

**Carson City  
Agenda Report**

**Date Submitted:** 5/8/12

**Agenda Date Requested:** 5/17/12

**Time Requested:** 10 minutes

**To:** Mayor and Supervisors

**From:** Nick Providenti, Finance Director

**Subject Title:** For Possible Action: Action to adopt a resolution authorizing a medium-term obligation in an amount of up to \$1,100,000 to finance the cost of ambulances, wheel chair vans, and improvements and equipment for the City landfill; and providing the effective date hereof.

**Staff Summary:** The Board of Supervisors of Carson City, Nevada proposes to enter into a medium term obligation evidenced by notes or bonds in an amount up to \$1,100,000, pursuant to NRS Chapter 350, in order to finance the cost of ambulances, wheel chair vans, and improvements and equipment for the City landfill; the financing to bear interest at a rate or rates which do not exceed by more than 3% the "Index of Twenty Bonds" most recently published in The Bond Buyer before the City enters into the medium term obligation and to mature within 6 years of the date of issuance thereof, in order to pay the cost of the Project.

**Type of Action Requested:** (check one)

Resolution

Ordinance

Formal Action/Motion

Other (Specify)

**Does this action require a Business Impact Statement:** ( ) Yes (xx) No

**Recommended Board Action:** I move to adopt Resolution # \_\_\_\_\_, a resolution authorizing a medium-term obligation in an amount of up to \$1,100,000 to finance the cost of ambulances, wheel chair vans, and improvements and equipment for the City landfill; and providing the effective date hereof.

**Explanation for Recommended Board Action:** The Board hereby determines that it may authorize and incur the Obligations, upon terms satisfactory to the City at the time of the incurrence of the Obligations, to pay the cost of the Project, together with the costs incident to the authorization, incurrence and sale of the Obligations, and may take all further action which is necessary or desirable in connection therewith.

**Applicable Statute, Code, Policy, Rule or Regulation:** NRS Chapter 350

**Fiscal Impact:** The City's Capital Projects Fund - estimated annual amount of \$235,000 for five years and other legally available monies, including ad valorem taxes levied within the limitation provided in Chapter 354 of the Nevada Revised Statutes.

**Explanation of Impact:** The City intends to pay the debt service from the 5 cent property tax levied pursuant to NRS 354.59815, which is deposited into the Capital Projects Fund.

**Funding Source:** Capital Projects Fund

**Alternatives:** Elect not to borrow money and accumulate funds to do the projects on a pay as you go basis.

**Supporting Material: Resolution**

**Prepared By:** Nick Providenti

**Reviewed By:**

*Michelle Provencher*  
(Department Head)

Date: 5/8/12

: *[Signature]*  
(City Manager)

Date: 5/8/12

: *[Signature]*  
(District Attorney)

Date: 5/8/12

: *Michelle Provencher*  
(Finance Director)

Date: 5/8/12

**Board Action Taken:**

Motion: \_\_\_\_\_

1) \_\_\_\_\_

Aye/Nay

2) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)

Summary - A resolution authorizing a medium term obligation.

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AUTHORIZING A MEDIUM-TERM OBLIGATION IN AN AMOUNT OF UP TO \$1,100,000 TO FINANCE THE COST OF AMBULANCES, WHEEL CHAIR VANS, AND IMPROVEMENTS AND EQUIPMENT FOR THE CITY LANDFILL; AND PROVIDING THE EFFECTIVE DATE HEREOF.**

**WHEREAS**, the Board of Supervisors of Carson City, Nevada (the "Board", the "City", and the "State", respectively) proposes to enter into a medium term obligation evidenced by notes or bonds (the "Obligation") in an amount up to \$1,100,000, pursuant to Nevada Revised Statutes ("NRS") Chapter 350, in order to finance the cost of ambulances, wheel chair vans and improvements and equipment for the City landfill (the "Project"); the financing to bear interest at a rate or rates which do not exceed by more than 3% the "Index of Twenty Bonds" most recently published in The Bond Buyer before the City enters into the medium term obligation and to mature within six years of the date of issuance thereof, in order to pay the costs of the Project (the "Proposal"); and

**WHEREAS**, the loan is not proposed to be repaid in whole or in part by the levy of a tax exempt from the limitations on taxes ad valorem, but is to be repaid from legally available funds of the City, including, without limitation, monies derived from the City's Capital Projects Fund; and

**WHEREAS**, NRS 350.087 requires that a notice of intention to authorize a medium term obligation be published not less than 10 days prior to the consideration of a resolution authorizing the medium term obligation; and

**WHEREAS**, a notice of intention to act upon the resolution authorizing the Obligation has been duly published in a newspaper of general circulation in the City not less than 10 days prior to the date of a public hearing thereon, and such public hearing was held prior to adoption of this resolution; and

**WHEREAS**, all comments made at the May 17, 2012 public hearing have been duly considered by the Board.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF CARSON CITY, NEVADA:**

Section 1. This resolution is hereby designated by the short title the "2012 Medium Term Obligation Authorization Resolution" (the "Resolution").

Section 2. The Board hereby finds and determines that the public interest requires a medium term obligation for the Project, in an amount not exceeding \$1,100,000.

Section 3. The facts upon which the finding stated in Section 2 above is based are:

(a) The Project will benefit the health, safety and welfare of the City's residents.

(b) It is in the best interests of the City and its inhabitants, and would best serve the public interest thereof, if the Project is now acquired.

(c) It is not possible to finance the Project from other funds of the City because of restrictions on the City's budget for this and the next fiscal year and other demands on and needs for existing funds of the City.

Section 4. The City proposes to borrow a sum not to exceed \$1,100,000 at an annual interest rate of approximately 2.50% to be repaid over a period of not more than six years. The weighted average term of the Obligation (not to exceed six years) does not exceed the estimated weighted average useful life of the Project being financed with the Obligation, and the interest rate shall in no event exceed by more than 3 percent the "Index of Twenty Bonds" which is most recently published before the bids for the Obligation are received.

Section 5. The sources of revenue of the City that are anticipated to be used to repay the Obligation and the dollar amount expected to be available from the City's Capital Project Fund is approximately \$233,500 per year.

Section 6. The Obligation shall not be paid in whole or in part from a levy of a special tax exempt from the limitations on the levy of ad valorem tax, but is expected to be paid from other legally available funds of the City as described in Section 5 above.

Section 7. The City hereby declares its intent to reimburse the costs of the Project from the proceeds of the Obligation. This is a declaration of official intent under Section 1.150-2 of the Regulations promulgated under the Internal Revenue Code of 1986, as amended. The Board hereby determines and declares that:

(a) The City reasonably expects to incur expenditures with respect to the Project prior to the incurrence of the Obligation and to reimburse those expenditures from the proceeds of the Obligation; and

(b) The payment of costs related to the Project and the reimbursement of such costs from the proceeds of the Obligation is consistent with the City's budgetary and financial circumstances as of the date of this Resolution. The City does not currently have moneys which are, nor does the City reasonably expect moneys to be, allocated on a long-term basis, reserved or otherwise available pursuant to the City's budget to pay the expenditures which the City intends to reimburse.

(c) The maximum principal amount of the Obligation expected to be used to reimburse such expenditures is \$1,100,000.

Section 8. The Finance Director of the City (the "Finance Director") or his designee is hereby authorized to arrange for the issuance and sale of the Obligation in an amount not more than \$1,100,000, to carry out the Project, and he is authorized to specify the terms and details of the Obligation, including, without limitation, the maturity date or dates, the interest rate or rates, the redemption features, if any, and the other terms and conditions thereof, subject to ratification by the Board. The Obligation issued to effect the Project shall be issued on such other terms and conditions as the Board determines, all as provided in NRS 350.087 to 350.095, inclusive (the "Note Act"), NRS 350.500 to 350.720, inclusive (the "Bond Act"), and as authorized by the Finance Director at the time of sale of the Obligation and thereafter ratified by the Board as set forth in this Resolution.

Section 9. The officers of the City be and the same hereby are authorized and directed to take all action necessary to effectuate the provisions of this Resolution, including, without limitation, updating the City's capital improvement plan and statement of contemplated debt, if required, to reflect the Project, forwarding all necessary documents to the Executive Director, Department of Taxation, Carson City, Nevada, assembling of financial and other information concerning the City, the Project and the medium term obligation, and, if deemed appropriate by the Finance Director or his designee, preparing and circulating a preliminary official statement and a notice in the forms specified by the Finance Director or his designee. The Finance Director or his designee is authorized to deem the official statement or preliminary

official statement to be a "final" official statement on behalf of the City for the purposes of Rule 15(c)2-12 of the Securities and Exchange Commission.

Section 10. The City represents that it is in compliance with the applicable provisions of law, including, without limitation, the provisions of chapter 354 of NRS.

Section 11. All resolutions, or parts thereof, in conflict with the provisions of this Resolution, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any resolution, or part thereof, heretofore repealed.

Section 12. If any section, paragraph, clause or other provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or other provision shall not affect any of the remaining provisions of this Resolution.

Section 13. Sections 1 through 6 of this Resolution shall become effective upon the approval by the Executive Director of the Department of Taxation of the State of Nevada as provided in NRS 350.089, which approval shall be recorded in the minutes of the Board. Sections 7 through 13 of this Resolution shall become effective upon passage and approval.

**PASSED AND ADOPTED AND APPROVED BY AN AFFIRMATIVE VOTE OF AT LEAST TWO-THIRDS OF THE MEMBERS OF THE BOARD OF SUPERVISORS OF CARSON CITY, NEVADA, THIS MAY 17, 2012.**

(SEAL)

Attest:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

STATE OF NEVADA     )  
  ) ss.  
CARSON CITY            )

I, Alan Glover, the duly chosen, qualified and acting City Clerk of Carson City (the "City"), in the State of Nevada, do hereby certify:

1. The foregoing pages constitute a true, correct, complete and compared copy of a resolution which was adopted at the meeting of the Board of Supervisors (the "Board") on May 17, 2012.

2. The members of the Board were present at the meeting and voted upon the adoption of the resolution as follows:

Those Voting Aye:

Karen Abowd  
Shelly Aldean  
Robert Crowell  
John McKenna  
Molly Walt

Those Voting Nay:

\_\_\_\_\_  
\_\_\_\_\_

Those Absent:

\_\_\_\_\_  
\_\_\_\_\_

4. The original of the resolution has been approved and authenticated by the signatures of the Mayor of the City and myself as Clerk of the City, and sealed with the seal of the City, and has been recorded in the journal of the Board kept for that purpose in my office, which record has been duly signed by such officers and properly sealed.

5. All members of the Board were given due and proper notice of the meeting. Pursuant to NRS 241.020, written notice of the meeting was given no later than 9:00 a.m. on the third working day before the meeting including in the notice the time, place, location, and agenda of the meeting:

(a) By posting a copy of the notice by 9:00 a.m. at least three working days before the meeting at the principal office of the Board, or if there is no principal office, at the building in which the meeting is to be held, the City's website, and at least three (3) other separate, prominent places within the jurisdiction of the Board, to wit:

- (i) Community Center  
851 East William  
Carson City, Nevada
- (ii) Executive Offices  
201 North Carson  
Carson City, Nevada
- (iii) Bulletin Board at  
Carson City Courthouse  
885 East Musser  
Carson City, Nevada
- (iv) Carson City Library  
900 North Roop  
Carson City, Nevada

6. Prior to 9:00 a.m. at least 3 working days before such meeting, such notice was given to each person, if any, who has requested notice of the meetings of the Board in compliance with NRS 241.020(3)(b) by United States Mail, or if feasible and agreed to by the requestor, by electronic mail.

7. A copy of such notice so given of the meeting of the Board held on May 17, 2012, is attached to this certificate as Exhibit "A". A copy of the minutes of the public hearing held on May 17, 2012, prior to the adoption of the resolution is attached hereto as Exhibit "B". A copy of the affidavit of publication of the notice of public hearing is attached hereto as Exhibit "C."

**IN WITNESS WHEREOF**, I have hereunto set my hand on this May 17, 2012.

\_\_\_\_\_  
City Clerk

(SEAL)



EXHIBIT "A"

(Attach Copy of Notice of May 17, 2012 Meeting)

EXHIBIT "B"

(Attach Minutes of Public Hearing)

EXHIBIT "C"

(Attach Affidavit of Publication of Notice of Hearing)