R-1106-1992

Summary - a resolution of intent to issue general obligation sewer improvement bonds (additionally secured by pledged revenues).

RESOLUTION NO. _______

A RESOLUTION OF INTENT, PROPOSING THE ISSUANCE OF, AND AUTHORIZING THE PUBLICATION OF A NOTICE RELATING TO GENERAL OBLIGATION (LIMITED TAX) SEWER IMPROVEMENT BONDS (ADDITIONALLY SECURED BY PLEDGED REVENUES) IN THE MAXIMUM PRINCIPAL AMOUNT OF $60,000,000 FOR THE PURPOSE OF FINANCING SEWER IMPROVEMENT PROJECTS FOR THE CITY; PROVIDING THE MANNER, FORM AND CONTENTS OF THE NOTICE THEREOF; RATIFYING ACTION HERETOFORE TAKEN NOT INCONSISTENT HEREWITH; PROVIDING OTHER MATTERS PROPERLY RELATED THERETO; AND PROVIDING THE EFFECTIVE DATE HEREOF.

WHEREAS, the City Council ("Council") of the City of Las Vegas of Clark County (the "City" and "County," respectively), Nevada proposes to issue up to $60,000,000 of general obligation sewer improvement bonds of the City (the "Bonds"); and

WHEREAS, such general obligation sewer improvement Bonds will be additionally secured by a pledge of a portion of the revenues derived from the City of Las Vegas sewer revenues (the "Pledged Revenues"); and

WHEREAS, based on the following revenue study prepared by the City's staff and the City's financial consultant, Howarth and Associates, the Council has determined and does hereby determine that the "Pledged Revenues" will at least equal the amount required in each year for the payment of interest and principal on such general obligation Bonds:

(Attach Revenue Study)

CITY OF LAS VEGAS, NEVADA
SEWER FUND
NET PLEDGED REVENUES

Fiscal Year Ending 6/30	1988 (AUDITED)	1989 (AUDITED)	1990 (AUDITED)	1991 (ESTIMATED)	1992 2/ (BUDGETED/ REVISED)
OPERATING REVENUES					
USER FEES - LAS VEGAS:	$10,246,049	$11,945,272	$13,644,758	$14,062,360	$17,025,797
USER FEES - NORTH LAS VEGAS:	1,111,037	1,170,998	1,395,560	1,404,790	1,924,588
CONNECTION CHARGES:	3,741,389	5,962,507	6,396,656	6,660,102	4,826,983
MISCELLANEOUS:	3,089	3,149	0	15,653	5,000
TOTAL OPERATING REVENUES	$15,101,564	$19,081,926	$21,436,974	$22,142,905	$23,782,368
NON-OPERATING REVENUES					
INTEREST INCOME:	$ 0	$1,611,422	$3,831,079	$2,086,071	$ 767,845
TOTAL REVENUES	$15,101,564	$20,693,348	$25,268,053	$24,228.976	$24,550,213
OPERATING EXPENSES 1/					
SALARIES AND BENEFITS:	$2,385,502	$2,400,656	$3,059,972	$3,997,520	$4,357,305
SERVICES AND SUPPLIES:	2,287,880	2,877,258	3,622,191	3,666,947	5,737,734
TOTAL OPERATING EXPENSES	$4,673,382	$5,277,914	$6,682,163	$7,664,467	$10,095,039
NON-OPERATING EXPENSES					
AWT PLANT DEBT PAYMENT:	$588,380	$646,785	$643,495	$358,876	$ 387,406
TOTAL EXPENSES	$5,261,762	$5,924,699	$7,325,658	$8,023,343	$10,482,445
NET PLEDGED REVENUES:	$9,839,802	$14,768,649	$17,942,395	$16,205,633	$14,067,768
DEBT SERVICE:	$2,156,157	$2,219,757	$5,737,055	$6,531,635	$11,694,106 3/
COVERAGE:	4.56	6.65	3.13	2.48	1.20

1/ Operating expenses do not include allowance for depreciation.
2/ Revised to reflect rate increase effective November 1, 1991.
3/ Maximum existing and proposed debt service ($11,694,106 in fiscal year 2004, see Existing and Pro Forma Debt Service Requirements on page 4).

SOURCE: City of Las Vegas Department of Finance and Computer Services.

WHEREAS, the Council proposes to incur this general obligation without an election unless a petition signed by the requisite number of registered voters of the City who together with any corporate petitioners represent the requisite assessed value of the taxable property of the City is presented to the Council requiring the Council to submit to the qualified electors of the City for their approval or disapproval the following proposal:

GENERAL OBLIGATION (LIMITED TAX) SANITARY SEWER BOND PROPOSAL:

Shall the City Council of the City of Las Vegas, Nevada, be authorized to incur a general obligation indebtedness on behalf of the City by the issuance at one time, or from time to time, of the City's general obligation sanitary sewer bonds (additionally secured with pledged revenues) in one series or more, in an aggregate principal amount not to exceed $60,000,000 to defray wholly or in part the cost of constructing, reconstructing, improving and extending the City's sanitary sewer system, for the collection, interception, transportation, treatment, purification and disposal of sewage, liquid wastes, solid wastes, night soil and industrial wastes, including without limitation a sewerage treatment plant, sewerage purification and treatment works and disposal facilities, drying beds, pumping plant and station, connections, laterals, other collection lines, outfalls, outfall sewers, trunk sewers, intercepting sewers, force mains, water lines, sewer lines, conduits, ditches pipes, and transmission lines, pumping plants, filter plants, powerplants, pumping stations, gauging stations, ventilating facilities, incinerators, engines, valves, pumps, meters, apparatus, fixtures, structures, buildings and other facilities for the collection, interception, transportation, treatment, purification and disposal of sewage, liquid wastes, solid wastes, night soil and industrial wastes (or any combination thereof), and all appurtenances and incidentals therefor, such bonds to mature serially commencing not later than five (5) years from the date or respective dates of the bonds and ending not later than thirty (30) years therefrom, to be payable from general (ad valorem) taxes and to be additionally secured by and payable from the net revenues of the City's sanitary sewer system and to be issued and sold at, above, or below par at an effective interest rate (including any sale discount) not exceeding the statutory maximum rate,

if any, as shall be determined at the time of the sale thereof, and otherwise to be issued in such manner, upon such terms and conditions, with such covenants and agreements, and with such detail as the Board may determine, including at its option but not necessarily limited to provisions for the redemption of bonds prior to maturity without or with the payment of a premium?

(the "Proposal"); and

WHEREAS, pursuant to Sections 350.001 to 350.006, inclusive, Nevada Revised Statutes ("NRS"), the Council has submitted the Proposal to the General Obligation Bond Commission of Clark County (the "Commission");

WHEREAS, the Commission has heretofore approved the Proposal; and

WHEREAS, subsection 2 of NRS § 350.020 in effect 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 governing body (i.e., the Council) determines that the pledged revenues will at least equal the amount required in each year for the payment of interest and principal, the City may incur the general obligation without an election, unless a petition requesting an election signed 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 is presented to the Council within 30 days after the publication of a notice of the adoption of this resolution of intent.

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

Section 1. This resolution shall be known as and may be cited by the short title "1991 Resolution of Intent to Issue Sewer Improvement Bonds" (this "Resolution").

Section 2. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Council and the officers of the Council directed:

(a) Toward the project to be financed by the Bonds; and

(b) Toward the issuance of the Bonds to defray, in part, the cost thereof,

be, and the same hereby is, ratified, approved and confirmed.

Section 3. The City and the officers of the City be, and they hereby are, authorized and directed to publish a notice of the adoption of the resolution of intent relating to the Council's proposal to issue the Bonds in a newspaper of general circulation in the City, at least once, such notice shall be published in substantially the following form:

(Form of Notice for Publication)

NOTICE OF THE INTENT OF THE CITY COUNCIL OF THE CITY OF LAS VEGAS, NEVADA, TO ISSUE GENERAL OBLIGATION (LIMITED TAX) SEWER IMPROVEMENT BONDS OF THE CITY ADDITIONALLY SECURED BY PLEDGED REVENUES

NOTICE IS HEREBY GIVEN that the City Council of the City of Las Vegas (the "Council" and the "City") Nevada, by a resolution, passed, adopted and approved on the 6th day of November, 1991, and designated in Section 1 thereof by the short title "1991 Resolution of Intent to Issue Sewer Improvement Bonds" has proposed the issuance of the City's General Obligation (Limited Tax) Sewer Improvement Bonds (Additionally Secured by Pledged Revenues) (the "Bonds") designated below, as follows:

GENERAL OBLIGATION (LIMITED TAX) SANITARY SEWER BOND PROPOSAL:

Shall the City Council of the City of Las Vegas, Nevada, be authorized to incur a general obligation indebtedness on behalf of the City by the issuance at one time, or from time to time, of the City's general obligation sanitary sewer bonds (additionally secured with pledged revenues) in one series or more, in an aggregate principal amount not to exceed $60,000,000 to defray wholly or in part the cost of constructing, reconstructing, improving and extending the City's sanitary sewer system, for the collection, interception, transportation, treatment, purification and disposal of sewage, liquid wastes, solid wastes, night soil and industrial wastes, including without limitation a sewerage treatment plant, sewerage purification and treatment works and disposal facilities, drying beds, pumping plant and station, connections, laterals, other collection lines, outfalls, outfall sewers, trunk sewers, intercepting sewers, force mains, water lines, sewer lines, conduits, ditches pipes, and transmission lines, pumping plants, filter plants, powerplants, pumping stations, gauging stations, ventilating facilities, incinerators, engines, valves, pumps, meters, apparatus, fixtures, structures, buildings and other facilities for the collection, interception, transportation, treatment, purification and disposal of sewage, liquid wastes, solid wastes, night soil and industrial

wastes (or any combination thereof), and all appurtenances and incidentals therefor, such bonds to mature serially commencing not later than five (5) years from the date or respective dates of the bonds and ending not later than thirty (30) years therefrom, to be payable from general (ad valorem) taxes and to be additionally secured by and payable from the net revenues of the City's sanitary sewer system and to be issued and sold at, above, or below par at an effective interest rate (including any sale discount) not exceeding the statutory maximum rate, if any, as shall be determined at the time of the sale thereof, and otherwise to be issued in such manner, upon such terms and conditions, with such covenants and agreements, and with such detail as the Board may determine, including at its option but not necessarily limited to provisions for the redemption of bonds prior to maturity without or with the payment of a premium?

(the "Proposal").

The above Proposal was approved upon the adoption of the "Las Vegas GOBC Approval Resolution" by the General Obligation Bond Commission of Clark County, Nevada, at a special meeting of the Commission held on October 29, 1991.

The Council has determined that the general obligation Bonds to be issued for the purpose of financing sewer improvement projects for the City (as further described in the above Proposal) will be additionally secured by a pledge of a portion of the revenues derived from the City of Las Vegas sewer revenues (the "Pledged Revenues"). The Council has, in addition, determined that the Pledged Revenues will at least equal the amount required in each year for the payment of the interest on and the principal of the Bonds.

Based upon this determination, the Council intends to incur this general obligation as set forth above without an election as provided in subsection 2 of Section 350.020, Nevada Revised Statutes, unless within thirty (30) days after the publication of this notice a petition requesting an election is presented to the Council signed by not fewer than five percent (5%) of the registered voters of the City who, together with any corporate petitioners, own not less than two percent (2%) in assessed value of the taxable property in the City. The number of registered voters is to be determined as of the close of registration for last preceding general election. The assessed values are to be determined from the next preceding final assessment roll of the City. An authorized corporate officer may sign such a petition whether or not he or she is a registered voter of the City.

At a meeting or meetings of the Council to be held not earlier than thirty (30) days after the publication of this notice, the Council shall proceed to adopt an ordinance or ordinances authorizing the issuance of the Bonds. Such ordinance or ordinances authorizing the issuance of the Bonds will be adopted unless prior to 5:00 p.m. on the 9th day of December, 1991, a petition is presented to the Council asking for a special election upon the question of whether or not the proposed general obligations shall be incurred. The petition for an election herein referred to may be presented to the Council at any time prior to the expiration of thirty (30) days after the publication of this notice. In the event such petition is presented, no such ordinance or ordinances shall be enacted except pursuant to a special election called and held for such purpose and carried by a majority of the votes cast. In the event no such petition is presented, the Bonds will be authorized as described above. The ordinance or ordinances authorizing the Bonds will, in addition, contain provisions for additionally securing the payment of the general obligations by pledging the Pledged Revenues designated above and in the Proposal to the payment of the Bonds.

The authority to issue the Bonds if conferred at the special election or if conferred by the fact no petition is presented to the Council requesting such an election within thirty (30) days of the date of publication hereof shall be deemed to be a continuing authority and the Council shall be authorized to sell the Bonds at such time or times and upon such terms and conditions as it deems proper in accordance with the provisions of the Proposal and the laws of the state.

All persons interested are hereby advised that further information regarding the Project to be financed by the Bonds, the Bonds and the revenues to be pledged to the Bonds, and all proceedings in the premises, are on file in the office of the City Clerk, 400 East Stewart Avenue, Las Vegas, Nevada, and can be seen and examined by the interested persons during the regular office hours of the Clerk.

The determination by the Council that the Pledged Revenues will at least equal the amount required in each year for the payment of interest and principal on the Bonds becomes conclusive on the last day for filing the petition, i.e., on the 9th day of December, 1991, at 5:00 p.m.

BY ORDER of the City Council of City of Las Vegas, Nevada.

DATED this 6th day of November, 1991.

PUBLICATION DATE: November 9, 1991

Attest: /s/ Jan Laverty Jones
Mayor

/s/ Kathleen Tighe
City Clerk

(End of Form of Notice)

Section 4. The Bonds, in the event no petition is filed during the period allowed by NRS § 350.020(2), shall be authorized by an ordinance or ordinances to be enacted by the Council after the expiration of the above specified period of publication.

Section 5. The authority to issue the Bonds designated in the Proposal set forth in the notice shall be deemed and considered a continuing authority to issue and deliver the Bonds designated in such Proposal at one time or from time to time, in one series or in more than one series, all as ordered by the Council. Neither the partial exercise of the authority so conferred nor the lapse of time shall be considered as exhausting or limiting the full authority so conferred.

Section 6. The officers of the Council be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this resolution.

Section 7. All resolutions, or parts thereof, in conflict with the provisions of this resolution, are hereby repealed to the extent only of such inconsistency. This repealer shall not be constructed to revive any resolution, or part thereof, heretofore repealed.

Section 8. If any section, paragraph, clause or other provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or other provision shall not affect any of the remaining provisions of this resolution.

Section 9. This resolution shall become effective and be in force immediately upon its adoption.

PASSED AND APPROVED this 6th day of November, 1991.

Mayor

(SEAL)

Attest:

City Clerk