the alternative minimum taxable income of corporations. Under the Tax Code, 75% of a corporation's "adjusted current earnings" in excess of such corporation's alternative minimum taxable income (determined without regard to such adjustment and the alternative tax net operating loss deduction) is included in such corporation's alternative minimum taxable income for the purpose of calculating the alternative minimum tax that is applicable to such corporation. The term "adjusted current earnings" requires the inclusion of the interest on the Bonds in calculating the "adjusted current earnings" of a corporation.

In addition, under Section 59A of the Tax Code, a 0.12% "environmental tax" is imposed upon the amount of a corporation's modified alternative minimum taxable income that is in excess of $2,000,000. The term "modified alternative minimum taxable income" is defined as the alternative minimum taxable income of a corporation that is determined without regard to the alternative tax net operating loss deduction and the deduction that is allowed for this "environmental tax". The interest on the Bonds is required to be included in calculating the "adjusted current earnings" adjustment that is used in determining a corporation's modified alternative minimum taxable income for the purpose of this "environmental tax" in the same manner that is described in the immediately preceding paragraph with respect to a corporation's alternative minimum taxable income. This "environmental tax" is applied in addition to, and not as a substitute for, other taxes, including without limitation the alternative minimum tax that is discussed in the immediately preceding paragraph.

The Tax Code contains numerous provisions which may affect an investor's decision to purchase the Bonds. The owners of the Bonds should be aware that the ownership of tax-exempt obligations by particular persons and entities, including without limitation financial institutions, insurance companies, recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred a continued indebtedness to purchase or carry tax-exempt obligations, foreign corporations that do business in the United States and certain "subchapter S" corporations, may result in adverse federal tax consequences. The Bond Counsel's opinion will relate only to the exclusion of the interest on the Bonds from the gross income and the alternative minimum taxable income of the recipients thereof, as the same is described above, and will state that no opinion is expressed with respect to other federal tax consequences that may arise from the receipt or accrual of the interest on, or the ownership of, the Bonds. The owners of the Bonds should consult with their own tax advisors with respect to the applicability of such consequences. Additionally, amendments to the federal tax laws could be proposed or enacted in the future, and there can be no assurance that any future amendment that may be made to the federal tax laws will not adversely affect the value of the Bonds, the exclusion of the interest on the Bonds from the gross income or the alternative minimum taxable income, or both, of the recipients thereof from the date of the issuance of the Bonds, or any other date, or that such changes will not result in other adverse federal tax consequences.

STATE TAX EXEMPTION: In the opinion of the Bond Counsel, under the present laws of the State, the Bonds, their transfer and the income therefrom are free and exempt from taxation by the State or by any subdivision thereof, except for the tax on estates that is imposed by NRS Chapter 375A.

CORPORATE ORGANIZATION: The City is a legally and regularly created, established and organized incorporated municipality and a body corporate and politic that exists under and by virtue of the laws of the State, its full corporate name being the "City of Las Vegas", and was incorporated by a special act of the Nevada Legislature (being Chapter 911, Statues of Nevada 1911), which act was repealed and replaced by Chapter 515, Statutes of Nevada 1971, which, in turn, was repealed and replaced by Chapter 517, Statutes of Nevada 1983 (the "City Charter" herein). The City has been and now is operating under the provisions of the City Charter, it has been amended to the date hereof, and the general laws of the State that apply generally to cities.

TERMS OF SALE

BID PROPOSALS: Bids for the Bonds must be submitted on the official bid form. Each bidder is required to submit an unconditional and written bid for the purchase of all of the Bonds that specifies:

(1) The lowest rate or rates of interest and the premium or discount (not to exceed (to be available on and after August 26, 1992, in the office of the City's Financial Advisor that is hereinafter identified)), if any, at, above or below par, at which the bidder will purchase all of the Bonds for each of the Districts.

It is also requested for informational purposes only, but is not required, that each bid disclose:

(2) The True Interest Cost (i.e., the actuarial yield) on the bond issue that is expressed as a nominal annual percentage rate. (See "Basis of Award" below).

Each bid must be enclosed in a sealed envelope that is marked on the outside:

<u>"Proposal for Bonds for Improvement District
Nos. 411, 412, 492 and 494"</u>

and addressed to:

Las Vegas City Council
c/o Michael K. Olson, City Treasurer
Las Vegas City Hall Complex
400 East Stewart Avenue
Las Vegas, Nevada 89101

<u>BID-SECURITY</u>: A good faith deposit (the "Deposit" herein) in the form of cash, a cashier's or treasurer's check of, or certified check that is drawn on, a solvent commercial bank or trust company in the United States of America and is made payable to the order of, or a financial surety bond in which the obligee is, the:

City of Las Vegas, Nevada

in an amount that is equal to: $25,000.00

is required in connection with each bid in order for the same to be considered.

The Deposit of the best bidder will be held as evidence of such bidder's good faith pending the delivery of the Bonds in order to protect the City against any loss that may result from the failure of the best bidder to comply with the terms of its proposal. If the Deposit is in the form of cash or a check, it must accompany the bid. If the Deposit is in the form of a surety bond, it must be issued by an insurance company that is licensed to issue that type of bond within the State, and such bond must be submitted to the City Treasurer or the City's

Financial Advisor, at their respective addresses that are shown under "Official Statement and Information" below, prior to the opening of the bids. Such surety bond must identify each bidder whose bid is secured thereby. If the Deposit of the successful bidder is in the form of a surety bond, that bidder must substitute a cashier's, treasurer's or certified check (or a wire transfer of the amount of the Deposit, as the bidder is instructed by the City Treasurer or the City's Financial Advisor) for such surety bond not later than 10:00 a.m., Las Vegas time, on the business day that follows the day on which the bids are opened. If such substitute Deposit is not received by the City by that time, the surety bond may be utilized by the City to satisfy the requirement of such Deposit.

No interest will accrue on the Deposit of any bidder. The Deposit of the successful bidder will be applied (without accruing interest) to the purchase price for the Bonds. In the event that the successful bidder fails to honor its bid, the Deposit, plus any interest that has accrued to the City through the investment of the Deposit, will be retained by the City. Any such investment income that is earned by the City on the Deposit will not be paid to the successful bidder in the event that the City is unable to deliver the Bonds in the manner and at the time that are provided for under "Manner and Time of Delivery" below. Deposits that are furnished in connection with the bids, other than the bid that is recommended for acceptance, will be returned promptly upon the determination of that bid.

CUSIP NUMBERS: Separate CUSIP identification numbers will be requested for each District. If CUSIP identification numbers are assigned to the Bonds, such CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for the failure or refusal of the purchaser thereof to accept the delivery of, and to pay for, such Bonds in accordance with the terms of its purchase contract. All of the expenses that are incurred by the City in relation to the printing of the CUSIP identification numbers on the Bonds shall be paid by the City, but the CUSIP Service Bureau's charge for the assignment of the numbers shall be the responsibility of, and shall be paid by, the purchaser.

SALE RESERVATIONS: The City Council, in connection with the issue that is herein designated for sale, reserves the privilege:

A. Of reducing the principal amount of the Bonds;

B. Of waiving any irregularity or informality in any bid;

C. Of rejecting any or all of the bids; and

D. Of reoffering the Bonds for public sale, or, if no satisfactory bid has been received, the Bonds may be sold at a private sale in the manner that is provided by law.

BASIS OF AWARD: The Bonds, subject to such sale reservations, shall be sold by the City Council to the responsible bidder that makes the best bid for all of the Bonds, or, if there are two or more equal bids for the Bonds, and such equal bids are the best bids that are received, the City Council shall determine which of such equal bids shall be accepted. The best bid will be determined by computing the actuarial yield on the Bonds (i.e., using an actuarial or True Interest Cost method) for each bid that is received and the award will be made (if any is made) to the responsible bidder that submits the bid that results in the lowest actuarial yield on the Bonds. As the term "actuarial yield" is used herein, such term means that yield that, if it were used to compute the present worth, as of the date of the Bonds, of all of the payments of principal and interest that are to be made on the Bonds from their date to their respective maturity dates, using the interest rates that are specified in the bid, would produce an amount that is equal to the principal amount of the Bonds, plus the amount of any premium that is bid or less the amount of any discount. No adjustment shall be made in such calculation for accrued interest on the Bonds from their date to the date of the delivery thereof. Such calculation shall be based upon a 360-day year and a semiannual compounding interval.

THE PLACE AND TIME OF AWARD: The bids will be opened on behalf of the City Council at the time and place that is stated above. The City Council intends to take action, upon the determination of the best bid, at its meeting that is to be held on Wednesday, the 2nd day of September, 1992, in the City Council Chambers in the Las Vegas City Hall Complex, 400 East Stewart Avenue, Las Vegas, Nevada, to award the Bonds or to reject all of the bids for the Bonds. In any event, the City Council will take action to award the Bonds or to reject all of such bids not later than 26 hours after the time that is stated for the opening of the bids. An award may be made after the period that is designated herein if the best bidder shall not theretofore have given written notice to the City Treasurer of the withdrawal of its bid.

SUCCESSFUL BIDDER'S REOFFERING YIELDS: At or prior to the time that the Bonds are delivered, the successful bidder (or the manager of the purchasing account) shall notify, in writing, the City Treasurer or the City's Financial Advisor, at their respective addresses that are shown under "Official Statement and Information" below, of the initial offering prices to the public (excluding bond houses, brokers and other intermediaries), at which prices a substantial amount of the Bonds of each maturity have been sold.

MANNER AND TIME OF DELIVERY: The deposit or deposits of the best bidder for the Bonds will be credited to the purchaser at the time of the delivery of the Bonds (without accruing interest). If the successful bidder for the Bonds fails or neglects to complete the purchase of the Bonds within 30 days following the City's acceptance of its bid or within the 10 days that immediately follow the date on which the Bonds are made ready and are tendered to it by the City for delivery, whichever is later, the amount of the deposit of the successful bidder shall be forfeited (as liquidated damages for such bidder's noncompliance with its bid) to the City. In that event, the City Council may reoffer the Bonds for public sale or at a private sale in the manner that is provided by law. The purchaser of the

Bonds will not be required to accept the delivery of any of the Bonds if they are not made ready and are not tendered by the City for delivery within a period of 60 days after the date that is stated herein for the opening of the bids, and, if the Bonds are not so tendered within such period, any deposit will be returned to the successful bidder upon its written request therefor (without accruing interest). The Bonds will be made available for delivery by the City to the purchaser as soon as it is reasonably possible to do so after the date of the sale, and the City contemplates delivering the Bonds on or about the 23rd day of September, 1992, or as soon thereafter as it is reasonably possible to do so. The purchaser of the Bonds will be given at least 72 hours' advance notice of the time that is fixed by the City for tendering the Bonds for delivery.

PROPOSED BOND ORDINANCES: The proposed Bond Ordinance for each District, to be adopted following the bond sale, will be on file in the Office of the City Clerk of the City on and after August 26, 1992. The Bond Ordinance for each District that is to be adopted following the sale shall be, substantially, in the same form as the proposed Bond Ordinance for the corresponding District. Copies of the proposed Bond Ordinances may be obtained in the manner that is provided for under "Official Statement and Information" below.

PAYMENT AT AND PLACE OF DELIVERY: The successful bidder will be required to make payment of the balance that is due for, and to accept the delivery of, the Bonds at the DTC. The payment of the balance of the purchase price that is due for the Bonds at the time of their delivery must be made in Federal Reserve Bank funds, or such other funds as are acceptable to the City, for the immediate and unconditional credit to the account of the City, as is directed by the City Council, at a bank that is designated by the City Council and located in:

Las Vegas, Nevada

or

New York, New York

or is located in both such municipalities, at the City's option, so that the proceeds of the Bonds may be deposited or invested, as the City Council may determine, simultaneously with the delivery of the Bonds. The balance of the purchase price, including without limitation any premium, must be paid in such funds and not by any waiver of interest and not by any other concession as a substitute for such funds.

OFFICIAL STATEMENT AND INFORMATION: The City has prepared a Preliminary Official Statement, dated as of the 12th day of August, 1992 (the "Official Statement" herein), that relates to the Bonds, which is deemed by the City to be final as of its date for the purpose of allowing bidders to comply with Rule 15c2-12 of the Securities Exchange Commission (the "Rule" herein), except for the omission of certain information that is permitted by the Rule to be so omitted. The Official Statement is subject to revision, amendment and completion in a Final Official Statement, as the same is defined below. Copies of the Official Statement, the form of each proposed Bond Ordinance and the financial and other information concerning the Districts and the Bonds may be obtained prior to the sale from:

The City Treasurer:
Mr. Michael K. Olson, City Treasurer
Las Vegas City Hall Complex
400 East Stewart Avenue
Las Vegas, Nevada 89101
(702) 229-6321

or

The City's Financial Advisor:
Howarth and Associates
2950 East Flamingo Road
Suite I
Las Vegas, Nevada 89121
(702) 796-7080

The City will prepare a supplement to the Official Statement, dated as of the date of its delivery to the successful bidder, as soon as it is reasonably practicable to do so after the date of the award to the successful bidder. The Official Statement, together with such supplement, will constitute the "Final Official Statement" that relates to the Bonds. The City will provide to the successful bidder with up to 75 copies of the Final Official Statement on or before 7 business days following the date of the award to the successful bidder. The copies of the Final Official Statement will be delivered to the successful bidder at the offices of Howarth and Associates at the address that is shown above. If the successful bidder fails to obtain the copies of the Final Official Statement at the offices of Howarth and Associates, the copies of the Final Official Statement will be forwarded to the successful bidder by mail or another delivery service that is mutually agreed upon between the successful bidder and Howarth and Associates. The successful bidder (the "Underwriter" herein) may obtain additional copies of the Final Official Statement at the expense of the Underwriter. The City hereby authorizes the Underwriter to distribute the Final Official Statement in connection with the offering of the Bonds. If, during the period that commences on the date of the Final Official Statement and ends 25 days following the date on which the Underwriter no longer holds for sale any of the Bonds, any event occurs that relates to the affairs, properties or financial condition of the City, as a result of which it is necessary for the City to supplement the Official Statement further in order to make the statements that are contained therein, in light of the circumstances that exist at such time, not misleading, the City, at the written request of the Underwriter, shall forthwith furnish to the Underwriter full details with respect to such event, if it has knowledge thereof, and shall cooperate fully in the preparation and furnishing of any supplement to the Official Statement that may be necessary, in the reasonable opinion of the City and the Underwriter, in order to render the statements that are contained therein, as so supplemented, not misleading in the light of the circumstances that exist at such time.

LEGAL OPINION, BONDS AND TRANSCRIPT: The validity and enforceability of the Bonds for each District will be approved by the Bond Counsel, *i.e.*:

Swendseid & Stern
(A Partner of Sherman & Howard)
333 Holcomb Avenue, Suite 300
Reno, Nevada 89502
(702) 323-1601 or
(303) 297-2900 (Denver)

whose unqualified, final, approving opinion with respect to the bonds for each District, together with the printed or typed Bonds and a certified transcript of the legal proceedings, including a certificate that states that there is no pending litigation that affects the validity of the Bonds for any of the Districts, as of the date of their delivery and the payment therefor (the "Closing Date" herein), and other closing documents, will be furnished by the City to the purchaser of the Bonds without charge. A certified true copy of the approving opinion of the Bond Counsel with respect to the Bonds for each District will be printed on (or attached to) each Bond for the respective Districts at the City's expense.

<u>FORM OF APPROVING OPINION</u>: The Bond Counsel's opinion with respect to the Bonds for each District will recite, in conventional form, that the Bond Counsel has examined the Constitution, the laws of the State, a certified copy of the record of the proceedings and other documents that it considers to be relevant to the issuance of the Bonds, describing the Bonds in some detail, and will further recite that the Bond Counsel has examined the form of the Bonds and has found the same to be in due legal form. The last paragraphs of such approving opinion will read, substantially, as follows:

> As to questions of fact that are material to our opinion, we have relied upon the representations of the City that are contained in the certified proceedings and other certifications that have been furnished to us, and we have not undertaken to verify the same through an independent investigation.

Based upon such examination, and for the purpose of Paragraph 7 below, assuming the continuous compliance by the City with the covenants and representations that are contained in such proceedings and other documents, it is our opinion as bond counsel that:

1. Such proceedings show the lawful authority for such issue of bonds under the laws of the State that are now in force;

2. Such issue of bonds constitutes the valid and legally binding special obligations of the City;

3. Such bonds are payable, as to both principal and interest, from the special bond fund that is designated as "City of Las Vegas, Nevada, Special Improvement District No. __ (insert appropriate district number and street name) Bond Fund" and contains the receipts that are derived by the City from the special assessments that have been levied against, and are secured by a lien upon, each of the assessable lots and parcels of property within "City of Las Vegas, Nevada, Special Improvement District No. __" (insert appropriate district number and street name) that have been specially benefited by the improvements that were acquired with the proceeds of such bonds, which Bond Fund is pledged for the payment of the bonds of such Special Improvement District No. __ (insert appropriate district number and street name) and the interest thereon and for no other purpose;

4. The principal of, and the interest on, such bonds (together with the principal of, and the interest on, the bonds of any other of the City's special improvement districts) are also payable from the monies, if any, that are contained in the City's surplus and deficiency fund.

5. Pursuant to the Consolidated Local Improvements Law, in the event that said Bond Fund shall be insufficient to pay such bonds, and the interest thereon, as the same become due, and the amount that is then contained in the surplus and deficiency fund is insufficient for that purpose, the deficiency

must be paid out of the general fund of the City;

6. In the event that such general fund shall be insufficient to pay any such deficiency, the City Council must levy (subject to the limitation that is contained in Section 2 of Article 10 of the Constitution of the State of Nevada) a general (ad valorem) tax upon all of the property within the City which is by law taxable for state, county and municipal purposes, which general tax must be sufficient in amount to pay such bonds and the interest thereon;

7. Provided, however, that the bonds and the interest thereon shall be payable solely from the assessments, the surplus and deficiency fund, general proceeds of the general tax that are pledged to the payment thereof;

8. The interest on such bonds is not included in the gross income of the recipients thereof under the present federal income tax laws by virtue of § 103 of the Internal Revenue Code of 1986, as amended (the "Tax Code" herein), and the interest on such bonds is also not included in the alternative minimum taxable income, as that term is defined in § 55(b)(2) of the Tax Code, of such recipients under the present federal income tax laws; provided, however, that such interest is required to be included in calculating the adjusted current earnings adjustment that is applicable to corporations for the purpose of computing the alternative minimum taxable income of such corporations;

9. Pursuant to the Consolidated Local Improvements Law, such bonds, their transfer and the income therefrom are free and exempt from taxation by the State of Nevada or by any subdivision thereof, except for the tax on estates that is imposed by NRS Chapter 375A and the tax on generation-skipping transfers that is imposed by NRS Chapter 375B; and

10. The enforceability of the obligations of the City is subject to the reasonable exercise in the future by the State of Nevada and its governmental bodies of the police power that is inherent in the sovereignty of said State and to the exercise

by the United States of the powers that are delegated to it by the Federal Constitution.

As bond counsel, we are passing upon only those matters that are set forth in this opinion and are not passing upon the accuracy or completeness of any statement that is made in connection with any sale of such bonds or upon any federal tax consequence that may arise from the receipt or accrual of the interest on, or the ownership of, such bonds except those that are specifically addressed in Paragraph 7 above.

By order of the City Council of the City of Las Vegas, in the County of Clark and State of Nevada, dated this 12th day of August, 1992.

/s/ Kathleen M. Tighe
KATHLEEN M. TIGHE, CITY CLERK
City of Las Vegas, Nevada

(SEAL)

(End of Form of Official Notice of Bond Sale)

Section 4. The City Treasurer and the City's Financial Advisor, Howarth and Associates, be, and they hereby are, authorized, empowered and directed to give such other and further notice of such bond sale as they shall, individually or collectively, determine to be necessary or appropriate, including without limitation:

A. The publication of any portion of the notice that is authorized by Section 3 hereof, or an excerpt thereof, in any financial newspaper or periodical; and

B. The distribution among investment bankers and others of a bond brochure or the Official Statement and other information that relates to the Bonds and to the City, including each District.

Section 5. Upon the receipt by the City of such bids, the Financial Advisor and the City's officers and financial staff shall cause the same to be tabulated and shall forthwith report the results thereof to the City Council, which thereupon shall determine and accept the bid of the responsible bidder that submits the bid that results in the lowest actuarial yield on the Bonds or shall reject all of the bids.

Section 6. The bid form (Bond Purchase Proposal) for each bidder shall be, substantially, in the following form:

(Form of Official Bid)

BOND PURCHASE PROPOSAL

$__________

STATE OF NEVADA

COUNTY OF CLARK

CITY OF LAS VEGAS

SPECIAL IMPROVEMENT DISTRICT NO. 411 (DECATUR BOULEVARD)

SPECIAL IMPROVEMENT DISTRICT NO. 412 (WASHINGTON AVENUE)

SPECIAL IMPROVEMENT DISTRICT NO. 492 (LAKE MEAD BOULEVARD)

SPECIAL IMPROVEMENT DISTRICT NO. 494 (LAKE MEAD BOULEVARD)

SPECIAL ASSESSMENT, LOCAL IMPROVEMENT BONDS

SERIES SEPTEMBER 1, 1992

Las Vegas City Council
c/o Michael K. Olson, City Treasurer
Las Vegas City Hall Complex
400 East Stewart Avenue
Las Vegas, Nevada 89101

Dear City Council:

Reference is made to your "Official Notice of Bond Sale", that is dated the 12th day of August, 1992, and your Official Statement that pertains thereto, both of which constitute a part hereof, concerning the Special Assessment, Local Improvement Bonds in the aggregate principal amount of $__________ that will be dated as of the 1st day of September, 1992.

For your legally issued bonds of such issue, as the same are described in said Notice, we will pay you the principal amount thereof and the interest that will accrue thereon from the date of such bonds to the date of their delivery to us, *plus a cash premium of $__________*, **(less a discount of $________)**, for such bonds that mature and bear interest as follows:

Bonds Maturing	Percent Per Annum	Bonds Maturing	Percent Per Annum
March 1, 1993	____%	March 1, 1998	____%
September 1, 1993	____%	September 1, 1998	____%
March 1, 1994	____%	March 1, 1999	____%
September 1, 1994	____%	September 1, 1999	____%
March 1, 1995	____%	March 1, 2000	____%
September 1, 1995	____%	September 1, 2000	____%
March 1, 1996	____%	March 1, 2001	____%
September 1, 1996	____%	September 1, 2001	____%
March 1, 1997	____%	March 1, 2002	____%
September 1, 1997	____%	September 1, 2002	____%

(**--not to exceed (to be available on and after August 26, 1992, in the office of the City's Financial Advisor that is identified above)).

For informational purposes only, our calculation of the True Interest Cost (i.e., the actuarial yield) is as follows:

True Interest Cost (stated as a nominal annual percentage) ________%

Enclosed please find a deposit in the form of cash or a cashier's or treasurer's check of, or certified check that is drawn on, a solvent commercial bank or trust company in the United States of America, made payable to the order of the City of Las Vegas, in the amount of $25,000.00 or in the form of a financial surety bond in the penal sum of like amount, in which said City is named as the obligee thereof, that is issued by an insurance company that is licensed to issue that type of bond in the State of Nevada, which deposit is submitted in accordance with the terms of said Notice and which will be returned to the undersigned if its bid is not accepted.

DATED this 2nd day of September, 1992.

Respectfully submitted,

Name	Address
______________________ Manager	______________________
______________________	______________________
______________________	______________________
______________________	______________________

By ______________________
Authorized Representative

The return of the bid deposit is hereby acknowledged this 2nd day of September, 1992.

By ______________________

The foregoing proposal is hereby accepted this 2nd day of September, 1992.

CITY OF LAS VEGAS

By ______________________
JAN LAVERTY JONES, Mayor

(SEAL)
ATTEST:

____
KATHLEEN M. TIGHE, City Clerk

(End of Form of Official Bid)

Section 7. All actions, proceedings, matters and things that have heretofore been taken, had and done by the City and the officers thereof (not inconsistent with the provisions of this Resolution) concerning Improvement District No. 411, Improvement District No. 412, Improvement District No. 492 and Improvement District No. 494, including without limitation the construction and installation of the local improvements therein, the levying of the assessments for the purpose of defraying the cost and expense thereof, the validation and confirmation of the assessment roll for each District, and the assessments that are included therein, and the sale and issuance of the Bonds, be, and the same hereby are, in all respects, approved, ratified and confirmed.

Section 8. The officers and employees of the City be, and they hereby are, authorized, empowered and directed to take all action that may be necessary or appropriate in order to effectuate the provisions of this Resolution.

Section 9. All resolutions, or parts thereof, that are in conflict herewith are hereby repealed to the extent only of such inconsistency. This repealer shall be not be construed in such a manner as to revive any resolution, or part of any

. . .

. . .

. . .

. . .

resolution, that has heretofore been repealed.

PASSED, ADOPTED AND APPROVED this 5th day of August, 1992.

Jan Laverty Jones

JAN LAVERTY JONES, Mayor

OK 8-7-92 RAW

ATTEST:

Kathleen M. Tighe

KATHLEEN M. TIGHE, City Clerk