



THE PURPOSE OF THEIR ISSUANCE; PROVIDING OTHER MATTERS RELATING TO THE FOREGOING; AND BY DECLARING THIS ORDINANCE PERTAINS TO THE SALE, ISSUANCE AND PAYMENT OF THE REFUNDING BONDS, PROVIDING FOR ITS ADOPTION AS IF AN EMERGENCY EXISTS, AND PROVIDING THE EFFECTIVE DATE HEREOF.

(1) WHEREAS, the County of Washoe, in the State of Nevada (herein sometimes designated as the "County" or merely the "Issuer" and as the "State," respectively), is a county incorporated and operating under the laws of the State; and

(2) WHEREAS, pursuant to proceedings duly had and taken, including, without limitation, Ordinance No. 169, duly adopted by the Board of County Commissioners of the Issuer (herein sometimes designated as the "Board" or merely the "Governing Body") on the 12th day of June, 1969, the County has heretofore issued its negotiable, coupon, general obligation bonds, designated as its "Washoe County, Nevada, General Obligation Improvement Bonds, Series June 1, 1969" (herein sometimes designated as "the 1969 bonds"), in the original aggregate principal amount of \$9,675,000.00, dated as of the first day of June, 1969, consisting of 1935 bonds in the denomination of \$5,000.00 each, numbered consecutively in regular numerical order from 1 through 1935, payable to bearer, being numbered, bearing interest from the date thereof until their respective maturities at the respective rates hereinafter designated, evidenced by only one set of coupons payable to bearer and attached to the bonds, such interest being payable on the first days of June and December in each year, commencing on the first day of December, 1969, and the 1969 bonds maturing serially in regular numerical order on the first day of June in each of the designated amounts and years as follows:

<u>Bond Numbers</u> (All Inclusive)	<u>Interest Rate</u> (Per Annum)	<u>Amounts</u> <u>Maturing</u>	<u>Years</u> <u>Maturing</u>
1 - 7	6%	\$ 35,000.00	1971
8 - 20	7%	65,000.00	1972
21 - 39	7%	95,000.00	1973
40 - 70	7%	155,000.00	1974
71 - 106	7%	180,000.00	1975
107 - 152	7%	230,000.00	1976
153 - 206	7%	270,000.00	1977
207 - 266	7%	300,000.00	1978
267 - 341	7%	375,000.00	1979
342 - 442	6.20%	505,000.00	1980
443 - 547	6.20%	525,000.00	1981
548 - 675	6%	640,000.00	1982
676 - 819	6%	720,000.00	1983
820 - 978	6%	795,000.00	1984
979 - 1154	6-1/8%	880,000.00	1985
1155 - 1344	6-1/8%	950,000.00	1986
1345 - 1553	6.20%	1,045,000.00	1987
1554 - 1935	6.20%	1,910,000.00	1988

both the principal of and the interest on the 1969 bonds being payable from an annual ad valorem tax levied against all the taxable property in the County, subject to the limitation imposed by the State constitution, at the office of the County Treasurer of Washoe County, in Reno, Nevada, or at the option of the holder of any bond or any coupon per-

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taining thereto, at Continental Illinois National Bank and Trust Company of Chicago, in Chicago, Illinois, of which issue there remain outstanding and unpaid 1969 bonds numbered 8 through 1935 (herein sometimes designated as "the outstanding bonds"), in the aggregate principal amount of \$9,640,000.00; and

(3) WHEREAS, the 1969 bonds numbered 1 through 341, maturing on and before the first day of June, 1979, are not subject to redemption prior to their respective maturities, but the 1969 bonds numbered 342 through 1935, maturing on and after the first day of June, 1980, are subject to redemption prior to their respective maturities at the option of the Board, in whole or in part in inverse numerical order, on the first day of June, 1979, or on any interest payment date thereafter, for the principal amount of each bond so redeemed, accrued interest thereon to the redemption date, and a premium computed in accordance with the following schedule:

3.00% of the principal amount of each bond so redeemed if redeemed on or

before December 1, 1983; and

2.00% of such principal amount if redeemed on or after June 1, 1984;

and

(4) WHEREAS, Burrows, Smith and Company of Nevada, with its principal office in Salt Lake City, Utah, and a branch office in Las Vegas, Nevada, and Kirchner, Moore and Company, with its principal office in Denver, Colorado (herein sometimes collectively designated as the "Purchasers"), jointly submitted a proposal (herein sometimes designated as the "Proposal") for the purchase of the County's negotiable, coupon, general obligation refunding bonds as herein provided (herein sometimes designated as "the 1972 bonds," as "the refunding bonds," or merely as "the bonds"), for the purpose of redeeming, paying and refunding the outstanding bonds as they respectively become due but redeeming, paying and refunding by the exercise of a call for prior redemption on the first day of December, 1980, the outstanding bonds thereafter becoming due (herein sometimes designated as the "Project"); and

(5) WHEREAS, the Proposal further provides for the payment of certain incidental expenses by the Purchasers, for the sale by the Purchasers to the County of certain federal securities with the proceeds of the refunding bonds, including, without limitation, accrued interest received thereon by the County from the Purchasers upon the issuance of the refunding bonds, which federal securities, together with the known minimum yield derived from the investment of such refunding bond proceeds in such federal securities, shall be sufficient so to redeem the outstanding bonds, as to principal, interest and any prior redemption premiums due (herein sometimes collectively designated as their "Bond Requirements") as they respectively become due; and

(6) WHEREAS, the Proposal also provides for the establishment with such federal securities and any uninvested moneys of an "Escrow Account" with a commercial bank in the

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County with full trust powers and for the employment of a firm of certified public accountants to verify the proposed transactions pertaining to the Escrow Account; and

(7) WHEREAS, the Governing Body authorized the acceptance of the Proposal, and the Chairman of the Board and the County Clerk executed the acceptance of the Proposal on the behalf and in the name of the Issuer on the 25th day of January, 1972; and

(8) WHEREAS, there has been prepared and filed with the Issuer, a proposed "General Obligation Bonds 3-1-72 Escrow Agreement" (herein sometimes designated as the "Escrow Agreement"), between the Issuer and the First National Bank of Nevada (herein sometimes designated as the "Escrow Bank"), in Reno, Nevada, pertaining to the Escrow Account and such federal securities; and

(9) WHEREAS, the Local Government Securities Law, consisting of sections 350.500 through 350.720, Nevada Revised Statutes, and all laws amendatory thereof (herein sometimes designated as the "Bond Act"), provides in relevant part:

"350.684 Refunding of bonds: Ordinance; trust indenture. Subject to the provisions of NRS 350.674, any general obligation bonds or special obligation bonds of the municipality issued in accordance with the provisions of the Local Government Securities Law or any other act and payable from any pledged revenues and any general obligation bonds of the municipality so issued but not payable from pledged revenues may be refunded on behalf of the municipality by the governing body, without the necessity of the refunding bonds being authorized at an election except as otherwise provided in NRS 350.674, by the adoption of an ordinance or ordinances by the governing body and by any trust indenture or other proceedings appertaining thereto, authorizing the issuance of refunding bonds to refund, pay and discharge all or any part of such outstanding bonds of any one or more or all outstanding issues:

1. For the acceleration, deceleration or other modification of the payment of such obligations, including any interest thereon in arrears, or about to become due for any period not exceeding 3 years from the date of the refunding bonds, unless the capitalization of interest on bonds constituting an indebtedness increases the municipal debt in excess of the municipality's debt limitation, if any; or

2. For the purpose of reducing interest costs or effecting other economies; or

3. For the purpose of modifying or eliminating restrictive contractual limitations appertaining to the issuance of additional bonds, otherwise concerning the outstanding bonds, or otherwise relating to any facilities appertaining thereto; or

4. For any combination of the purposes stated in subsections 1, 2 and 3.

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"350.694 Conditions for refunding bonds.

1. No bonds may be refunded hereunder unless they have been outstanding for

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at least 1 year from the date of their delivery and unless the holders thereof voluntarily surrender them for exchange or payment, or unless they either mature or are callable for prior redemption under their terms within 15 years from the date of issuance of the refunding bonds. Provision shall be made for paying the securities within such period of time.

2. No maturity of any bond refunded may be extended over 15 years, or beyond 1 year next following the date of the last outstanding maturity, whichever limitation is later, nor may any interest on any bond refunded be increased to any rate exceeding 8 percent per annum.

3. The principal amount of the refunding bonds may exceed the principal amount of the refunded bonds if the aggregate principal and interest costs of the refunding bonds do not exceed such unaccrued costs of the bonds refunded, except to the extent any interest on the bonds refunded in arrears or about to become due is capitalized with the proceeds of the refunding bonds. Principal may also then be increased to that extent. In no event, however, in the case of any bonds constituting a debt shall the principal of the bonds be increased to any amount in excess of any municipal debt limitation.

4. The principal amount of the refunding bonds may also be less than or the same as the principal amount of the bonds being refunded so long as provision is duly and sufficiently made for their payment.

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"350.606 Recourse against municipal officers and agents: Acceptance of securities constitutes waiver, release. No recourse shall be had for the payment of the principal of, any interest on, and any prior redemption premiums due in connection with any bonds or other municipal securities or for any claim based thereon or otherwise upon the ordinance authorizing their issuance or other instrument appertaining thereto, against any individual member of the governing body or any officer or other agent of the municipality, past, present or future, either directly or indirectly through the governing body or the municipality, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the endorsement of any penalty or otherwise, all such liability, if any, being by the acceptance of the securities and as a part of the consideration of their issuance specially waived and released."

(10) WHEREAS, the Governing Body has further determined, and does hereby declare:

A. By the issuance of the refunding bonds for the Project interest costs shall be substantially reduced and other economies shall be effected; and

B. In accordance with subsection 3, section 350.694, Bond Act, the principal amount of the refunding bonds exceeds the principal amount of the outstanding

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bonds to be refunded, as the aggregate principal and interest costs of the refunding bonds do not exceed such unaccrued costs of the outstanding bonds to be refunded, but are substantially less than such unaccrued costs, and as the principal of the refunding bonds is not increased to any amount in excess of any debt limitation pertaining thereto;

C. All action preliminary to the authorization of the issuance of the 1972 bonds has been taken;

D. The Issuer shall forthwith effect the Project with reasonable diligence, shall apply the proceeds of the 1972 bonds to defray wholly or in part the cost of the Projects, and shall invest such bond proceeds in federal securities pursuant to section 350.698 of the Bond Act or as may otherwise be authorized by law but as herein provided until such proceeds are needed so to defray the cost of the Project;

E. It is necessary to secure and preserve the public health, safety, convenience and welfare of the people of the Issuer that it issue the bonds for the Project pursuant to the Bond Act and all laws supplemental thereto;

F. Each of the limitations and other conditions to the issuance of the 1972 bonds in the Bond Act and any other relevant act of the State or the Federal Government has been met; and pursuant to section 350.708, Bond Act, this determination of the Governing Body that the limitations in the Bond Act have been met shall be conclusive in the absence of fraud or arbitrary or gross abuse of discretion; and

G. The 1972 bonds shall otherwise be issued in strict compliance with the Bond Act, any other relevant act supplemental thereto, and as may be otherwise provided by law;

and

(11) WHEREAS, the Governing Body has also determined and does hereby also declare that this instrument (herein sometimes designated as this "Instrument") pertains to the sale, issuance and payment of the 1972 bonds; and

(12) WHEREAS, such declaration shall be conclusive in the absence of fraud or gross abuse of discretion in accordance with the provisions of subsection 2, section 350.579, Bond Act; and

(13) WHEREAS, this Instrument may accordingly be adopted as if an emergency now exists and may become effective at any time when an emergency instrument of the Issuer may go into effect; and

(14) WHEREAS, due to the necessity of immediately issuing without further delay the 1972 bonds and of obtaining promptly the proceeds thereof for the purpose of defraying in part the cost of the Project, due to the necessity of accepting the bid for the purchase of the 1972 bonds and of issuing them at a time when a volatile and rapidly changing market

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without predictable direction permits their sale and issuance on terms favorable to the Issuer, and due to the necessity of undertaking the Project without further delay and of avoiding any material and rapid escalation of costs of acquiring the federal securities for the proposed Escrow Account, the Governing Body has determined, and does hereby declare, that this ordinance shall take effect from and after its passage and publication once in accordance with law, as if an emergency now exists (as in fact it does).

NOW, THEREFORE, THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF WASHOE, IN THE STATE OF NEVADA, DO ORDAIN:

Section 1. Short Title. This Instrument may be cited by the short title "3-1-72 Bond Ordinance".

Section 2. Authority for this Instrument. This Instrument is adopted by virtue of the Bond Act and all laws supplemental thereto, and pursuant to their provisions; and the Issuer has ascertained and hereby determines, after a thorough examination and due consideration of all matters in the premises, that each and every matter and thing as to which provision is made herein is necessary in order to carry out and to effectuate the purposes of the Issuer in accordance with the Bond Act and such supplemental laws.

Section 3. Acceptance of Proposal. In accordance with the provisions of this Instrument, there shall be, and there hereby are, formally accepted the Proposal of the Purchasers for the purchase of the 1972 bonds.

Section 4. Necessity of Project and Bonds. It is necessary and for the best interests of the Governing Body, the Issuer, its officers, and the inhabitants of the Issuer, that the Issuer effect the Project and defray the cost thereof wholly or in part by the issuance of the 1972 bonds therefor; and it is hereby so determined and declared.

Section 5. Authorization of Project. The Governing Body, on behalf of the Issuer, does hereby determine to refund the outstanding bonds as hereinabove delineated; and the Project is hereby so authorized.

Section 6. Execution of Escrow Agreement. The appropriate officials of the Issuer as designated in the Escrow Agreement be, and they hereby are, authorized to execute the agreement on the behalf and in the name of the Issuer and so to enter into a contract with the Escrow Bank as provided in the agreement.

Section 7. Purchase of Federal Securities. The Issuer shall purchase from the Purchasers the federal securities necessary to establish the Escrow Account as provided in the Escrow Agreement in accordance with the Proposal and this Instrument, including, without limitation, section 3 hereof.

Section 8. Instrument to Constitute Contract. In consideration of the purchase and the acceptance of the 1972 bonds by those who shall hold the same from time to time, the provisions hereof shall be deemed to be and shall constitute contracts between the Issuer and the holders from time to time of the bonds and the coupons pertaining thereto.

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Section 9. Bonds Equally Secured. The covenants and agreements herein set forth to be performed on behalf of the Issuer shall be for the equal benefit, protection and security of the holders of any and all of the outstanding 1972 bonds and the coupons pertaining thereto, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the bonds or coupons of such issue over any other thereof, except as otherwise expressly provided in or pursuant to this Instrument.

Section 10. General Obligations. All of the 1972 bonds, as to the principal thereof, the interest thereon and any prior redemption premium due in connection therewith (herein sometimes collectively designated as their "Bond Requirements"), shall constitute general obligations of the Issuer, which hereby pledges the full faith and credit of the Issuer for their payment. The bonds as to all Bond Requirements shall be payable from general (ad valorem) taxes (herein sometimes designated as "General Taxes" or merely "Taxes") as herein provided.

Section 11. Limitations upon Security. The payment of the bonds is not secured by an encumbrance, mortgage or other pledge of property of the Issuer, except for the proceeds of Taxes and any other moneys pledged for the payment of the bonds. No property of the Issuer, subject to such exception, shall be liable to be forfeited or taken in payment of the bonds.

Section 12. Authorization of 1972 Bonds. For the purpose of protecting and conserving the moneys of the Issuer and advancing the general welfare of its citizens, it is hereby declared necessary that the Issuer make and issue, and there are hereby authorized to be issued, pursuant to the provisions of the Bond Act, the "Washoe County, Nevada, General Obligation Refunding Improvement Bonds, Series March 1, 1972," in the aggregate principal amount of \$10,050,000.00.

Section 13. Bond Details. The bonds shall be issued payable to bearer, dated as of the first day of March, 1972, shall consist of 2010 bonds in the denomination of \$5,000.00 each, numbered consecutively in regular numerical order from 1 through 2010, shall bear interest from the date thereof until their respective maturities at the respective rates hereinafter designated, evidenced by only one set of coupons payable to bearer and attached to the bonds, such interest being payable on the first day of April, 1972, except for the interest on the bonds constituting the first maturity and numbered 1 through 34, which interest is due on the maturity date, i.e. on the first day of June, 1972, and such interest being payable semiannually thereafter, commencing on the first of October, 1972, on the first days of April and October in each year, and the bonds being numbered, bearing interest and maturing serially in regular numerical order in each of the designated amounts and on each of the designated maturity dates, as follows:

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<u>Bond Numbers</u> (All Inclusive)	<u>Interest Rate</u> (Per Annum)	<u>Principal</u> <u>Maturing</u>	<u>Dates</u> <u>Maturing</u>
1 - 34	5.5%	\$170,000.00	6-1-72
35 - 50	5.5%	80,000.00	10-1-72
51 - 66	5.5%	80,000.00	4-1-73
67 - 88	5.5%	110,000.00	10-1-73
89 - 111	5.5%	115,000.00	4-1-74
112 - 136	5.5%	125,000.00	10-1-74
137 - 162	5.5%	130,000.00	4-1-75
163 - 192	5.5%	150,000.00	10-1-75
193 - 223	5.5%	155,000.00	4-1-76
224 - 257	5.5%	170,000.00	10-1-76
258 - 292	5.5%	175,000.00	4-1-77
293 - 330	5.5%	190,000.00	10-1-77
331 - 368	5.5%	190,000.00	4-1-78
369 - 413	5.5%	225,000.00	10-1-78
414 - 459	5.5%	230,000.00	4-1-79
460 - 517	5.5%	290,000.00	10-1-79
518 - 576	5.5%	295,000.00	4-1-80
577 - 636	5.5%	300,000.00	10-1-80
637 - 704	5.5%	340,000.00	4-1-81
705 - 776	5.5%	360,000.00	10-1-81
777 - 849	5.5%	365,000.00	4-1-82
850 - 929	5.5%	400,000.00	10-1-82
930 - 1010	5.5%	405,000.00	4-1-83
1011 - 1098	5.5%	440,000.00	10-1-83
1099 - 1187	5.5%	445,000.00	4-1-84
1188 - 1283	5.5%	480,000.00	10-1-84
1284 - 1382	5.5%	495,000.00	4-1-85
1383 - 1486	5.5%	520,000.00	10-1-85
1487 - 1591	5.2%	525,000.00	4-1-86
1592 - 1704	5.2%	565,000.00	10-1-86
1705 - 1818	5.2%	570,000.00	4-1-87
1819 - 1995	5.2%	885,000.00	10-1-87
1996 - 2010	5.2%	75,000.00	4-1-88

all the Bond Requirements of the bonds being payable in lawful money of the United States of America, upon presentation and surrender of the annexed interest coupons and the bonds as they severally become due, without deduction for exchange or collection charges, at the office of the County Treasurer of Washoe County, in Reno, Nevada. If any bond is not paid upon presentation at its maturity, interest thereon shall continue at the rate of eight per centum (8%) per annum until the principal thereof is paid in full.

Section 14. Prior Redemption. The 1972 bonds numbered 1 through 776, maturing on and before the first day of October, 1981, shall not be subject to prior redemption. The 1972 bonds numbered 777 through 2010, maturing on and after the first day of April, 1982, shall be subject to redemption prior to their respective maturities, in whole, or in part in inverse numerical order, at the Issuer's option, on the first day of October, 1981, and on any interest payment date thereafter, for a price equal to the principal amount of each bond so redeemed, accrued interest thereon to the redemption date, and a premium consisting of two per centum (2%) of the principal amount of each bond so redeemed.

Section 15. Notice of Prior Redemption. Notice of any prior redemption shall be given by the Treasurer of the Issuer (herein sometimes designated as the "Treasurer") in the name of the Issuer:

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A. By publication of such notice at least once, not less than thirty (30) days prior to the redemption date, in a newspaper of general circulation in the Issuer and as the Governing Body may otherwise determine; and

B. By mailing a copy of such notice by first-class, registered or certified mail, postage prepaid, at least thirty (30) days prior to the redemption date, to each of the following:

- (1) Kirchner, Moore and Company,  
Denver, Colorado; and
- (2) Burrows, Smith and Company of Nevada,  
Salt Lake City, Utah.

Such notice shall specify the number or numbers of the bonds to be so redeemed (if less than all are to be redeemed) and the date fixed for redemption, and shall further state that on such redemption date there will become and be due and payable upon each bond so to be redeemed at the office of the County Treasurer of Washoe County, in Reno, Nevada, the principal amount thereof, accrued interest to the redemption date, and the stipulated premium, and that from and after such date interest will cease to accrue. Notice having been given in the manner hereinbefore provided, the bond or bonds so called for redemption shall become due and payable on the redemption date so designated; and upon presentation thereof at the office of the County Treasurer, together with all appurtenant coupons maturing subsequent to the redemption date, the Issuer will pay the bond or bonds so called for redemption.

Section 16. Negotiability and Transfer of Bonds. The bonds shall be negotiable instruments, and title to any bond shall pass by delivery merely as a negotiable instrument payable to bearer. 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 17. Filing Manual Signatures. Pursuant to section 350.638, the Bond Act, and to the act known as the Uniform Facsimile Signatures of Public Officials Act, cited as chapter 351, Nevada Revised Statutes, the Chairman of the Governing Body, the County Clerk, and the County Treasurer (herein sometimes designated as the "Chairman," the "Clerk" and the "Treasurer," respectively), shall each file with the Secretary of State of the State of Nevada his manual signature certified by him under oath, prior to the execution of any of the bonds herein authorized.

Section 18. Execution of Bonds. The bonds shall be signed and executed in the name and on behalf of the Issuer with the engraved, imprinted, stamped or otherwise reproduced facsimile of the signature of the Chairman, shall be manually countersigned and executed by the Treasurer, and shall be signed, attested, subscribed and executed with such a facsimile signature of the Clerk. There shall be affixed on the bonds the printed, engraved, stamped or otherwise placed thereon facsimile of the seal of the Issuer.

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Section 19. Form and Execution of Coupons. There shall be attached to each bond an appropriate number of interest coupons payable to bearer, numbered consecutively from one upwards, each coupon representing a semiannual installment of interest on the bond to which it is attached, and securing the payment of such interest as it accrues; but coupon No. 1 attached to each of the bonds of the first maturity and numbered from 1 through 34 shall evidence three (3) months' interest and shall be due on the maturity date, i.e. on the first day of June, 1972; and coupon No. 1 attached to each of the other 1972 bonds shall evidence one (1) month's interest and shall be due on the first day of April, 1972. Before the delivery of any bond all coupons pertaining thereto then matured, if any, shall be cut off and cancelled. The coupons shall bear the facsimile signature of the Treasurer as it appears on the bonds and shall bear the numbers of the bonds to which such coupons are attached. The coupons when so executed and delivered as part of the bonds to which such coupons are attached shall be the lawful obligations of the Issuer according to their tenor, securing the payment of interest in the hands of all persons to whom they may come.

Section 20. Use of Predecessor's Signature. The bonds and coupons bearing the signatures of the officers in office at the time of the signing thereof shall be the valid and binding obligations of the Issuer, 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. The Chairman, the Clerk, and the Treasurer, at the time of the execution of a signature certificate pertaining to the bonds by each of those officers, may adopt as and for his own facsimile signature the facsimile signature of his predecessor in office if such facsimile signature appears upon any of the bonds or coupons pertaining to the bonds.

Section 21. Incontestable Recital. Pursuant to section 350.628 of the Bond Act, the bonds shall contain a recital that they are issued pursuant to the Bond Act, which recital shall be conclusive evidence of the validity of the bonds and the regularity of their issuance.

Section 22. Tax Exemption. Pursuant to section 350.710 of the Bond Act, the bonds, their transfer, and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof.

Section 23. Bond Execution. The Chairman, the Treasurer and the Clerk are hereby authorized and directed to prepare and to execute the bonds as herein provided.

Section 24. Registration by Treasurer. Before any bonds are delivered, they shall be registered by the Treasurer in a book kept in his office for that purpose, pursuant to section 350.612 of the Bond Act. 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

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C. The rate of interest each of the bonds bears.

Section 25. Bond Sale and Delivery. After such registration by the Treasurer, he shall cause the bonds to be delivered to the Purchasers, upon payment being made for the bonds on the terms of their sale. The bonds shall be sold and delivered to the Purchasers bearing interest and otherwise upon the terms and conditions herein provided, for a price consisting of the principal amount of the bonds, and accrued interest thereon from their last interest payment, if any, or from their date, to the date of their delivery, but no premium nor discount. The Purchasers will not be required to accept delivery of any of the bonds, if all the bonds are not made ready and are not tendered by the Issuer for delivery on or before the first day of April, 1972; and if the bonds are not so tendered within such period of time, the contract to purchase the bonds will be terminated upon the request of the Purchasers. The legality of the bonds shall be approved by Messrs. Dawson, Nagel, Sherman & Howard, Denver, Colorado, whose unqualified, final, approving opinion, together with printed bonds on steel engrave borders, a certified transcript of legal proceedings, including therefor a certificate stating there is no litigation pending affecting the delivery of the bonds as of the date of their delivery, and other closing documents, shall be furnished to the Purchasers without charge by the Issuer, except as otherwise provided in the Proposal.

Section 26. Payment at and Place of Delivery. The Purchasers shall be required to make payment of the amount due for and to accept delivery of the bonds at the expense of the Issuer at some commercial bank in Reno, Nevada, or at the Purchasers' request and expense, at some commercial bank elsewhere in the United States. Payment of such purchase price at the time of the delivery of the bonds must be made in Federal Reserve Bank funds or other funds acceptable to the Issuer and to the commercial bank designated as the place of delivery for immediate and unconditional credit to the account of the Issuer, as directed by it, at a commercial bank or banks located in Reno, Nevada, so that the bond proceeds may be so deposited or invested in federal securities or both so deposited and so invested, as the Issuer may determine, simultaneously with the delivery of the bonds by the use of the proceeds thereof.

Section 27. Causes for Reissuance. In case any outstanding bond or coupon shall be lost, apparently destroyed, or wrongfully taken, it may be reissued in the form and tenor of the lost, destroyed or taken bond or coupon as provided in section 104.8405 of the Uniform Commercial Code--Investment Securities, as from time to time amended, and all laws supplemental thereto.

Section 28. Other Reissuance. Nothing contained in the provisions of section 27 hereof shall be construed as prohibiting the Issuer from reissuing, pursuant to other provisions herein, in the Bond Act, or otherwise, upon such terms and conditions as the Governing Body may determine, any outstanding bond or coupon which shall not have become lost,

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apparently destroyed, or wrongfully taken.

Section 29. Bond and Coupon Form. Subject to the provisions of this Instrument, each bond and the coupons to be attached thereto shall be, respectively, in substantially the following form, with such omissions, insertions, endorsements and variations as to any recitals of fact or other provisions as may be required by the circumstances, be required or permitted by this Instrument, or be consistent with this Instrument and necessary or appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto:

(Form of Bond)

UNITED STATES OF AMERICA

STATE OF NEVADA

WASHOE COUNTY

GENERAL OBLIGATION REFUNDING IMPROVEMENT BOND

SERIES MARCH 1, 1972

No. \_\_\_\_\_ \$5,000.00

The County of Washoe, in the State of Nevada (herein sometimes designated as the "County" or merely the "Issuer" and as the "State," respectively), for value received hereby acknowledges itself to be indebted and promises to pay to the bearer hereof the principal sum of

FIVE THOUSAND DOLLARS

on the first day of April, (or) June, (or) October, 19\_\_\_, with interest hereon until maturity at the rate of

\_\_\_\_\_ per centum (\_\_\_\_%)

per annum, payable on the first day of \* April, 1972, \*\* and semiannually thereafter, commencing on the first day of October, 1972, on the first days of April and October in each year, \*\* upon presentation and surrender of this bond and of the attached coupons as they severally become due. If upon presentation at maturity payment of this bond is not made as herein provided, interest shall continue at the rate of eight per centum (8%) per annum until the principal thereof is paid in full. Principal, interest and any prior redemption premium due (herein sometimes designated as the "Bond Requirements") are payable in lawful money of the United States of America, without deduction for exchange or collection charges, at the office of the County Treasurer of Washoe County, in Reno, Nevada.

The bonds of the series of which this is one (herein sometimes designated as "the 1972 bonds" or merely "the bonds") maturing on and after the first day of April, 1982, are subject to redemption prior to their respective maturities, in whole, or in part in inverse numerical order, at the option of the Issuer, on the first day of October, 1981, or on any interest payment date thereafter, for a price equal to the principal amount of each bond so redeemed, accrued interest thereon to the redemption date, and a premium consisting

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of two per centum (2%) of the principal amount of each bond so redeemed. Redemption shall be made upon not less than thirty (30) days' prior published and mailed notice in the manner and upon the conditions provided in the ordinance authorizing the issuance of the bonds.

The bonds are of like tenor and date, except as to number, interest rate, interest payment dates, prior redemption option and premium, and maturity, and are issued by the Issuer on its behalf, in its name, and upon its credit, for the purpose of providing moneys to redeem, pay and refund outstanding general obligation bonds heretofore issued by the Issuer, under the authority of and in full compliance with the Constitution and laws of the State, and pursuant to an ordinance authorizing the issuance of the 1972 bonds, designated in section 1 thereof by the short title "3-1-72 Bond Ordinance" (herein sometimes designated as the "Instrument"), adopted by the board of commissioners of the County (herein sometimes designated as the "Governing Body"), and made a law of the Issuer prior to the issuance of this bond. A copy of the Instrument is on file in the office of the County Clerk, Washoe County Courthouse, in Reno, Nevada, for public inspection.

It is hereby certified, recited and warranted that all the requirements of law have been fully complied with by the proper officers of the Issuer in the issuance of this bond; that the total indebtedness of the Issuer, including that of this bond, does not exceed any limit of indebtedness prescribed by the Constitution or by the laws of the State; that provision has been made for the levy and collection of annual general (ad valorem) taxes sufficient to pay the Bond Requirements of this bond when the same shall become due (except to the extent other funds are available therefor), subject to the limitation imposed by the Constitution of the State; and that the full faith and credit of the Issuer are hereby irrevocably pledged to the punctual payment of the Bond Requirements of this bond according to its terms.

Reference is made to the Instrument and all modifications and amendments thereof, if any, and to the acts authorizing the issuance of the bonds, i.e. to sections 350.500 through 350.720, Nevada Revised Statutes, and to all laws amendatory thereof, designated in section 350.500 thereof as the Local Government Securities Law (sometimes designated as the "Bond Act"), and to all laws supplemental thereto, for an additional description of the nature and extent of the security for the bonds, the accounts, funds or revenues pledged, the terms and conditions upon which the bonds are issued, and a statement of rights, duties, immunities and obligations of the Issuer, and the rights and remedies of the holders of the bonds.

The bonds are issued pursuant to the Bond Act, and pursuant to section 350.628, Bond Act, this recital is conclusive evidence of the validity of the bonds and the regularity of their issuance, and pursuant to section 350.710, Bond Act, the bonds, their transfer, and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof.

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Washoe, in the State of Nevada, will pay to bearer the amount herein stated in lawful money of the United States of America, without deduction for exchange or collection charges at the office of the County Treasurer of Washoe County, in Reno, Nevada, being the interest then due on its Washoe County, Nevada, General Obligation Refunding Improvement Bond, Series March 1, 1972, and bearing

Bond

NO. \_\_\_\_\_

COUNTY OF WASHOE

By \_\_\_\_\_ (For Facsimile Signature)  
County Treasurer

\* (Coupon No. 1 attached to each of the bonds constituting the first maturity of the 1972 bonds, numbered 1 through 34, and being due on the first day of June, 1972, is due on such date and evidences three (3) months' interest. Coupon No. 1 attached to each of the other 1972 bonds is due on the first day of April, 1972, and evidences one (1) months' interest. Each of the other coupons attached to each of such bonds is due on the first day of April or October in the respective years up to and including the bond's maturity date and evidences six (6) months' interest, commencing on the first day of October, 1972.)

Section 30. 1972 Bonds General Tax Levies. Pursuant to section 350.596 of the Bond Act, the interest and principal falling due on the 1972 bonds on and before the first day of April, 1973, shall be paid out of the general fund of the Issuer or out of any other funds that may be available for such purpose. 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 Bond Requirements on other than a temporary basis) and for the purpose of creating funds for the payment of the 1972 bonds and the interest thereon, there are hereby created separate accounts to be known as the "Washoe County, Nevada, General Obligation Refunding Improvement Bonds, Series March 1, 1972, General Tax Principal Fund" (herein sometimes designated as the "General Tax Principal Fund") and as the "Washoe County, Nevada, General Obligation Refunding Improvement Bonds, Series March 1, 1972, General Tax Interest Fund" (herein sometimes designated as the "General Tax Interest Fund"), respectively. Pursuant to sections 350.592 and 350.594 of the Bond Act, there shall be levied in the calendar year 1972 if it is practical to do so after this Instrument becomes effective, and in any event in the calendar year 1973 and annually thereafter until all of the Bond Requirements of the 1972 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 Issuer, including the net proceeds of mines, fully sufficient to reimburse such fund or funds for any such amounts temporarily advanced to pay such initial installments of interest and principal, to pay the interest on the bonds becoming due after such initial installments, and to pay and retire the bonds as they thereafter become due as hereinabove provided, without regard to any statutory tax limitations now or hereafter

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existing, and 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 such Bond Requirements. In the preparation of the annual budget and the annual appropriation resolution or ordinance, the Governing Body 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 Issuer, including, without limitation, the 1972 bonds, subject to the limitation imposed by section 2 of article 10 of the Constitution of the State of Nevada, and the amount of money necessary for this purpose shall be a first charge against all the revenues received by the Issuer.

Section 31. Priorities for Bonds. As provided in section 350.600 of the Bond Act, in any year in which the total General Taxes levied against the property in the Issuer by all overlapping units within the boundaries of the Issuer may exceed the limitation of five cents on the dollar imposed by section 2 of article 10 of the Constitution of the State 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 Taxes levied by such unit or units (including the Issuer and the State) for purposes other than the payment of their bonded indebtedness, including interest thereon. The Taxes levied for the payment of such indebtedness and the interest thereon shall always enjoy a priority over Taxes levied by each such unit (including, without limitation, the Issuer and the State) for all other purposes where reduction is necessary in order to comply with the limitation of section 2 of article 10 of the Constitution of the State.

Section 32. Correlation of Levies. 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 1972 bonds shall be kept by the Treasurer in the 1972 General Tax Principal Fund and in the 1972 General Tax Interest Fund, which accounts shall be used for no other purpose than the payment of such principal and interest, respectively, as the same fall due.

Section 33. Use of General Fund. Any sums becoming due on the 1972 bonds at any time when there are on hand from such tax levy or levies (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 Issuer, reimbursement to be made for such general funds in the amounts so advanced when the Taxes herein provided for have been collected, pursuant to section 350.596 of the Bond Act.

Section 34. Use of Other Funds. Nothing herein, however, prevents the Issuer from applying any funds (other than Taxes) that may be available for that purpose to the payment of such interest or principal as the same, respectively, mature, including, without limitation, the payment of the bonds as provided in section 30 hereof and elsewhere herein, and upon such payments, the levy or levies herein provided may thereupon to that

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extent be diminished, pursuant to section 350.598 of the Bond Act.

Section 35. Legislative Duties. In accordance with sections 350.592 through 350.600 of the Bond Act, it shall be the duty of the Governing Body annually, at the time and in the manner provided by law for levying other General Taxes of the Issuer, if such action shall be necessary to effectuate the provisions of this Instrument, to ratify and carry out the provisions hereof with reference to the levy and collection of Taxes; and the Governing Body shall require the officers of the Issuer to levy, extend and collect such Taxes in the manner provided by law for the purpose of creating funds for the payment of the principal of the 1972 bonds and the interest thereon. Such Taxes when collected shall be kept for and applied only to the payment of the principal of and the interest on the 1972 bonds as hereinbefore specified.

Section 36. Appropriation of Taxes. In accordance with section 350.602 of the Bond Act, there is hereby specially appropriated the proceeds of such General Taxes to the payment of principal of and interest on the 1972 bonds; and such appropriations shall not be repealed nor the Taxes postponed or diminished (except as herein otherwise expressly provided) until the principal of and interest on the bonds have been wholly paid.

Section 37. Use of Bond Proceeds. Pursuant to section 350.696 of the Bond Act, the proceeds of the 1972 bonds, including, without limitation, any accrued interest paid thereon, upon the receipt thereof, shall be deposited promptly by the Treasurer and shall be accounted for in a separate account hereby created, to be held in escrow by the Escrow Bank in accordance with the Escrow Agreement, to be known as the "Washoe County, Nevada, General Obligation Refunding Improvement Bonds, Series March 1, 1972, Outstanding Bonds Refunding Fund" (herein sometimes designated as the "Refunding Fund"), and designated in the Proposal as the "Escrow Account."

Section 38. Additional Refunding Fund Deposits. From additional moneys of the Issuer available therefor, the Treasurer shall deposit in the Refunding Fund, in addition to the amounts deposited therein pursuant to section 37 hereof, such amounts so that the total deposits therein shall at least equal the cost of the purchase of the federal securities designated in the Escrow Agreement from the Purchasers in accordance with the Proposal, i.e. the sum of \$10,050,000.00 plus an amount equal to the accrued interest on the outstanding bonds from the first day of December, 1971, i.e. their interest payment date next preceding the issuance of the refunding bonds to the date of their issuance, which sum includes the initial cash balance credited to the Refunding Fund which is not initially to be invested.

Section 39. Maintenance of Refunding Fund. The Refunding Fund shall be maintained by the Issuer in an amount at the time of the deposit and at all times subsequently at least sufficient, together with the known minimum yield to be derived from the initial investment and any temporary reinvestment of the deposits therein or any part thereof in

February 15, 1972

federal securities, to pay any reasonable charges of the Escrow Bank payable from such account in connection therewith (of which charges there are none) and to pay the Bond Requirements due in connection with the outstanding bonds, both accrued and not accrued, as the same become due up to and including the first day of December, 1980, including, without limitation, the principal of the outstanding bonds thereafter maturing but then becoming due by the Issuer's exercise of its option of prior redemption as herein provided plus the prior redemption premiums due in connection therewith, commencing with the principal of and interest on the outstanding bonds becoming due on the first day of June, 1972.

Section 40. Use of Refunding Fund. Moneys shall be withdrawn by the Escrow Bank from the Refunding Fund in sufficient amounts and times to permit the payment without default of the Bond Requirements due in connection with such refunded bonds. The reasonable charges, if any, of any paying agent for any of the refunded bonds shall be promptly paid by the Issuer as operation and maintenance expenses. Any moneys remaining in the Refunding Fund after the redemption in full of the refunded bonds or after adequate provision has been made therefor shall be applied to any lawful purpose or purposes as the Governing Body may direct.

Section 41. Prior Redemption of Refunded Bonds. The refunded bonds in the aggregate principal amount of \$7,465,000.00 of the outstanding bonds maturing after the prior redemption date hereinafter designated and remaining outstanding and unpaid shall be and hereby are ordered to be called for prior redemption and payment on such prior redemption date, for the principal amount of each bond so redeemed, accrued interest thereon to the designated prior redemption date, and a premium consisting of three per centum (3%) of the principal amount of each such bond so redeemed, as follows:

<u>Principal Amount So Redeemed</u>	<u>Numbers Redeemed (All Inclusive)</u>	<u>Prior Redemp- tion Date</u>
\$7,465,000.00	443 to 1935	Dec. 1, 1980

Section 42. Insufficiency of Refunding Fund. If for any reason the amount in the Refunding Fund shall at any time be insufficient for the purpose of sections 39 through 41 hereof pertaining thereto, the Issuer shall forthwith from the first moneys available therefor deposit in such account such additional moneys as shall be necessary to permit the payment in full of the Bond Requirements due in connection with the refunded bonds as herein provided.

Section 43. Exercise of Option. The Governing Body has elected and does hereby declare its intent to exercise on the behalf and in the name of the Issuer its option to redeem on the prior redemption date herein designated all of the 1969 bonds then outstanding and thereafter maturing. The Issuer is hereby obligated so to exercise such option, which option shall be deemed to have been exercised when notice is duly given and completed as herein provided in sections 44 and 45 hereof.

Section 44. Initial Notices of Prior Redemption. The Treasurer of the Issuer  
February 15, 1972

be and he hereby is authorized and directed to give forthwith, either before or after the delivery of the 1972 bonds, but in no event prior to the effective date of this Instrument, notice of prior redemption of all of the outstanding bonds becoming due for payment on the designated prior redemption date, then outstanding, and thereafter maturing, in accordance with Ordinance No. 169, authorizing the issuance of the 1969 bonds.

Section 45. Manner of Giving Notice. The notice of prior redemption hereinabove required to be given forthwith for such outstanding bonds to be called for prior redemption shall be given:

A. Publication. By publication at least once in each of the following:

(1) The Bond Buyer, a financial newspaper published and of general circulation in the City of New York, New York; and

(2) The Reno Evening Gazette, a newspaper published in the City of Reno, Nevada, and of general circulation in the Issuer;

and

B. Mail. By mailing by registered, return receipt requested, first-class mail, postage prepaid, and deposited in the mails of the United States of America, addressed to each of the following:

(1) John Nuveen & Co., (Inc.)  
209 South LaSalle Street  
Chicago, Illinois 60604

(2) Burrows, Smith and Company of Nevada  
Suite 1003, Kearns Building  
Salt Lake City, Utah 84101

and

(3) Continental Illinois National Bank and  
Trust Company of Chicago  
231 South LaSalle Street  
Chicago, Illinois 60690.

Section 46. Form of Notice. The notice of prior redemption so to be given forthwith shall be in substantially the following form:

(Form of Notice)

NOTICE OF PRIOR REDEMPTION

OF

WASHOE COUNTY, NEVADA

GENERAL OBLIGATION IMPROVEMENT BONDS

SERIES JUNE 1, 1969

NOTICE IS HEREBY GIVEN that the Board of Commissioners of Washoe County (herein sometimes designated as the "Issuer"), in the State of Nevada, has exercised the Issuer's prior redemption option to pay on December 1, 1980, all of its outstanding bonds thereafter maturing serially on the first day of June in each of the years 1981 through 1988, in the aggregate principal amount of \$7,465,000, being in the denomination of \$5,000.00 each, and numbered from 443 through 1935, of the issue designated the Washoe County, February 15, 1972

Nevada, General Obligation Improvement Bonds, Series June 1, 1969, dated as of June 1, 1969, and issued in the original aggregate principal amount of \$9,675,000, both the principal of and the interest on the bonds being payable at the office of the County Treasurer, Washoe County Courthouse, in Reno, Nevada, or at the option of the holder of any bond or any coupon pertaining thereto, at Continental Illinois National Bank and Trust Company of Chicago, in Chicago, Illinois.

On such prior redemption date, i.e. on December 1, 1980, there will become due and payable in lawful money of the United States of America, without deduction for exchange or collection charges, for each such bond maturing after the designated prior redemption date, the principal amount of the bond, a prior redemption premium equal to 3% of such principal amount, and accrued interest on the bond to the prior redemption date, at either of the above-designated paying agents (the bank acting as agent of the County Treasurer); and from and after the prior redemption date interest on each such bond will cease to accrue, i.e. interest will be paid to and including the last day of November, 1980. Each such bond will be redeemed at either designated paying agent on or after the prior redemption date upon the bond's presentation and surrender, accompanied by all of its coupons for interest maturing after such date, by the payment of such principal and premium. Coupons of each such bond for interest payable on or before the designated prior redemption date may be attached to such bond for the payment of accrued interest to such prior redemption date with the payment of such principal and prior redemption premium; or such coupons, if detached from any such bond by its holder, may be presented separately for payment in the usual course.

For the payment on such prior redemption date of the principal thereafter maturing and the stated 3% prior redemption premium due in connection with the above-designated bonds, and for the payment of the interest on and principal of those outstanding bonds of such issue becoming due at the respective interest and principal payment dates, on and prior to such prior redemption date, there have been deposited in escrow with the First National Bank of Nevada (Head Office), in Reno, Nevada, refunding bond proceeds and other moneys which have been invested in bills, notes and bonds which are direct obligations of the United States of America.

According to a report pertaining to such escrow, of Alexander Grant & Company, certified public accountants in Denver, Colorado, the escrow, including the know minimum yield from such investments, is fully sufficient at the time of the deposit and at all times subsequently, to pay the principal of, any prior redemption premiums due in connection with, and the interest on the outstanding bonds of the above-designated issue, as such bond requirements become due on and after the first day of June, 1972.

DATED at Reno, Nevada, this \_\_\_\_\_ day of \_\_\_\_\_, 1972.

WASHOE COUNTY, NEVADA  
(For Printed or Manual Signature of C. W. Malone)

(SEAL)

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

(End of Form of Notice)

February 15, 1972

Section 47. Supplemental Notice to be Given. The Treasurer be, and he hereby is authorized and directed to give again a notice of prior redemption of the above-designated outstanding 1969 bonds to be called for prior redemption not less than thirty nor more than sixty days prior to the above-designated prior redemption date therefor, i.e., to give notice concerning the prior redemption on December 1, 1980, of the 1969 bonds then outstanding and thereafter maturing, by publication and mail not sooner than the second day of October, 1980, nor later than the first day of November, 1980, in accordance with Ordinance No. 169, with this Instrument, and with the statutes and decisions in force at the time of the issuance of such bonds and at the time such notice is again so given. Each such notice of prior redemption shall be so given by the Treasurer:

A. Publication. By publication at least once in at least each of the following newspapers:

(1) A financial newspaper of general circulation published in the City of New York, New York, and

(2) A newspaper of general circulation in the Issuer

and

B. Mail. By mailing by registered, return receipt requested, first-class mail, postage prepaid, and deposited in the mails of the United States of America, addressed to the following:

(1) John Nuveen & Co., (Inc.)  
209 South LaSalle Street  
Chicago, Illinois 60604

(2) Burrows, Smith and Company of Nevada  
Suite 1003, Kearns Building  
Salt Lake City, Utah 84101

and

(3) Continental Illinois National Bank and  
Trust Company of Chicago  
231 South LaSalle Street  
Chicago, Illinois 60690.

Section 48. Form of Notice. The supplemental notice of prior redemption so to be given in the year 1980 shall be in substantially the following form:

(Form of Notice)

NOTICE OF PRIOR REDEMPTION

OF

WASHOE COUNTY, NEVADA

GENERAL OBLIGATION IMPROVEMENT BONDS

SERIES JUNE 1, 1969

NOTICE IS HEREBY GIVEN that the Board of Commissioners of Washoe County (herein sometimes designated as the "Issuer"), in the State of Nevada, has exercised the Issuer's prior redemption option to pay on December 1, 1980, all of its outstanding bonds thereafter maturing serially on the first day of June in each of the years 1981 through 1988, February 15, 1972

in the aggregate principal amount of \$7,465,000, being in the denomination of \$5,000.00 each, and numbered from 443 through 1935, of the issue designated the Washoe County, Nevada, General Obligation Improvement Bonds, Series June 1, 1969, dated as of June 1, 1969, and issued in the original aggregate principal amount of \$9,675,000, both the principal of and the interest on the bonds being payable at the office of the County Treasurer, Washoe County Courthouse, in Reno, Nevada, or at the option of the holder of any bond or any coupon pertaining thereto, at Continental Illinois National Bank and Trust Company of Chicago, in Chicago, Illinois.

On such prior redemption date, i.e. on December 1, 1980, there will become due and payable in lawful money of the United States of America, without deduction for exchange or collection charges, for each such bond maturing after the designated prior redemption date, the principal amount of the bond, a prior redemption premium equal to 3% of such principal amount, and accrued interest on the bond to the prior redemption date, at either of the above-designated paying agents (the bank acting as agent of the County Treasurer); and from and after the prior redemption date interest on each such bond will cease to accrue, i.e. interest will be paid to and including the last day of November, 1980. Each such bond will be redeemed at either designated paying agent on or after the prior redemption date upon the bond's presentation and surrender, accompanied by all of its coupons for interest maturing after such date, by the payment of such principal and premium. Coupons of each such bond, for interest payable on or before the designated redemption date may be attached to such bond for the payment of accrued interest to such prior redemption date with the payment of such principal and prior redemption premium; or such coupons, if detached from any such bond by its holder, may be presented separately for payment in the usual course.

DATED at Reno, Nevada, this \_\_\_\_\_ day of \_\_\_\_\_, 1980.

WASHOE COUNTY, NEVADA

By (For Printed or Manual Signature)  
Treasurer

(SEAL)

(End of Form of Notice)

Section 49. Completion of Project. The Issuer, with the proceeds derived from the sale of the 1972 bonds and any other moneys needed or desired therefor, shall proceed to complete the Project without delay, as hereinabove provided; and the outstanding bonds shall be redeemed, paid and refunded as provided in this Instrument.

Section 50. Arbitrage Bond Investments Prohibited. Sums credited to the various accounts pertaining to the 1972 bonds or the Project shall not be invested in such a manner as to result in the loss of exemption from federal income taxation of interest on the bonds. Such sums constituting in the aggregate a major portion or more of the proceeds of all the bonds shall not be invested directly or indirectly in taxable obligations so as to produce

February 15, 1972—

an adjusted yield (including permissible adjustments for any premiums, discounts and costs), i.e., an adjusted effective interest rate, which exceeds such an adjusted yield (adjusted effective interest rate) of the bonds by more than one-half of one per centum (0.50%), and which results in the bonds constituting taxable "arbitrage bonds" within the meaning of section 103 (d), Internal Revenue Code of 1954, as amended by section 601 (a), Tax Reform Act of 1969 (83 Stat. 656), any subsequent amendments, and the Income Tax Regulations issued thereunder; but such sums may be otherwise invested if and when such act and regulations permit the investment to be made in the manner made without causing the bonds to become taxable "arbitrage bonds."

Section 51. Purchasers Not Responsible. The validity of the 1972 bonds shall not be dependent on nor be affected by the validity or regularity of any proceedings relating to the completion of the Project. The Purchasers of the bonds, any associate thereof, and any subsequent holder of the bonds shall in no manner be responsible for the application or disposal by the Issuer or by any of its officers, agents and employees of the money derived from the sale of the bonds or of any other moneys herein designated.

Section 52. Delegated Powers. The officers of the Issuer be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Instrument, including, without limitation:

A. The printing of the bonds, including, without limitation, the printing on each bond of a certified true copy of bond counsel's approving opinion;

B. The execution of such certificates as may be reasonably required by the Purchasers, relating, inter alia, to the signing of the bonds, the tenure and identity of the officials of the Governing Body, and of the Issuer, the delivery of the bonds, the receipt of the bond purchase price, and if it is in accordance with fact, the absence of litigation, pending or threatened, affecting the validity thereof;

C. The assembly and dissemination of financial and other information concerning the Issuer and the bonds;

D. The preparation of a bond offering brochure or official statement for the issue for use for any prospective buyers of the bonds, including, without limitation, such use by the Purchasers and the associates of the Purchasers, if any; and

E. The redemption, payment and refunding of the outstanding bonds here here-in provided.

Section 53. Ratification. All action heretofore taken (not inconsistent with the provisions of this Instrument) by the Governing Body, the officers of the Issuer, and otherwise taken by the Issuer directed toward:

A. The Project, and

B. The sale and delivery of the Issuer's 1972 bonds for such purpose,

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be, and the same hereby is, ratified, approved and confirmed, including, without limitation, the sale of the bonds and the purchase of the federal securities for the Escrow Agreement.

Section 54. Construction. This Instrument, except where the context by clear implication herein otherwise requires, shall be construed as follows:

A. Words in the singular number include the plural, and words in the plural include the singular.

B. Words in the masculine gender include the feminine and the neuter, and when the sense so indicates words of the neuter gender refer to any gender.

C. The leadlines applied to sections in this Instrument are inserted only as a matter of convenience and ease in reference and in no way define, limit or describe the scope or intent of any provisions of this Instrument.

Section 55. Additional Securities. The Issuer reserves the privilege of issuing at a later time or times or from time to time any securities now or hereafter authorized by law (not herein designated for issuance), as moneys, if any, are needed for the project or projects for which such securities are authorized respectively to be issued.

Section 56. Instrument Irrepealable. After any of the bonds are issued, this Instrument shall constitute an irrevocable contract between the Issuer and the holder or holders of the bonds; and this Instrument, if any bonds are in fact issued, shall be and shall remain irrepealable until the bonds, as to all Bond Requirements, shall be fully paid, canceled and discharged, as herein provided.

Section 57. Repealer. All by-laws, orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any by-law, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 58. Ordinance's Adoption and Effective Date. The Governing Body has expressed in the preambles of this Instrument that it pertains to the sale, issuance and payment of the bonds, that this instrument may accordingly be adopted as if an emergency now exists and may become effective at any time when an emergency ordinance of the Issuer may go into effect. Consequently, pursuant to section 350.579 and to sections 244.095 through 244.115, Nevada Revised Statutes, final action shall be taken immediately, and this instrument shall be in effect from and after its publication by title and collateral statement as hereinafter provided.

Section 59. Ordinance's Execution and Publication. After this ordinance is signed by the Chairman of the Governing Body and attested and sealed by the County Clerk, this ordinance shall be published by its title only, together with the names of the commissioners voting for or against its passage, and with a statement that typewritten copies of such ordinance are available for inspection by all interested parties at the

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office of the County Clerk, such publication to be made in Nevada State Journal, a newspaper published and having general circulation in the County, at least once a week for a period of two (2) weeks by two (2) insertions, pursuant to section 244.100, Nevada Revised Statutes, and all laws thereunto enabling, such publication to be in substantially the following form:

(Form of Publication)

BILL NO. 285

ORDINANCE NO. \_\_\_\_\_

(of Washoe County, Nevada)

AN ORDINANCE PROVIDING FOR THE ISSUANCE BY WASHOE COUNTY OF ITS NEGOTIABLE, COUPON, WASHOE COUNTY, NEVADA, GENERAL OBLIGATION REFUNDING IMPROVEMENT BONDS, SERIES MARCH 1, 1972, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$10,050,000.00, FOR THE PURPOSE OF REFUNDING DESIGNATED OUTSTANDING BONDS OF THE COUNTY; PROVIDING THE FORM, TERMS AND CONDITIONS OF THE REFUNDING BONDS, THE MANNER OF THEIR EXECUTION, THE METHOD OF THEIR PAYMENT, THE SECURITY THEREFOR, AND THE USE OF THE PROCEEDS OF SUCH BONDS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL AD VALOREM TAX FOR THE PAYMENT OF THE REFUNDING BONDS; PROVIDING FOR THE REFUNDING AND PAYMENT OF THE DESIGNATED OUTSTANDING BONDS, FOR THE CREATION OF AN ESCROW AND THE EXECUTION OF AN ESCROW AGREEMENT PERTAINING THERETO, FOR THE PURCHASE OF FEDERAL SECURITIES WITH REFUNDING BOND PROCEEDS AND OTHER MONEYS, FOR THE DEPOSIT OF THE FEDERAL SECURITIES AND ANY UNINVESTED MONEYS IN SUCH ESCROW, THE TEMPORARY INVESTMENT AND REINVESTMENT OF THE ESCROWED MONEYS, AND FOR THEIR USE; PROVIDING CERTAIN COVENANTS AND OTHER DETAILS AND MAKING OTHER PROVISIONS CONCERNING THE REFUNDING BONDS, THE OUTSTANDING BONDS TO BE REFUNDED, SUCH TAXES AND OTHER MONEYS, AND ACCOUNTS AND FUNDS PERTAINING THERETO, AND THE DESIGNATED ESCROW AND THE AGREEMENT RELATING THERETO; PROVIDING FOR THE PRIOR REDEMPTION OF A PORTION OF THE OUTSTANDING BONDS TO BE REFUNDED, FOR GIVING NOTICE OF SUCH PRIOR REDEMPTION, AND FOR AGREEMENTS AND OTHER DETAILS PERTAINING THERETO; RATIFYING ACTION PREVIOUSLY TAKEN BY THE COUNTY AND THE OFFICERS THEREOF DIRECTED TOWARD THE ISSUANCE OF THE REFUNDING BONDS AND EFFECTING THE PURPOSE OF THEIR ISSUANCE; PROVIDING OTHER MATTERS RELATING TO THE FOREGOING; AND BY DECLARING THIS ORDINANCE PERTAINS TO THE SALE, ISSUANCE AND PAYMENT OF THE REFUNDING BONDS, PROVIDING FOR ITS ADOPTION AS IF AN EMERGENCY EXISTS, AND PROVIDING THE EFFECTIVE DATE HEREOF.

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 County Clerk of Washoe County, Nevada, at his office in the Washoe County Courthouse, Reno, Nevada; and that such ordinance was proposed by Commissioner McKissick on the 15th day of February, 1972, and was passed at the regular meeting on the \_\_\_\_\_ day of \_\_\_\_\_, 1972, by the following vote of the Board of County Commissioners:  
 \_\_\_\_\_ February 15, 1972

Those Voting Aye: Joseph Coppa  
 Howard F. McKissick, Sr.  
 Dwight Nelson  
 Robert F. Rusk  
 Roy Pagni, Chairman

Those Voting Nay: None

Those Absent and Not Voting: None

This ordinance shall be in full force and effect from and after the \_\_\_\_\_ day of \_\_\_\_\_, 1972, i.e., the date of the second publication of such ordinance by its title only.

IN WITNESS WHEREOF, the Board of County Commissioners of Washoe County, Nevada, has caused this ordinance to be published by title only.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 1972.

\_\_\_\_\_  
 /s/ Roy Pagni  
 Chairman  
 Board of County Commissioners  
 Washoe County, Nevada

(SEAL)

Attest:

\_\_\_\_\_  
 /s/ H. K. Brown  
 Clerk

(End of Form of Publication)

Section 60. Severability. If any section, paragraph, clause or other 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 other provision shall not affect any of the remaining provisions of this ordinance.

Proposed on the 15th day of February, 1972.

Proposed by Commissioner McKissick.

Passed on the \_\_\_\_\_ day of \_\_\_\_\_, 1972.

Ayes: Joseph Coppa  
 Howard F. McKissick, Sr.  
 Dwight Nelson  
 Robert F. Rusk  
 Roy Pagni, Chairman

Nays: None

Absent: None

\_\_\_\_\_  
 Chairman  
 Board of County Commissioners  
 Washoe County, Nevada

February 15, 1972

(SEAL)

Attest:

\_\_\_\_\_  
County Clerk

This ordinance shall be in force and effect from and after the \_\_\_\_\_ day of \_\_\_\_\_, 1972, i.e., the date of the second publication of such ordinance by its title only.

The presiding officer thereupon declared that in accordance with the provisions of NRS 244.100, final action upon the proposed ordinance, Bill No. 285, would be deferred until the next regular meeting of the Board to be held on the 25th day of February, 1972.

72-337

FIRE PROTECTION DISTRICT COORDINATOR

In personnel session, Russell W. McDonald, County Manager, reported on applicants for Interim Fire Coordinator in the Truckee Meadows Fire Protection District. (See Item 72-300) This position, all things being equal, would become that of the Fire Chief on July 1, 1972, which would be a matter of appointment by the Fire Protection District Board.

On motion by Commissioner Coppa, seconded by Commissioner Rusk, which motion carried by unanimous vote of the Board present, it was ordered that John Irwin be appointed Fire Coordinator for the Truckee Meadows Fire Protection District, at an annual salary of \$14,500.00; it was further ordered that the County Manager work out details as to earliest date of beginning duties with letter of intent as may be required or other pertinent matters relative to the position of Interim Fire Coordinator.

72-338

WELFARE ADVISORY BOARD - APPOINTMENTS

In personnel session, Russell W. McDonald, County Manager, reported that nominations have been submitted for appointment of five members to the Welfare Advisory Board, pursuant to Ordinance No. 68. (See Item 71-1148 matter studies.)

After due discussion, upon motion by Commissioner Rusk, seconded by Commissioner Coppa, which motion carried by unanimous vote of the Board present, it was ordered that the following five citizens be appointed to the Advisory Board of the Washoe County Welfare Department, subject to acceptance of appointment in each case: (1) Myra Birch; (2) Shirley Buckner; (3) The Reverend James E. Carroll; (4) Clara Fells; and (5) Gerald T. Myers.

72-339

COMMUNICATIONS AND REPORTS

The following communications and reports were received, duly noted and ordered placed on file:

Communications from--

--Russell W. McDonald, County Manager, to Mr. Harry Slack, Moss Adams & Co., San Francisco, California, regarding provision of the necessary information to the Forest Service in order that Washoe County can comply with its special use permit for Slide Mt.

--State Board of Equalization, to Mr. LeRoy Bergstrom, C.P.A., advising that hearing on appeal of the Nevada Tax Commission's valuation of the Western Pacific Railroad

February 15, 1972