

Summary - An ordinance specifying the details for the reissuance of refunding bonds.

ORDINANCE NO. _____

AN ORDINANCE DESIGNATED BY THE SHORT TITLE “2014 CONSOLIDATED TAX REVENUE REFUNDING BOND ORDINANCE”; PROVIDING FOR THE REISSUANCE BY THE CITY OF SPARKS, NEVADA, OF ITS CONSOLIDATED TAX REVENUE REFUNDING BOND, SERIES 2007; REDUCING THE INTEREST RATE OF THE REFUNDING BOND PREVIOUSLY ISSUED; RATIFYING ACTION PREVIOUSLY TAKEN AND PERTAINING TO THE FOREGOING BY THE CITY AND ITS OFFICERS AND EMPLOYEES; PROVIDING FOR ITS ADOPTION AS IF AN EMERGENCY EXISTS AND PROVIDING THE EFFECTIVE DATE HEREOF.

WHEREAS, on February 21, 2007, the City Council (the “Council”) of the City of Sparks, Nevada (the “City” and “State”, respectively) issued its “Consolidated Tax Revenue Refunding Bond, Series 2007” (the “2007 Bond”), pursuant to the 2007 Revenue Refunding Bond Ordinance adopted on January 22, 2007 (the “2007 Bond Ordinance”), to CitiMortgage, Inc., which thereafter assigned the 2007 Bond to Capital One Public Funding, LLC (the “Purchaser”); and

WHEREAS, on May 12, 2011, the City issued its “Consolidated Tax Revenue Refunding Bond, Series 2011”, with a lien on the Pledged Revenues (as defined in the 2007 Bond Ordinance) on a parity with the lien thereon of the 2007 Bond; and

WHEREAS, subsequent to the issuance of the 2007 Bond, interest rates have declined, and the Purchaser has agreed to reduce the interest rate on the 2007 Bond from 4.09% per annum to 3.09% per annum (the “New Rate”) on the outstanding principal amount of the 2007 Bond (the “Project”); and

WHEREAS, the City’s Director of Financial Services, the City’s chief financial officer (the “Finance Director”), is hereby authorized to accept the New Rate on the 2007 Bond from the Purchaser, increase the principal amount of the 2007 Bond to effect the Project including costs of reissuance and reamortize the outstanding installments of principal of the 2007 Bond at the New Rate, as specified by the Finance Director in a certificate (the “Certificate of the Finance Director”); and

WHEREAS, other than the New Rate, increased principal amount and new amortization schedule set forth in the Certificate of the Finance Director, the terms and conditions of the 2007 Bond remain the same and are hereby ratified and confirmed; and

WHEREAS, the Council determines and does hereby declare:

(i) This Ordinance pertains to the sale, issuance and payment of the 2007 Bonds; and

(ii) Such declaration shall be conclusive in the absence of fraud or gross abuse of discretion in accordance with the provisions of NRS 350.579(2); and

(iii) This Ordinance may accordingly be adopted as if an emergency now exists by an affirmative vote of not less than two-thirds of all of the voting members of the Council (excluding from any such computation any vacancy on the Council and any member thereof who may vote only to break a tie vote), and this Ordinance may become effective at any time when an emergency ordinance of the City may go into effect.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SPARKS DO
ORDAIN:**

Section 1. Short Title. This Ordinance shall be known and may be cited as the “2014 Consolidated Tax Revenue Refunding Bond Ordinance.”

Section 2. Acceptance of New Rate. The Finance Director is authorized to accept the New Rate proposed by the Purchaser for the 2007 Bond, increase the principal amount of the 2007 Bond to effect the Project including costs of reissuance and reamortize the outstanding installments of principal of the 2007 Bond at the New Rate, as set forth in the preambles hereof, and in accordance with the requirements of the 2007 Bond Ordinance.

Section 3. Ratification. All action heretofore taken by the Council and the officers and employees of the City directed toward the Project and toward the reissuance of the 2007 Bond is ratified, approved and confirmed.

Section 4. Necessity of Project and Bond. It is necessary and in the best interests of the Council, its officers and the inhabitants of the City that the City effect the Project; and it is hereby so determined and declared.

Section 5. Delegated Powers. The officers and employees of the City are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including, without limitation:

(a) The reduction of the interest rate and reamortization of the outstanding principal of the 2007 Bonds; and

(b) The execution of such certificates as may be reasonably required by the Purchaser, relating, inter alia,

1. the tenure and identity the officials of the City and of the Council,

2. the absence and existence of factors effecting the exclusion of interest on the 2007 Bond from gross income for federal income tax purposes,

3. the accuracy and completeness of any information provided in connection with the 2007 Bond,

4. if it is in accordance with fact, the absence of litigation, pending or threatened, affecting the validity of the 2007 Bonds; and

(c) The execution of the Certificate of the Finance Director; and

(d) The assembly and dissemination of financial and other information concerning the City, the Council and the 2007 Bond; and

(e) The issuance of the 2007 Bond pursuant to the provisions of this Ordinance and to any instrument supplemental thereto.

Section 6. Ordinance Irrepealable. After the 2007 Bond is reissued, this Ordinance shall constitute an irrevocable contract between the City and the owner of the 2007 Bond and this Ordinance shall be and shall remain irrepealable until the 2007 Bond shall be fully paid, canceled and discharged as provided herein and in the 2007 Bond Ordinance.

Section 7. Implied Repealer. All ordinances, resolutions, bylaws and orders, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This

repealer shall not be construed to revive any ordinance, resolution, bylaw or order, or part hereof, heretofore repealed.

Section 8. Authentication of Ordinance. This Ordinance, immediately on its final passage and adoption, shall be recorded in the official records of the City kept for that purpose, shall be authenticated by the signature of the Mayor of the City, shall be attested by the City Clerk, and the seal of the City shall be affixed thereto.

Section 9. Emergency Ordinance. The City has expressed in the title of this Ordinance that it pertains to the sale, issuance and payment of the 2007 Bond, that this Ordinance may accordingly be adopted as if an emergency now exists and may become effective at any time an emergency Ordinance of the City may go into effect. Consequently, final action shall be taken immediately, and this Ordinance shall be in effect immediately upon its adoption and after its publication and posting as hereinafter provided.

Section 10. Publication of Ordinance and Effective Date. After this Ordinance is signed by the Mayor and attested by the City Clerk, this Ordinance shall be posted in full in City Hall, published once by its title only, which is hereby deemed to be an adequate summary of such ordinance, including any amendments and the names of the Council Members voting for or against its passage, and with a statement that an adequate number of copies of such ordinance are available for inspection by all interested parties at the office of the City Clerk, such publication to be made in a newspaper having general circulation in the City and shall be effective immediately after its posting and publication, such publication to be substantially in the following form:

(Form of Notice for Publication)

Public Notice is hereby given of the action taken by the City Council of the City of Sparks, Nevada, on May 12, 2014, on the adoption of an ordinance entitled:

AN ORDINANCE DESIGNATED BY THE SHORT TITLE “2014 CONSOLIDATED TAX REVENUE REFUNDING BOND ORDINANCE”; PROVIDING FOR THE REISSUANCE BY THE CITY OF SPARKS, NEVADA, OF ITS CONSOLIDATED TAX REVENUE REFUNDING BOND, SERIES 2007; REDUCING THE INTEREST RATE OF THE REFUNDING BOND PREVIOUSLY ISSUED; RATIFYING ACTION PREVIOUSLY TAKEN AND PERTAINING TO THE FOREGOING BY THE CITY AND ITS OFFICERS AND EMPLOYEES; PROVIDING FOR ITS ADOPTION AS IF AN EMERGENCY EXISTS AND PROVIDING THE EFFECTIVE DATE HEREOF.

Public notice is also given that an adequate number of copies of the above-entitled ordinance are available for inspection by all interested parties at the office of the City Clerk of the City of Sparks, Nevada, at her office at 431 Prater Way, Sparks, Nevada; and that such ordinance was proposed by Council Member _____ on May 12, 2014 and was passed at the same regular meeting of the Sparks City Council on May 12, 2014, by the following vote of the City Council:

Those Voting Aye:

Mike Carrigan
Ed Lawson
Julia Ratti
Ron Schmitt
Ron Smith

IN WITNESS WHEREOF, the City Council of the City of Sparks, Nevada, has caused this Notice to be published by title of the Ordinance which is deemed to be an adequate summary of such Ordinance.

DATED this May 12, 2014.

/s/ Geno Martini
Mayor
City of Sparks, Nevada

/s/ Teresa Gardner
City Clerk
City of Sparks, Nevada

(End of Form of Notice for Publication)

Section 11. Severability. If any section, paragraph, clause or 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 provision shall in no way effect any remaining provisions of this Ordinance.

Proposed on May 12, 2014.

Proposed by Council Member _____

Passed on May 12, 2014, by the following vote of the Council:

Those Voting Aye:

Mike Carrigan
Ed Lawson
Julia Ratti
Ron Schmitt
Ron Smith

Those voting against:

Those absent:

(SEAL)

Attest:

Mayor
City of Sparks, Nevada

City Clerk
City of Sparks, Nevada

STATE OF NEVADA)
)
COUNTY OF WASHOE) ss.
)
CITY OF SPARKS)

I, Teresa Gardner, the duly elected, qualified and acting City Clerk of Sparks (herein “City”), Nevada, do hereby certify:

1. The foregoing pages constitute a true, correct and compared copy of an ordinance adopted by the City Council (the “Council”) on May 12, 2014.

2. The original ordinance has been approved and authenticated by the signature of the Mayor and myself as City Clerk, and sealed with the seal of the City, and has been recorded in the minute book of the Council kept for that purpose in my office, which record has been duly signed by such officers and properly sealed.

3. All members of the Council voted on the passage of the ordinance as set forth following the ordinance.

4. All members of the Council were given due and proper notice of such meeting held on May 12, 2014.

5. 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 at least 3 working days in advance of the meeting at the City’s website, if any, and:

- (i) Sparks City Hall
431 Prater Way
Sparks, Nevada
- (ii) Sparks Legislative Building
745 4th Street
Sparks, Nevada
- (iii) Sparks Recreation Center
98 Richards Way
Sparks, Nevada

(iv) Alf Sorensen Center
1400 Baring Blvd.
Sparks, Nevada

(v) Sparks Branch Library
1125 12th Street
Sparks, Nevada

is attached as Exhibit "A".

6. At least 3 working days before such meeting, such notice was given to each member of the Council and to each person, if any, who has requested notice of meetings of the Council in accordance with the requirements of Chapter 241 of NRS.

7. An affidavit evidencing publication of the ordinance is attached hereto as Exhibit "B".

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of Sparks, Nevada, this May 12, 2014.

(SEAL)

City Clerk

EXHIBIT "A"

(Attach Copy of Notice of Meeting)

EXHIBIT "B"

(Attach Copy of Affidavit of Publication)