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STATE OF NEVADA  
COUNTY OF WASHOE

ss. Tana Ciccotti

being first duly sworn, deposes and says:  
That as the legal clerk of the RENO GAZETTE-JOURNAL, a daily newspaper published in Reno, Washoe County, State of Nevada, that the notice:  
\_\_\_\_\_ of adoption \_\_\_\_\_

of which a copy is hereto attached, has been published in each regular and entire issue of said newspaper on the following dates to wit:

Oct. 5, 12, 1999

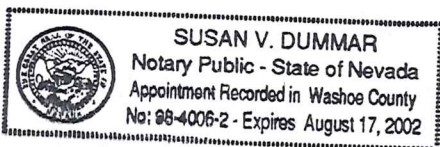
Signed T. Ciccotti

Subscribed and sworn to before me this

Oct. 12, 1999

Susan V. Dumm

Notary Public



PROOF OF PUBLICATION

NOTICE OF ADOPTION  
ORDINANCE NO. 1080  
(BILL NO. 1256)  
(of Washoe County, Nevada)

AN ORDINANCE AUTHORIZING THE ISSUANCE OF REGISTERED LOCAL IMPROVEMENT DISTRICT BONDS, SERIES 1999, FOR WASHOE COUNTY, NEVADA, SPECIAL ASSESSMENT DISTRICT NOS. 25, 26 AND 27, TO FINANCE THE CONSTRUCTION OF LOCAL IMPROVEMENTS; AND BY DECLARING THIS ORDINANCE PERTAINS TO THE SALE, ISSUANCE, AND PAYMENT OF THE BONDS, PROVIDING FOR ITS ADOPTION AS IF AN EMERGENCY EXISTS; AND PROVIDING THE EFFECTIVE DATE HEREOF.

NOTICE IS HEREBY GIVEN that an adequate number of typewritten copies of the above-numbered and entitled Ordinance are available for public inspection, and distribution at the office of the County Clerk of Washoe County at her office in the County Courthouse in Reno, Nevada; and that such Ordinance was proposed by Commissioner Joanne Bond on September 28, 1999 and was passed and adopted at a regular meeting of the Washoe County Board of County Commissioners at the same meeting on September 28, 1999 by the following vote of the Board of County Commissioners:

Voting Aye: Commissioners Jim Galloway, Joanne Bond, Pete Sterrazza, and Ted Short  
Voting Nay: None  
Absent: Commissioner Jim Shaw

This ordinance shall be in full force and effect from and after the 12th day of October, 1999, the date of the second publication of such Ordinance by title only, as directed by the Board of Washoe County Commissioners.

AMY HARVEY  
Washoe County Clerk

No.3895 Oct.5,12, 1999

Summary - An ordinance authorizing local improvement bonds for Washoe County, Nevada, Special Assessment Districts Nos. 25, 26 and 27, in the aggregate principal amount of not exceeding \$958,081 and providing other matters related thereto.

BILL NO. 1256  
ORDINANCE NO. 1080  
(of Washoe County, Nevada)

AN ORDINANCE AUTHORIZING THE ISSUANCE OF REGISTERED LOCAL IMPROVEMENT DISTRICT BONDS, SERIES 1999, FOR WASHOE COUNTY, NEVADA, SPECIAL ASSESSMENT DISTRICTS NOS. 25, 26 AND 27 TO FINANCE THE CONSTRUCTION OF LOCAL IMPROVEMENTS; AND BY DECLARING THIS ORDINANCE PERTAINS TO THE SALE, ISSUANCE AND PAYMENT OF THE BONDS, PROVIDING FOR ITS ADOPTION AS IF AN EMERGENCY EXISTS; AND PROVIDING THE EFFECTIVE DATE HEREOF.

WHEREAS, the Board of County Commissioners (the "Board") of the County of Washoe (the "County"), and State of Nevada, pursuant to ordinances heretofore passed and adopted (the "District No. 25 Ordinance", "District No. 26 Ordinance", and "District No. 27 Ordinance"), created Washoe County, Nevada, Special Assessment Districts No. 25 (Calle De La Plata), No. 26 (Matterhorn Drive - and No. 27 (Osage road/Placerville Road) ("Districts No. 25, 26 and 27" or the "Districts") and ordered the acquisition of certain local improvements for Districts No. 25, 26 and 27 (the "Districts No. 25, 26 and 27 Projects" or the "Projects") and determined to defray a portion of the entire cost and expense of such improvements by special assessments, according to benefits, against the benefited lots, tracts and parcels of land in District Nos. 25, 26 and 27; and

WHEREAS, the Board has by ordinances heretofore passed and adopted (the "District No. 25 Assessment Ordinance", "District No. 26 Assessment Ordinance" , and "District No. 27 Assessment Ordinance;" collectively, the "Assessment Ordinances") levied assessments in the total

amount of \$1,472,935.17 against the property benefited by the improvements in District Nos. 25, 26 and 27, (the "Districts") and there currently remains unpaid valid assessments in the aggregate principal amount of approximately \$958,081; and

WHEREAS, the Board and the officers of the County have determined, and do hereby determine, that it is necessary and for the best interests of the County and the inhabitants thereof that the County issue its registered local improvement district bonds in an aggregate principal amount not exceeding the aggregate principal amount of such assessments as remains payable in installments on the date of delivery of the bonds ("bonds" or "bond" herein shall refer to the bonds issued for the Districts, which, as hereafter provided, will be evidenced by a single bond certificate); and

WHEREAS, the Board has elected, and hereby elects, to have Chapter 348 of NRS apply to the Local Improvement District Bonds issued for the Districts; and

WHEREAS, the effective interest rate on the bonds will not exceed by more than three percent (3%) the "Index of Twenty Bonds" most recently published before the bids are received; and;

WHEREAS, the Board has previously established a Local Improvement Districts Special Surplus and Deficiency Fund (the "Surplus and Deficiency Fund"), in accordance with NRS 271.428; and

WHEREAS, the Board has determined and does hereby declare:

(a) This ordinance pertains to the sale, issuance and payment of the District Nos. 25, 26 and 27 Local Improvement Bonds, Series 1999;

(b) Such declaration shall be conclusive in the absence of fraud or gross abuse of discretion in accordance with the provisions of NRS 271.475; and

(c) This ordinance may accordingly be adopted as if an emergency now exists and may become effective at the same time when an emergency ordinance of the County may go into effect.

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

Section 1. This ordinance shall be known as and may be cited by the short title "District Nos. 25, 26 and 27 Bond Ordinance" (this "Ordinance").

Section 2. All actions, proceedings, matters and things heretofore taken, had and done by the County and the officers of the County (not inconsistent with the provisions of this Ordinance) concerning the District Nos. 25, 26 and 27, including, but not limited to, the construction and other acquisition of local improvements, the performing of all prerequisites to the levying of special assessments and to fixing the assessment lien against the property in District Nos. 25, 26 and 27, including, without limitation, the passage and adoption of the Assessment Ordinances, and the issuance of its "Washoe County, Nevada, District Nos. 25, 26, and No. 27 Local Improvement Bonds, Series 1999" (the "bonds") in the aggregate principal amount of not exceeding \$958,081 and the sale of the bonds to the successful bidder therefor (the "Purchaser"), be, and the same hereby is, ratified, approved and confirmed.

Section 3. The County be, and it hereby is, authorized, empowered and directed, and it shall be its duty to receive, collect and enforce the payment of all assessments made and levied for said improvements, and all installments thereof, all interest thereon, and all penalties accrued, as provided by law and in the same manner and at the same time or times as prescribed by the Assessment Ordinances, and by this Ordinance, and to pay and disburse said payments, the installments thereof, the interest thereon, and the penalties thereto, to any person or persons lawfully entitled thereto.

Section 4. The Treasurer of Washoe County be, and he or she hereby is, authorized, empowered and directed, and it shall be his or her duty, to receive and collect all assessments levied to pay the cost of said improvements, the installments thereof, the interest thereon (at a rate to be hereafter determined), and the penalties accrued, at the time and in the manner specified in the Assessment Ordinances, and to pay and disburse such payments to the person or persons lawfully entitled to receive the same, in accordance with the ordinances and resolutions of the County heretofore or to be hereafter adopted. All moneys received from District Nos. 25, 26 and 27 assessments after the applicable cash periods provided in the Assessment Ordinances, both principal and interest, shall be placed in a separate fund to be designated "Washoe County, Nevada, District Nos. 25, 26 and 27 Bond Fund" (the "Bond Fund"), and shall be used as soon as the funds are available for the purpose of paying the principal of and the interest on, and prior redemption premiums, if any, on the bonds, and for no other purpose whatsoever, and as security

for such payment, said Bond Fund is hereby exclusively pledged except as otherwise specifically provided. The Treasurer of Washoe County be, and he or she hereby is, also authorized, empowered and directed and it shall be his or her duty to receive and collect surplus local improvement district moneys, if any, pursuant to NRS 271.428 and to place all said surplus moneys, except as otherwise required by NRS 271.429, in the County's Local Improvement Districts Special Surplus and Deficiency Fund (the "Surplus and Deficiency Fund") as created by resolution duly adopted by the County, and to disburse therefrom said moneys for the payment of the interest on and the principal of the County's special or local improvement district bonds, including the bonds hereinbelow authorized, to the extent necessary, if necessary.

Section 5. If the owner of any lot, tract or parcel of land assessed for said improvements shall be delinquent as to assessments, it shall be the duty of the Board to cause the delinquent person to be notified of such delinquency, in writing, and if such delinquency shall not be paid, the Board shall foreclose the special assessment lien against the property or properties wherein the delinquency exists in the method now or hereafter provided by law. If said foreclosure is not filed and prosecuted within a reasonable time, then any registered owner of the bonds, or so long as the bonds are registered in the name of a depository institution or its nominee pursuant to Section 13 hereof, any beneficial owner of the bonds may file and prosecute a foreclosure action in the name of the County or may proceed against the County as provided in the Assessment Ordinances. All the net proceeds of collecting any delinquent assessment shall be deposited in the Bond Fund (or in the general fund of the County, to the extent provided in Section 9 hereof,) and in any event in an amount of not less than the principal amount of said assessment and accrued interest thereon to the date of its collection.

Section 6. For the purpose of defraying the entire cost and expense of making said improvements (except to the extent funds are available therefor from that part of said assessments which have been heretofore paid and to the extent other funds are available therefor), there shall be issued in the name of Washoe County, the County's fully registered (i.e. registered as to payment of both principal and interest) special assessment bonds designated as the "Washoe County, Nevada, District Nos. 25, 26 and 27 Local Improvement Bonds, Series April 1, 1999" in the aggregate principal amount of not exceeding \$958,081, which bonds shall be dated the date

of the delivery thereof to the Purchaser, and which shall be evidenced by a single bond certificate in the denomination equal to the aggregate principal amount of the bonds. The Finance Director shall designate the Purchaser after receiving bids for the bonds. The bonds shall bear interest at the rates per annum hereinafter designated from the most recent interest payment date for which interest has been paid or duly provided for, or if no interest has been paid, from the date of the bonds, to maturity at the rates per annum herein designated, payable semiannually on April 1 and October 1 of each year, commencing on April 1, 2000. The bond shall mature in installments of principal in the amounts and on the dates, and be in a principal in the amount, and bear interest at the rate, as specified in a certificate of the Finance Director of the County executed after bids are received therefore.

The bonds shall be payable in lawful money of the United States of America without deduction for exchange or collection charges at the office of the Washoe County Treasurer (the "Paying Agent") or such other office as may be designated by the Paying Agent. If, payment of any bond is not made as herein provided, interest thereon shall continue at the same rate per annum until the principal thereof is paid in full. The final installments of principal of on the single bond certificate shall be payable to the registered owner thereof as shown on the registration records kept by the Treasurer of Washoe County, or its successors, being both the registrar (the "Registrar") and paying agent for the bonds, upon maturity thereof and upon presentation and surrender of such bond at the Paying Agent or such other office as may be designated by the Paying Agent. Payment of other installations of principal and of interest on any bond shall be made to the registered owner thereof by check or draft 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 at his address as it last appears on the registration books kept by the Registrar (or by such other arrangement as may be mutually agreed to by the Paying Agent and any registered owner), on the fifteenth day of the calendar month preceding each interest payment date (the "Regular Record Date") or, on a special record date (the "Special Record Date") if established by the Paying Agent for the payment of defaulted interest on such Special Record Date. All such payments shall be made in lawful money of the United States of America.

Section 7. The single bond is subject to prepayment at the option of the County in whole or in part (in amounts of \$5,000 or any multiple thereof) from any legally available monies, on any interest payment date prior to maturity, at a price equal to the principal amount thereof and accrued interest to the redemption date. In the event of such a partial prepayment, the County Treasurer shall designate the principal installments which are being prepaid in the whole or in part. Whenever considered advisable by the County Treasurer and whenever funds are available for such purpose (to the credit of the Districts), he may make such prepayments.

Section 8. Unless waived by any registered owner, notice of prepayment shall be given by the Registrar, in the name of the County by mailing such notice at least 15 days and not more than 60 days prior to the prepayment date, by first-class mail, postage prepaid, to the registered All such notices of prepayment shall be dated and shall state: (1) the prepayment date, (2) the prepayment amount, (3) if less than all outstanding principal amount is to be prepaid, an identification of the principal installments the bonds being prepaid, (4) that on the prepayment date the principal amount being prepaid will become due and payable, and that after such prepayment, interest thereon shall cease to accrue, and (5) if all principal is being prepaid, the place where such single bond is to be surrendered for payment, which place of payment shall be the office of the Paying Agent or such other office as may be designated by the Paying Agent. A certificate by the Registrar that a notice of prepayment has been given as herein set forth shall be conclusive and receipt by the bond owner of a notice of prepayment shall not be a condition precedent to the prepayment of that bond.

Section 9. The person in whose name a bond shall be registered on the registration books kept by the Registrar shall be deemed and regarded as the absolute owner thereof for all purposes and payment of principal of, prior redemption premium due on, and interest on any bond shall be made only to or upon the written order of the registered owner thereof or his legal representative (except as provided above for the payment of interest to the registered owner as of the Regular or a Special Record Date). All such payments shall be valid and effectual to discharge the liability upon such bond to the extent of the sum or sums so paid.

Section 10. The bonds and the interest thereon shall be payable from the Bond Fund, containing the receipts upon the collection thereof from the assessments levied against and secured by a lien upon the lots, tracts and parcels of land in the Districts. Whenever there is a deficiency in the special Bond Fund established pursuant to NRS 271.490, the deficiency must first be paid out of the County's Surplus and Deficiency Fund (to the extent any money is available therein) before any payment is made out of the general fund of the County. In the event the Bond Fund shall be insufficient to pay the bonds and interest thereon as they become due, and the amounts, if any, in the Surplus and Deficiency Fund are not sufficient for that purpose, the deficiency shall be paid out of the general fund of the County. In the event deficiencies are paid out of the general fund of the County, all net proceeds of collecting the delinquent assessments with respect to which such payments from the general fund of the County were required to be made shall be returned and deposited in the general fund of the County when the bonds, both principal and interest, have been fully paid and discharged. If the general fund shall be insufficient to pay any such deficiency promptly, the Board shall levy, and it shall be its duty to levy, general (ad valorem) taxes upon all property in the County which is by law taxable for State, County and municipal purposes, without regard to any statutory tax limitation existing on or after May 14, 1965, and without limitation as to rate or amount, fully sufficient, after making due allowance for probable delinquencies, to provide for the prompt payment of such bonds as they become due, both principal and interest, but subject to the limitations set forth in NRS 361.453 and Section 2 of Article 10 of the Constitution of the State. The bonds and the interest thereon are payable solely from the assessments, any moneys in the Surplus and Deficiency Fund, the general fund, and general tax proceeds pledged to the payment thereof.

Section 11. Pursuant to NRS 271.515, the Chairman, the County Clerk and County Treasurer shall each file with the Secretary of State his or her manual signature certified under oath. Thereafter, each of said bonds shall be signed and executed in the name of the County with the manual or the engraved, imprinted, stamped or otherwise reproduced facsimile of the signature of the Chairman, the County Treasurer, shall be attested with a manual or facsimile signature of the County Clerk, and each bond shall be authenticated by the manual signature of an authorized officer of the Registrar as hereafter provided. A manual impression



or a printed, engraved, stamped or otherwise placed facsimile of the seal of the County shall be affixed thereto. The bonds bearing the signatures of the officers in office at the time of the signing thereof, shall be the valid and binding obligations of the County (subject to the requirement of authentication by the Registrar as hereinafter provided) notwithstanding that before the delivery thereof and payment therefor, any or all of the persons whose signatures appear thereon shall have ceased to fill their respective offices. Any officer herein authorized or permitted to sign any bond at the time of its execution and of the execution of a signature certificate, may adopt as and for his or her own facsimile signature, the facsimile signature of his or her predecessor in office in the event that such facsimile signature appears upon the bond. No bond shall be valid or obligatory for any purpose unless the certificate of authentication, substantially in the form hereinafter provided, has been duly executed by the Treasurer as Registrar, and such certificate of authentication of the Registrar upon any bond shall be the only competent evidence that such bond has been duly issued and delivered. The Registrar's certificate of authentication shall be deemed to have been duly executed by it if manually signed by a duly authorized officer of the Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the bonds issued hereunder. If any bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence or information relating thereto, appropriate indemnification, and such reimbursement for expenses as it may reasonably require, register and deliver to the registered owner thereof a replacement for such bond bearing a number not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated bond shall have matured, the Registrar may direct the Paying Agent to pay such bond in lieu of replacement.

Section 12. Books or records for the registration and transfer of the bonds shall be kept by the Treasurer, which is hereby appointed by the County as Registrar for the bonds. The single bond shall be fully transferable by the registered owner thereof in person or by his duly authorized attorney on the registration records kept at the office of the Registrar, or such other office as may be designated by the Registrar, upon presentation of the bond together with a duly executed written instrument of transfer satisfactory to the Registrar. Upon the surrender for transfer of any bond at the Registrar, duly endorsed for transfer or accompanied by an assignment

(in form satisfactory to the Registrar) duly executed by the registered owner or his attorney duly authorized in writing, the Registrar shall authenticate and deliver in the name of the transferee or transferees a new bond a like aggregate principal amount and of the same maturity, bearing a number or numbers not contemporaneously outstanding. The Registrar may require the owner or transferee to pay any tax or other governmental charge required to be paid with respect to such transfer, and may charge a sum sufficient to pay the cost of preparing and authenticating a new bond. The Registrar shall not be required to transfer or exchange the single bond during a period beginning at the opening of business 15 days before the date of mailing by the Registrar of a notice of prepayment of all or any part of the bond and ending at the close of business on the date of such prepayment of all or a portion of the bond. Whenever any bond shall be surrendered to the Paying Agent upon payment thereof, or to the Registrar for replacement as provided herein, such bond shall be promptly canceled and destroyed by the Paying Agent or Registrar, and a certificate of such destruction shall be prepared by the Paying Agent or Registrar upon request of the County.

Section 13. Subject to the registration provisions hereof, the bonds hereby authorized shall be fully negotiable and shall have all the qualities of negotiable paper, and the owner or owners thereof shall possess all rights enjoyed by the holders of negotiable instruments under the provisions of the Uniform Commercial Code Investment Securities.

Section 14. Pursuant to NRS 271.505, said bonds shall contain a recital that they are issued pursuant to Chapter 271, Nevada Revised Statutes, which recital shall conclusively impart full compliance with all of the provisions of the Consolidated Local Improvements Law, and all bonds issued containing such recital shall be incontestable for any cause whatsoever after their delivery for value.

Section 15. Subject to the provisions of this Ordinance, the single bond certificate evidencing the bonds shall be in substantially the following form, with such omissions, insertions, endorsements, and variations as may be required by the circumstances, be required or permitted by this Ordinance, or be consistent with this Ordinance 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)

Transfer of This Bond Other Than by Registration is Not Effective

UNITED STATES OF AMERICA

STATE OF NEVADA

COUNTY OF WASHOE

NO. R-\_\_\_\_\_

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

WASHOE COUNTY, NEVADA

SPECIAL ASSESSMENT DISTRICTS NOS. 25, 26 AND 27

LOCAL IMPROVEMENT BOND

SERIES 1999

Interest Rate

Dated as of

\_\_\_\_\_ % per annum

October \_\_, 1999

REGISTERED OWNER:

PRINCIPAL AMOUNT: \_\_\_\_\_ Dollars

The County of Washoe, in the State of Nevada, for value received hereby promises, out of funds available for the purpose as hereinafter set forth, to pay to the registered owner hereof specified above or registered assigns the principal amount specified above in installments on the dates and amounts specified below with interest hereon from the date of this bond, or from the most recent interest payment date to which interest has been paid, until maturity at the percentage rate per annum specified above, said interest being payable semiannually on the first days of April and October in each year, commencing April 1, 2000, both principal and interest being payable in lawful money of the United States of America without deduction for exchange or collection charges. The final installment of principal of this bond shall be payable to the registered owner (as shown on the registration records) at the Office of the County Treasurer in

Reno, Nevada, (the "Paying Agent," "Transfer Agent" and "Registrar"), or such other office as may be designated by the Paying Agent, upon presentation and surrender of this bond as it becomes due. The other installments of principal on the bond and interest hereon shall be paid to the registered owner hereof by check or draft 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 such registered owner at his address as it last appears on the registration books kept for that purpose by the Registrar on the fifteenth day of the calendar month immediately preceding such interest payment date or on a special record date established by the Registrar for the payment of defaulted interest. Alternative means of payment of interest may be used if mutually agreed to between the owner of this bond and the Paying Agent, as provided in the ordinance authorizing the issuance of this bond (the "Bond Ordinance"). If, upon presentation and surrender to the Paying Agent at maturity, payment of this bond is not made as herein provided, interest hereon shall continue at the same rate per annum until the principal hereof is paid in full. The principal of this bond is payable in installments of principal on April 1 and October 1 as follows:

Principal Installment Due

Installment Due Date

This bond is subject to prepayment at the option of the County in whole or in part (in the amount of \$5,000 or any multiple thereof), from any legally available monies, on any interest payment date on payment of the principal being prepaid and accrued interest to the prepayment date. In the event of a partial prepayment, the County Treasurer shall designate the principal installments being prepaid. Prepayment shall be made upon not less than 15 days' nor more than 60 days' prior notice by mailing to the registered owner of this bond at the address shown on the registration records in the manner and upon the conditions provided in the Bond Ordinance.

Pursuant to the Bond Ordinance, reference to which is made for further details, the payment of the principal of and the interest on this bond, shall be made from and as security for such payment there is pledged, a special fund designated "Washoe County, Nevada, District Nos. 25, 26 and 27 Bond Fund," sometimes designated the "Bond Fund," containing the receipts upon the collection thereof from the assessments, as defined in the Bond Ordinance, levied against and secured by a lien upon the property specially benefited by said improvements in the Washoe County, Nevada, Special Assessment District Nos. 25, 26 and 27, and remaining unpaid on the date of delivery of this bond. The Bond Fund is and shall continue to constitute a sinking fund for and be deemed specially appropriated to the full and prompt payment of this bond and the interest thereon, and shall be used for no other purpose whatsoever; provided, however, that in the event said fund shall be insufficient to pay this bond and the interest thereon as they become due, and the moneys, if any, in the County's special Surplus and Deficiency Fund are not sufficient for that purpose, the deficiency shall be paid out of the Washoe County general fund. If the general fund shall be insufficient to pay any such deficiency promptly, the Board shall levy, and it shall be its duty to levy, general (ad valorem) taxes upon all property in the County which is by law taxable for State, County and municipal purposes, without regard to any statutory tax limitation existing on or after May 14, 1965, and without limitation as to rate or amount, fully sufficient, after making due allowance for probable delinquencies, to provide for the prompt payment of this bond both principal and interest, but subject to the limitations set forth in NRS 361.453 and Section 2 of Article 10 of the Constitution of the State. This bond and the interest thereon are payable solely from the assessments, the moneys, if any, in the County's special Surplus and Deficiency Fund, the general fund, and general tax proceeds pledged to the payment thereof.

Said assessments, with accruing interest thereon, constitute a lien upon and against the property upon which such assessments were made and levied from and after the effective date of the ordinance levying assessments for each respective District.

It is hereby certified, recited and declared that all acts, conditions and things essential to the validity of this bond exist, have happened and have been done in due time, form and manner as required by law; that the total issue of said special assessment bonds of said County

for said improvements and incidental expenses, including this bond, does not exceed the amount authorized by law nor the total unpaid special assessments levied to cover the cost of said improvements; that this bond is issued under the authority of the Consolidated Local Improvements Law, Chapter 271, Nevada Revised Statutes and that this bond is incontestable for any cause whatsoever.

It is hereby further certified, recited and declared that the proceedings, with reference to making such improvements, levying the assessments to pay therefor, and issuing said bonds, have been regularly had and taken, in compliance with law, and that all prerequisites to the fixing of the assessment lien against the property benefited by the improvements and of the liability of the owner or owners of such property therefor have been performed.

Except for the period commencing fifteen days prior to a any date on which a notice of prepayment of all or a portion of this bond is to be given and ending on the date of such prepayment, this bond is fully transferable by the registered owner hereof in person or by his duly authorized attorney on the registration books kept by the Registrar upon surrender of this bond together with a duly executed written instrument of transfer satisfactory to the Registrar, and upon the payment of all fees and charges required by such Registrar. Upon such transfer a new fully registered bond of of the same aggregate principal amount and maturity will be issued to the transferee in exchange for this bond, subject to such terms and conditions as set forth in the Bond Ordinance. The County and the Registrar and Paying Agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of making payment and for all other purposes.

This bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the certificate of authentication herein.

IN WITNESS WHEREOF, Washoe County, Nevada, has caused this bond to be signed and executed in the name of and on behalf of the County with the manual or facsimile signature of the Chair of the Board of County Commissioners, to be countersigned with the manual or facsimile signature of the County Treasurer, and to be countersigned, subscribed, executed and attested with the manual or facsimile signature of the County Clerk, has caused the

facsimile of the corporate seal of the County to be affixed hereon, and has caused this bond to be dated as of the date specified above.

---

Chairman

Countersigned:

---

County Treasurer

Attested and Countersigned:

---

County Clerk

(Form of Registrar's Certificate of Authentication)

Date of Registration: \_\_\_\_\_

This is one of the bonds described in the above mentioned Bond Ordinance, and this bond has been duly registered on the registration books or records kept by the undersigned as Registrar for such bonds.

Treasurer of Washoe County,  
as Registrar

By           (Manual Signature)            
Authorized Officer

(End of Form of Registrar's Certificate of Authentication)



(Form of Assignment Provision)

ASSIGNMENT PROVISION

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within bond and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney in fact, to transfer the within bond on the books of the Registrar, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Signature Guaranteed  
\_\_\_\_\_  
\_\_\_\_\_

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

Name of Transferee: \_\_\_\_\_

Address of Transferee: \_\_\_\_\_

Taxpayer Identification or  
Social Security Number(s) \_\_\_\_\_

Transfer fees must be paid to the Registrar in order to transfer or exchange this Bond as provided in the Ordinance.

(End of Form of Assignment)

Section 16. When the bond has been duly executed and authenticated, it will be delivered to the Purchaser on receipt of the agreed purchase price. The funds realized from the sale of the bond, including any investment income therefrom, shall be applied solely to defray the cost and expense of making said improvements (including, without limitation, by repaying any interim financing incurred therefor); provided, however, that after said cost and expenses are paid (excepting any portion to be paid with other than special assessment proceeds), any funds remaining from the sale of the bond shall be deposited in the Bond Fund and used for the purposes therefor specified hereinabove in Section 4 of this Ordinance; and provided further, that all moneys received as accrued interest and premium at the time of delivery of the bond shall be deposited into the Bond Fund to apply to the payment of interest next due on the bond. The Purchaser, however, shall in no manner be responsible for the application by the County, or any of its officers, agents or employees, of any of the funds derived from the sale thereof or of any other funds herein designated.

The Board determines that the Projects are capital projects for the construction of public roads and are specifically exempted from the provisions of NRS 354.6105 through 354.6117. The Board reserves the right to voluntarily comply with those statutory provisions and to use bond proceeds for the extraordinary maintenance, repair or improvement of the Projects.

Section 17. So long as any of the bonds remain outstanding, the County will keep or cause to be kept true and accurate books of records and accounts showing full and true entries covering the collection and disposition of said special assessments, as well as any delinquencies in the collection thereof, covering deposits in and disbursements from the Bond Fund, covering deposits in and disbursements from the special Surplus and Deficiency Fund, covering the redemption of the bonds both principal and interest, and covering disbursements to defray the costs of said improvements, including incidental expenses; and the County will permit an inspection and examination of all books and accounts at all reasonable times by any representative of any of the original purchasers of the bonds.

Section 18. The officers of the County be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance.

including without limiting the generality of the foregoing: the execution of such certificates as may be reasonably required by the Purchaser, relating, inter alia, to the signing and registration of the bonds, the tenure and identity of the officials of the Board and the County, the delivery of the bonds, the designation of any commercial bank as paying agent and registrar if so requested by the Purchaser and if the County Treasurer deems it in the County's best interest to do so prior to the delivery of the bond, the receipt of the purchase price for the bonds, the exemption of interest on the bonds from federal and state income taxation, and if it is in accordance with fact, the absence of litigation, pending or threatened, affecting the validity thereof. It shall be the duty of the proper officers of the County to hereafter take all action necessary for the County to comply with the provisions of Chapter 271, Nevada Revised Statutes, as hereafter amended and supplemented from time to time.

Section 19. Any owner of the bond, may, either at law or in equity, by suit, action, mandamus or other appropriate proceeding in any court of competent jurisdiction, protect the liens created by this Ordinance on the proceeds of said assessments, and may by suit, action, mandamus or other appropriate proceeding enforce and compel the performance of any duty imposed upon the County by the provisions of this Ordinance, or any ordinance heretofore adopted concerning the Districts, including without limiting the generality of the foregoing, the segregation of special assessments, the proper application thereof, and the appointment of a receiver. The failure of any bond owner to proceed shall not relieve the County or any of its officers, agents or employees of any liability for failure to perform any such duty.

Section 20. The County covenants for the benefit of the registered owners of the bonds that it will not take any action or omit to take any action with respect to the bonds, the proceeds thereof, any other funds of the County or any facilities financed with the proceeds of the bonds if such action or omission (i) would cause the interest on the bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1846, as amended to the date of delivery of the bonds (as amended, the "Tax Code"), or (ii) would cause interest on the bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations

under Section 56 of the Tax Code in calculating corporate alternative minimum taxable income. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the bonds until the date on which all obligations of the County in fulfilling the above covenant under the Tax Code have been met.

Section 21. When all of the principal of, interest on and prior redemption premiums due in connection with any bond have been duly paid, the pledge, the lien, and all obligations hereunder shall thereby be discharged as to the bond and the bond shall no longer be deemed to be outstanding within the meaning of this Ordinance. There shall be deemed to be such due payment when the County has placed in escrow or in trust with a trust bank located within or without the State, an amount sufficient (including the known minimum yield available for such purpose from bills, certificates of indebtedness, notes, bonds or similar securities which are direct obligations of, or the principal of and interest on which are unconditionally guaranteed by the United States ("Federal Securities") in which such amount may be initially invested wholly or in part) to meet all principal of and the interest on, and prior redemption premium, if any, on the bond, as the same become due. The Federal Securities shall become due before the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the County and the bank at the time of the creation of the escrow or trust, or the Federal Securities shall be subject to redemption at the option of the holders thereof to assure availability as needed to meet the schedule. For the purpose of this section "Federal Securities" shall include only Federal Securities which are not callable for redemption prior to their maturities except at the option of the owner thereof.

Section 22. All ordinances or resolutions, or parts thereof, in conflict with the provisions of this Ordinance are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any ordinance or resolution, or part thereof, heretofore repealed, and this Ordinance shall be irrepealable until the bonds and the interest thereon shall be fully paid, satisfied and discharged, as herein provided.

Section 23. This Ordinance may be amended or supplemented by an ordinance or ordinances adopted by the Board, without the receipt by the County of any additional consideration, with the written consent of the owners of seventy-five percent (75%) of the bonds

outstanding at the time of the adoption of such amendatory or supplemental ordinance, provided, however, that no such ordinance shall have the effect of permitting:

- (a) An extension of the maturity of any bond authorized by this Ordinance; or
- (b) A reduction in the principal amount of any bond or the rate of interest thereon; or
- (c) The creation of a lien upon or a pledge of property, revenues or funds, ranking prior to the liens or pledges created by this Ordinance; or
- (d) A reduction of the principal amount of bonds required for consent to such amendatory or supplemental ordinance.

Section 24. Pursuant to NRS 271.520, the bonds, their transfer, and the income therefrom, shall forever be and remain free and exempt from taxation by the State and any subdivision thereof, except for the tax on estates imposed by Chapter 375A of NRS, or the tax on generation-skipping transfers imposed pursuant to the provisions of Chapter 375B of NRS.

Section 25. The Board of County Commissioners does hereby find and declare that the life of the improvements to be acquired with the proceeds obtained from the sale of the bonds shall be not less than the ten (10) year period during which the bonds mature.

Section 26. If the Registrar or Paying Agent initially appointed hereunder shall resign, or if the Board shall determine to remove the Registrar or Paying Agent, the Board may, upon notice mailed to each owner of any bond at his address last shown on the registration books, appoint a successor Registrar or Paying Agent, or both. No resignation or dismissal of the Registrar or Paying Agent may take effect until a successor is appointed. It shall not be required that the same institution serve as both Registrar and Paying Agent hereunder, but the County shall have the right to have the same institution serve as both Registrar and Paying Agent hereunder. Any corporation, association, or agency into which the Registrar or the Paying Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which

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it is a party, automatically shall be and become successor registrar or paying agent hereunder and vested with all of the powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 27. The Board of County Commissioners has expressed in the preambles of this Ordinance that this Ordinance pertains to the sale, issuance and payment of District Nos. 25, 26 and 27 bonds, that this Ordinance may accordingly be adopted as if an emergency now exists, and may become effective at any time when an emergency ordinance of Washoe County may go into effect. Consequently, pursuant to NRS 271.475 and 244.095 through 244.115, final action shall be taken immediately, and this Ordinance shall be in effect from and after its publication by title and collateral statement as herein provided.

Section 28. After this Ordinance is signed by the Chairman of the Board of County Commissioners 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 office of the County Clerk, such publication to be made in the Reno Gazette-Journal, a newspaper published and having general circulation in the County, at least once a week for a period of two weeks by two insertions, pursuant to NRS 244.100, and all laws thereunto enabling, such publication to be in substantially the following form:

(Form of Publication)

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

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

(of Washoe County, Nevada)

AN ORDINANCE AUTHORIZING THE ISSUANCE OF REGISTERED LOCAL IMPROVEMENT DISTRICT BONDS, SERIES 1999, FOR WASHOE COUNTY, NEVADA, SPECIAL ASSESSMENT DISTRICTS NOS. 25, 26 AND 27, TO FINANCE THE CONSTRUCTION OF LOCAL IMPROVEMENTS; AND BY DECLARING THIS ORDINANCE PERTAINS TO THE SALE, ISSUANCE AND PAYMENT OF THE BONDS, PROVIDING FOR ITS ADOPTION AS IF AN EMERGENCY EXISTS; AND PROVIDING THE EFFECTIVE DATE HEREOF.

**PUBLIC NOTICE IS HEREBY GIVEN**, that an adequate number of typewritten copies of the above-numbered and entitled Ordinance are available for public inspection and distribution at the office of the County Clerk of Washoe County, at her office in the County Courthouse in Reno, Nevada, and that such Ordinance was proposed by Commissioner \_\_\_\_\_ on September 28, 1999, and was passed and adopted at a regular meeting of the Washoe County Board of County Commissioners at the same meeting on September 28, 1999, by the following vote of the Board of County Commissioners:

Those Voting Aye:

- Jim Galloway
- Joanne Bond
- Pete Sferrazza
- Jim Shaw
- Ted Short

Those Voting Nay:

\_\_\_\_\_

Those Absent:

\_\_\_\_\_

This Ordinance shall be in full force and effect from and after the \_\_\_\_ day of \_\_\_\_\_, 1999, i.e., the date of the second publication of such Ordinance by 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 September 28, 1999.

/s/ Jim Galloway  
Chairman  
Board of County Commissioners  
Washoe County, Nevada

(SEAL)

Attest:

/s/ Amy Harvey  
County Clerk

(End of Form of Publication)

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Section 29. 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 September 28, 1999.

Proposed by Commissioner Joanne Bond.

Passed on September 28, 1999.

Ayes: Jim Galloway  
Joanne Bond  
Pete Sferrazza  
  
Ted Short

Nays: \_\_\_\_\_

Absent: Jim Shaw



Jim Galloway  
Chairman

Board of County Commissioners  
Washoe County, Nevada

Attest: Amy Harvey  
County Clerk

This Ordinance shall be in force and effect from and after October 12, 1999, i.e., the date of the second publication of such Ordinance by its title only.

STATE OF NEVADA )  
 ) SS.  
COUNTY OF WASHOE )

I, Amy Harvey, am the qualified and elected Clerk of Washoe County (the "County"), and in the performance of my duties as Clerk do hereby certify:

1. The foregoing pages are a true, correct and compared copy of an ordinance adopted by Board of County Commissioners (the "Board") of the County at a meeting held on September 28, 1999. The original of the ordinance has been approved and authenticated by the signatures of the Chairman of the Board and myself as County Clerk and sealed with the seal of the County, and has been recorded in the minute book of the Board kept for that purpose in my office.

2. Said proceedings were duly had and taken as therein shown. The following Commissioners were present at said meeting and voted on the ordinance as follows:

|                   |  |
|-------------------|--|
| Those Voting Aye: | Jim Galloway<br>Joanne Bond<br>Pete Sferrazza<br>Jim Shaw<br>Ted Short |
| Nays:             | _____  |
| Absent:           | _____  |

3. All members of the Board were given due and proper notice of such meeting.

4. Public notice of such meeting was given and such meeting was held and conducted in full compliance with the provisions of NRS § 241.020. A copy of the notice of meeting and excerpts from the agenda for the meeting relating to the ordinance, as posted by 9:00 a.m. at least 3 working days in advance of the meeting at:

A. Washoe County Administration Complex  
1001 East Ninth Street  
Reno, Nevada

- B. Washoe County Courthouse  
Virginia and Court Streets  
Reno, Nevada
- C. Washoe County Library  
301 South Center Street  
Reno, Nevada
- D. Justice Court  
630 Greenbrae Drive  
Sparks, Nevada

is attached as Exhibit "A".

5. A copy of the notice was mailed to each person, if any, who has requested notice of the meetings of the Board in the same manner in which notice is required to be mailed to a member of the Board. Such notice, if mailed, was delivered to the postal service no later than 9:00 a.m. on the third working day prior to the meeting.

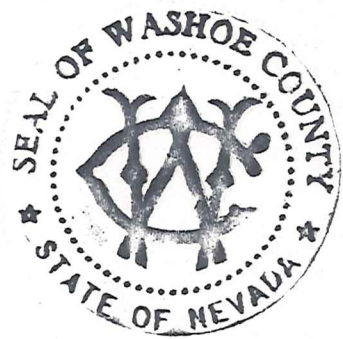
6. Upon request, the Board provides at no charge, at least one copy of the agenda for its public meetings, any proposed resolution which will be discussed at the public meeting, and any other supporting materials provided to the Board for an item on the agenda, except for certain confidential materials and materials pertaining to closed meetings, as provided by law.

7. Copies of the notice so given of the meeting of the Board held on September 28, 1999 is attached to this certificate as Exhibit "A".

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the County this September 28, 1999.

*Amy Harvey*  
 \_\_\_\_\_  
 County Clerk

(SEAL)



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COUNTY COMMISSIONERS

Jim Galloway, Chairman  
 Ted Short, Vice Chairman  
 Joanne Bond  
 Pete Sferrazza  
 Jim Shaw

(Exhibit "A")

COUNTY MANAGER

Katy Singlaub

ASSISTANT  
DISTRICT ATTORNEY

Madelyn Shipman

**AGENDA****MEETING OF****WASHOE COUNTY BOARD OF COMMISSIONERS****COMMISSION CHAMBERS - 1001 E. 9th Street, Reno, Nevada****September 28, 1999**

**NOTE:** Items on the agenda without a time designation may not necessarily be considered in the order in which they appear on the agenda.

The Washoe County Commission Chambers are accessible to the handicapped. With a 24-hour advance request, a sign language interpreter may be made available (call 328-2000).

An Agenda **CAUCUS** Meeting will be held in the Commission Caucus Room (1001 E. 9th St., 2nd Floor, Reno) on MONDAY, September 27, 1999, following the Work Card Permit Appeal, in order to review agenda items for the regular meeting of the Washoe County Board of Commissioners as described below. Said review, if requested by the Commission, is limited to brief staff presentation of issue and may include review of background information and questions to be answered at the regular meeting.

**Public Comment:** Limited to three minutes per person and limited to matters other than the agenda items that will be heard at the Commission Meeting. Persons are invited to submit comments in writing on agenda items and/or attend and make comment on that item at the Commission Meeting.

Pursuant to NRS 241.020, the Agenda for the Commission Meeting has been posted at the following locations: Washoe County Administration Building (1001 E. 9th Street), Washoe County Courthouse-Clerk's Office (Court and Virginia Streets), Washoe County Central Library (301 South Center Street) and Sparks Justice Court (630 Greenbrae Drive). At the meeting, after salute to the flag and roll call, the Board of County Commissioners may vote on the following items as the Board and, ex-officio, as the Board of Fire Commissioners for the Truckee Meadows Fire Protection District, the Governing Board for Financial Matters of the Regional Hazardous Materials Response Team and/or the Board of Trustees of either the Lawton/Verdi or South Truckee Meadows General Improvement Districts.

Support documentation for items on the agenda, provided to the Washoe County Board of Commissioners, is available to members of the public at the County Manager's Office (1001 E. 9th St., 2nd Floor, Reno, Nevada).

- 1:30 p.m. \*1. Salute to the flag.
- \*2. Roll call.
3. Approval of the agenda for the Board of County Commissioners' meeting of August 24, 1999.
20. Ordinances.
- B. Introduction and adoption of an Ordinance authorizing the issuance of Registered Local Improvement District Bonds, Series 1999, for Washoe County, Nevada, Special Assessment Districts Nos. 25 (Calle De La Plata), 26 (Matterhorn Drive) and 27 (Osage Road/Placerville Road) to finance the construction of local improvements; and by declaring this Ordinance pertains to the sale, issuance and payment of the bonds, providing for its adoption as if an emergency exists; and providing the effective date hereof (this Ordinance authorizes aggregate principal amount not to exceed \$958,081 in the three Special Assessment Districts).

(Attach Affidavit of Publication of  
Bond Ordinance for District Nos. 25, 26 and 27)

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