RESOLUTION 09-003

(of Clark County Water Reclamation District)

A RESOLUTION DESIGNATED AS THE "2009B BOND RESOLUTION"; PROVIDING FOR THE ISSUANCE BY CLARK COUNTY WATER RECLAMATION DISTRICT, NEVADA, OF ITS GENERAL OBLIGATION (LIMITED TAX) WATER RECLAMATION BONDS (ADDITIONALLY SECURED BY PLEDGED REVENUES) SERIES 2009B; PROVIDING DETAILS CONCERNING THE BONDS; PROVIDING FOR THE LEVY AND COLLECTION OF AD VALOREM TAXES FOR THE PAYMENT OF THE BONDS; ADDITIONALLY SECURING THEIR PAYMENT BY A PLEDGE OF REVENUES DERIVED FROM THE OPERATION OF THE DISTRICT'S SYSTEM; RATIFYING ACTION PREVIOUSLY TAKEN BY THE DISTRICT AND ITS OFFICERS; AND PROVIDING THE EFFECTIVE DATE HEREOF.

WHEREAS, the Clark County Water Reclamation District, formerly known as the Clark County Sanitation District, in the County of Clark and State of Nevada (herein the "District," the "County" and the "State," respectively), is a legally and regularly created governmental subdivision of the State and a body corporate with all the powers of a public or quasi-municipal corporation, having been duly organized and created for sanitary sewer purposes by a Findings and Organizational Decree entered by the District Court in and for the County and the State on August 11, 1954; and the officers of the District have been from time to time duly chosen and qualified; and

WHEREAS, the District now is organized and operating pursuant to Chapter 318, Nevada Revised Statutes ("NRS"), and all laws amendatory thereof, which act is designated in NRS 318.010 thereof by the short title the "General Improvement District Law" (the "Project Act"); and the District now owns, operates and maintains a public sanitary sewer system, known as the water reclamation system (the "System"); and

WHEREAS, pursuant to the Project Act and all laws amendatory thereof and supplemental thereto, the District is created with the basic power of furnishing sanitary sewer facilities, as provided in NRS 318.116 and 318.140 and all laws supplemental thereto, and is
authorized to construct, reconstruct, improve or extend the System or any part thereof, including, without limitation, mains, laterals, wyes, tees, meters and collection, treatment and disposal plants, and including the acquisition of land, easements, other interests in land, facilities, equipment and appurtenances for such improvements (the “Project”); and

WHEREAS, pursuant to the Local Government Securities Law and all laws amendatory thereof (the "Bond Act"), cited as NRS 350.500 through 350.720, and all laws supplemental thereto, the Board of Trustees of the District (the "Board") has the power to issue its general obligation bonds (additionally secured by pledged revenues), which constitute general obligations of the District, to finance the cost of the Project; and

WHEREAS, after a public sale, the Fiscal Services Manager (the “Chief Financial Officer”) or in her absence, the General Manager of the District, is delegated the authority to sell its "Clark County Water Reclamation District, Nevada, General Obligation (Limited Tax) Water Reclamation Bonds (Additionally Secured by Pledged Revenues), Series 2009B" (the "Bonds") to the best bidder therefor (the "Purchaser") and to accept a binding bid for the Bonds (the Bond Purchase Proposal); and

WHEREAS, the Bonds are to bear interest at the rates per annum provided in the Bond Purchase Proposal, which rates must not exceed by more than 3% the Index of Twenty Bonds most recently published in The Bond Buyer prior to the time bids were received for the Bonds, and are to be sold at a price equal to the principal amount thereof, less a discount not exceeding 9% of the principal amount thereof, all as specified by the Chief Financial Officer of the District, or in her absence, the General Manager of the District, in a certificate dated on or before the date of delivery of the Bonds (the "Certificate of the Manager"); and

WHEREAS, there remain unpaid and outstanding certain bonds issued by the District by a resolution adopted by the Board on March 4, 2003 (the "2003 Resolution"), payable from net revenues of the System, designated as the "Clark County Water Reclamation District, Nevada, General Obligation (Limited Tax) Refunding Bonds (Additionally Secured by Pledged Revenues) Series 2003" (the "2003 Bonds"); and

WHEREAS, there remain unpaid and outstanding certain bonds issued by the District by a resolution adopted by the Board on March 3, 2007 (the "2007 Resolution"), payable from net
revenues of the System, designated as the "Clark County Water Reclamation District, Nevada, General Obligation (Limited Tax) Water Reclamation Bonds (Additionally Secured by Pledged Revenues) Series 2007" (the "2007 Bonds"); and

WHEREAS, there remain unpaid and outstanding certain bonds issued by the District by a resolution adopted by the Board on October 7, 2008 (the "2008 Resolution"), payable from net revenues of the System, designated as the "Clark County Water Reclamation District, Nevada, General Obligation (Limited Tax) Water Reclamation Bonds (Additionally Secured by Pledged Revenues) Series 2008" (the "2008 Bonds"); and

WHEREAS, certain bonds of the District are authorized to be issued by a resolution adopted by the Board on March 3, 2009 (the "2009A Resolution"), payable from net revenues of the System, designated as the "Clark County Water Reclamation District, Nevada, General Obligation (Limited Tax) Water Reclamation Bonds (Additionally Secured by Pledged Revenues) Series 2009A" (the "2009A Bonds"); and

WHEREAS, the Board hereby elects to have the provisions of Chapter 348 of NRS (the "Supplemental Bond Act") apply to the Bonds; and

WHEREAS, the Board has determined and does hereby declare that each of the limitations and other conditions to the issuance of the Bonds in the Project Act, the Bond Act, the Supplemental Bond Act and in any other relevant act of the State or the Federal Government (as hereinafter defined), has been met; and pursuant to NRS 350.708, this determination of the Board 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.

NOW, THEREFORE, THE BOARD OF COUNTY COMMISSIONERS OF CLARK COUNTY, EX OFFICIO THE BOARD OF TRUSTEES OF THE CLARK COUNTY WATER RECLAMATION DISTRICT, NEVADA, DOES RESOLVE:

SECTION 1. Short Title. This Resolution shall be known and may be cited as the "2009B Bond Resolution" (the "Resolution").

SECTION 2. Definitions. The terms in this section, in the preambles hereof and elsewhere in this Resolution are defined for all purposes of this Resolution and of any instrument amendatory hereof or supplemental hereto, and of any other instrument or any other document
relating hereto, except where the context by clear implication otherwise requires, shall have the meanings in this section and in said preambles specified:

"Bond Requirements" means the principal of, any prior redemption premiums due in connection with, and the interest on the Bonds, or any other designated securities, as such principal, premiums and interest become due at maturity or on a redemption date, or otherwise.

For purposes of computing the Bond Requirements of variable interest rate Superior Securities or Parity Securities with respect to which a Qualified Swap is in effect, the interest payable on such variable interest rate securities (a) except as provided in clause (b) of this sentence, shall be deemed to be the interest payable on such variable interest rate securities in accordance with the terms thereof plus any amount required to be paid by the District to the Qualified Swap Provider pursuant to the Qualified Swap or minus any amount required to be paid by the Qualified Swap Provider to the District pursuant to the Qualified Swap; or (b) for purposes of computing combined average annual principal and interest requirements, for purposes of computing the maximum annual principal and interest requirements, and for purposes of any other computation for the issuance of additional superior or parity securities (including refunding securities) shall be deemed to be the amount accruing at the fixed rate as provided in the Qualified Swap. No computation of Bond Requirements under this Resolution shall take into account payments due the Qualified Swap Provider on the termination of the Qualified Swap unless such payments on termination are then unconditionally due and payable in accordance with the terms of the related Qualified Swap.

For purposes of computing the Bond Requirements of a Qualified Swap with respect to which no Superior Securities or Parity Securities remain outstanding or of that portion of a Qualified Swap with respect to which the notional amount is greater than the principal amount of outstanding Superior Securities or Parity Securities to which such Qualified Swap relates, (a) for purposes of Sections 36 through 42 hereof, the interest payable thereon shall be deemed to be the net amount positive or negative, if any, required to be paid by the District to the Qualified Swap Provider pursuant to the Qualified Swap, and (b) for purposes of any computation of Bond Requirements for a period after the date of computation, the interest payable thereon shall be deemed to be the net amount most recently paid, as of the date of computation, by the District to the Qualified Swap
Provider thereunder or (expressed as a negative number) by the Qualified Swap Provider to the District thereunder.

"Bond Year" means the 12 month period commencing on July 1 of a calendar year and ending on June 30 of the following calendar year.

"combined average annual principal and interest requirements" means (i) the sum of the Bond Requirements of the Bonds and any other Superior Securities and Parity Securities payable from the Net Pledged Revenues, which Bond Requirements come due during any fiscal year from the date of calculation to the last day on which any of the Bonds are due and payable, but not including any securities which are no longer outstanding under the defeasance provisions of Section 54 hereof, (ii) divided by the number of years (including any fraction thereof) from the date of the calculation of the combined average annual principal and interest requirements to the last day on which any of the Bonds are due and payable. If any Superior Security or Parity Security bears interest at a variable interest rate and is not covered by a Qualified Swap, the rate of interest used in the foregoing test shall be the lesser of the maximum permitted rate of interest on those Superior Securities and Parity Securities or a rate equal to the "25 Bond Revenue Index" as most recently published in The Bond Buyer prior to the date a firm offer to purchase the then proposed Superior Securities or Parity Securities is accepted by the District or if such index is no longer published, such other similar long-term bond index as the District reasonably selects.

"combined maximum annual principal and interest requirements" means the maximum sum of the principal of and the interest (including any payments to be made (positive or negative) on any Qualified Swap as provided in the definition of "Bond Requirements") on the Bonds and any other Superior Securities or Parity Securities, falling due during any one fiscal year for the period beginning with the fiscal year in which such computation is made and ending with the fiscal year in which any Bonds last become due and payable but not including any securities which are no longer outstanding under the defeasance provisions in Section 54 hereof. If any Superior Security or Parity Security bears interest at a variable interest rate and is not covered by a Qualified Swap, the rate of interest used in the foregoing test shall be the lesser of the maximum permitted rate of interest on those Superior Securities or Parity Securities or a rate equal to the "25 Bond Revenue Index" as most recently published in The Bond Buyer prior to the date an firm offer to purchase
then proposed Superior Securities or Parity Securities is accepted by the District or if such index is no longer published, such other securities index as the District reasonably selects.

"Cost of the Project" means all or any part designated by the Board for the cost of the Project (as such Project is defined in the preambles above), or interest therein, which cost, at the option of the Board, except as limited by law, may include all or any part of the incidental costs relating to the Project, including, without limitation:

(a) Preliminary expenses advanced by the District from funds available for use therefor, or advanced by the Federal Government, or from any other source, with the approval of the Board, or any combination thereof;

(b) The costs in the making of surveys, audits, preliminary plans, other plans, specifications, estimates of costs and other preliminaries;

(c) the costs of premiums on builders’ risk insurance and performance bonds, or a reasonably allocable share thereof;

(d) The costs of appraising, printing, estimates, advice, services of engineers, architects, accountants, financial consultants, attorneys at law, clerical help or other agents or employees;

(e) The costs of making, publishing, posting, mailing and otherwise giving any notice in connection with the Project, the filing or recordation of instruments, the taking of options, the issuance of the Bonds and any other securities relating to the Project, and bank fees and expenses;

(f) The costs of contingencies;

(g) The costs of the capitalization with the proceeds of Bonds of any operation and maintenance expenses appertaining to any facilities to be acquired as part of the Project and of any interest on the Bonds for any period not exceeding the period estimated by the Board to effect the Project plus 1 year; of any discount on the Bonds,
and of any reserves for the payment of the principal of and interest on the Bonds, of any replacement expenses, and of any other cost of issuance of the Bonds;

(h) The costs of amending any resolution or other instrument authorizing the issuance of or otherwise appertaining to outstanding bonds or other securities of the District;

(i) The costs of funding any medium-term obligations, construction loans and other temporary loans of not exceeding 10 years appertaining to the Project and of the incidental expenses incurred in connection with such loans;

(j) The costs of any properties, rights, easements or other interests in properties, or any licenses, privileges, agreements and franchises;

(k) The costs of demolishing, removing or relocating any buildings, structures or other facilities on land acquired for any project, and of acquiring lands to which such buildings, structures or other facilities may be moved or relocated;

(l) The cost of issuance of the Bonds; and

(m) All other expenses necessary or desirable and appertaining to the Project, as estimated or otherwise ascertained by the Board including rebates to the United States under Section 148 of the Tax Code.

"General Manager" means the de jure or de facto chief administrative officer of the District or the de jure or de facto assistant general manager, if any, or acting general manager whenever the General Manager is unable to act in such capacity, and the General Manager's successor in functions, if any.

"Federal Government" means the United States, or any agency, instrumentality or corporation thereof.
"Federal Securities" means bills, certificates of indebtedness, notes, bonds or similar securities which are direct obligations of, or the principal and interest of which securities are unconditionally guaranteed by, the United States.

"Fiscal Year" means the 12 months commencing on July 1 of any calendar year and ending on June 30 of the next succeeding calendar year; but if the Nevada Legislature changes the statutory fiscal year relating to the District, the Fiscal Year shall conform to such modified statutory fiscal year from the time of such modification, if any.

"General Taxes" means general (ad valorem) taxes levied by the Board in conjunction with the County against all taxable property within the boundaries of the District (unless otherwise qualified).

"Gross Revenues" or "Gross Pledged Revenues" means all income and revenues derived directly or indirectly by the District from the operation and use and otherwise pertaining to the System or any part thereof.

"Net Revenues," "Net Pledged Revenues" or "Pledged Revenues" means the Gross Revenues remaining after the deduction of Operation and Maintenance Expenses.

"Operation and Maintenance Expenses" means all reasonable and necessary current expenses of the District, paid or accrued, of operating, maintaining and repairing the System, including, without limitation:

(a) engineering, auditing, reporting, legal and other overhead expenses relating to the administration, operation and maintenance of the System;

(b) fidelity bond and property and liability insurance premiums pertaining to the System or a reasonably allocable share of a premium of any blanket bond or policy pertaining to the System;

(c) payments to pension, retirement, health and hospitalization funds, and other insurance and to any self-insurance fund as insurance premiums not in excess of such premiums which would otherwise be required for such insurance;
(d) any general taxes, assessments, excise taxes or other charges which may be lawfully imposed upon the District, the System, revenues therefrom or the District's income from or operations of any properties under its control and pertaining to the System, or any privilege in connection with the System or its operations;

(e) the reasonable charges of any Paying Agent or Registrar and any other depository bank pertaining to the Bonds or any other securities payable from Gross Revenues or otherwise pertaining to the System;

(f) contractual services, professional services, salaries, other administrative expenses and costs of materials, supplies, repairs and labor pertaining to the System or to the issuance of the Bonds as herein defined, or any other securities relating to the System, including, without limitation, the expenses and compensation of any receiver or other fiduciary under the Bond Act;

(g) the costs incurred by the Board in the collection and any refunds of all or any part of Gross Revenues;

(h) any costs of utility services furnished to the System;

(i) any lawful refunds of any Gross Revenues; and

(j) all other administrative, general and commercial expenses pertaining to the System;

but excluding:

(i) any allowance for depreciation;

(ii) any costs of extensions, enlargements, betterments and other improvements, or any combination thereof;

(iii) any accumulation of reserves for major capital replacements, other than normal repairs;
(iv) any reserves for operation, maintenance or repair of the System;

(v) any allowance for the redemption of any bond or other security evidencing a loan or other obligation or for the payment of any interest thereon or any prior redemption premium due in connection therewith;

(vi) any liabilities incurred in the acquisition or improvement of any properties comprising any project or of any existing facilities, or any combination thereof, pertaining to the System, or otherwise; and

(vii) any liabilities imposed on the District for any grounds of legal liability not based on contract, including, without limitation, negligence in the operation of the System.

"Outstanding" when used with reference to the Bonds or any other designated securities payable from Net Revenues and as of any particular date means all of the Bonds in any manner theretofore and thereupon being executed and delivered:

(a) Except any bond or other security canceled by the District, the Paying Agent or otherwise on the District's behalf, at or before such date;

(b) Except any bond or other security for the payment or the redemption of which moneys at least equal to its Bond Requirements to the date of maturity or to any Redemption Date shall have heretofore been deposited with a trust bank in escrow or in trust for that purpose; and

(c) Except any bond or other security in lieu of or in substitution for which another Bond or other security shall have been executed and delivered.

"Parity Securities" or "Parity Bonds" means the 2009A Bonds, the 2008 Bonds, the 2007 Bonds, the 2003 Bonds and any other securities of the District pertaining to the System and
payable from and secured by Net Revenues on a parity with the Bonds, to the extent issued in accordance with the terms, conditions and limitations hereof.


"Person" means a corporation, firm, other body corporate (including, without limitation, the Federal Government, the State or any other body corporate and politic other than the District), partnership, association or individual, and also includes an executor, administrator, trustee, receiver or other representative appointed according to law.

"Qualified Swap" means any financial arrangement (i) that is entered into by the District with an entity that is a Qualified Swap Provider at the time the arrangement is entered into; (ii) that provides that the District shall pay to such entity an amount based on the interest accruing at a fixed rate on an amount equal to a designated principal amount of variable interest rate Superior Securities or Parity Securities Outstanding as described therein, and that such entity shall pay to the District an amount based on the interest accruing on such principal amount at a variable rate of interest computed according to a formula set forth in such arrangement (which need not be the same as the actual rate of interest borne by such Superior Securities or Parity Securities) or that one shall pay to the other any net amount due under such arrangement; and (iii) which has been designated in writing by the District as a Qualified Swap with respect to such obligations.

"Qualified Swap Provider" means a financial institution whose senior long-term debt obligations, or whose obligations under a Qualified Swap are guaranteed by a financial institution whose senior long term debt obligations, are rated by whichever of Standard and Poors' Ratings Service or Moody's Investors Service as then has a rating in effect for the Bonds or both such agencies if both then have a rating in effect for the Bonds, at the time the subject Qualified Swap is entered into at least "Aa" in the case of Moody's and "AA" in the case of Standard & Poor's, or the equivalent thereof.

"Redemption Date" means a date fixed for the redemption prior to their respective maturities of any Bonds or other designated securities payable from any Net Revenues in any notice of prior redemption or otherwise fixed and designated by the District.
"Redemption Price" means, when used with respect to a Bond or other designated security payable from any Net Revenues, the principal amount thereof plus the applicable premium, if any, payable upon the redemption thereof prior to the stated maturity date of such Bond or other security on a Redemption Date in the manner contemplated in accordance with the security's terms.

"Registrar" means The Bank of New York Mellon Trust Company, N.A., or any successor thereto as registrar for the Bonds.

"Subordinate Securities" means securities of the District pertaining to the System and payable from and secured by Net Revenues subordinate and junior to the pledge thereof to the Bonds, to the extent issued in accordance with the terms, conditions and limitations hereof.

"Superior Securities" means securities of the District pertaining to the System and payable from and secured by Net Revenues superior and senior to the pledge thereof to the Bonds, to the extent issued in accordance with the terms, conditions and limitations hereof.

"Tax Code" means the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds.

"Trust Bank" means a "commercial bank", as defined herein, which bank is authorized to exercise and is exercising powers, and also means any branch of the Federal Reserve Bank.

Other capitalized terms used herein shall have the meanings given to such terms in the text hereof, except where the context by clear implication otherwise requires.

SECTION 3. Authorization of Official Statement; Sale of Bonds. The preliminary official statement concerning the Bonds (the "Preliminary Official Statement") is hereby authorized and the General Manager or the Chief Financial Officer is hereby authorized to deem the Preliminary Official Statement "final" for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

The distribution of the Preliminary Official Statement to prospective purchasers of the Bonds is hereby approved and authorized. The preparation of a final official statement in substantially the form of the Preliminary Official Statement with such amendments as the General Manager or the Chief Financial Officer shall approve (the "Official Statement") and the distribution of the Official Statement is hereby authorized, directed and approved. The General Manager or the Chief Financial Officer is hereby authorized and directed to affix his or her signature to the Official Statement for
and on behalf of the Board. The General Manager or Chief Financial Officer is authorized to accept the Bond Purchase Proposal submitted by the Purchaser by executing the Certificate of the Manager, subject to the terms and conditions specified herein.

SECTION 4. Ratification. All action heretofore taken by the Board and the officers of the District directed toward the Project and toward the issuance, sale and delivery of the Bonds is hereby ratified, approved and confirmed.

SECTION 5. Estimated Life of Facilities. The Board, on behalf of the District, has determined and does hereby declare:

A. The estimated life or estimated period of usefulness of the project financed with the proceeds of the Bonds is not less than 30 years from the date of the Bonds; and

B. The Bonds shall mature at such time or times not exceeding such estimated life or estimated period of usefulness.

SECTION 6. Necessity of Project and Bonds. It is necessary and in the best interests of the Board, its officers, and the inhabitants of the District, that the District effect the Project and defray wholly or in part the cost thereof by the issuance of the Bonds therefor; and it is hereby so determined and declared.

SECTION 7. Authorization of Project. The Board hereby authorizes the Project.

SECTION 8. Resolution to Constitute Contract. In consideration of the purchase and the acceptance of the Bonds by those who shall own the same from time to time, the provisions hereof shall be deemed to be and shall constitute a contract between the District and the registered owners from time to time of the Bonds.

SECTION 9. Bonds Equally Secured. The covenants and agreements herein set forth to be performed shall be for the equal benefit, protection and security of the owners of any and all of the Outstanding Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction except as otherwise expressly provided in or pursuant to this Resolution.

SECTION 10. General Obligations. All of the Bonds, as to their Bond Requirements, shall constitute general obligations of the District, which hereby pledges its full faith
and credit for their payment. So far as possible, Bond Requirements shall be paid from Pledged Revenues. However, the Bonds as to all Bond Requirements shall also be payable from the General Taxes (except to the extent that other moneys such as Net Revenues are available therefor) 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 District, except for the proceeds of General Taxes and any other moneys pledged for the payment of the Bonds. No property of the District, subject to such exception, shall be liable to be forfeited or taken in payment of the Bonds.

SECTION 12. No Recourse Against Officers and Agents. No recourse shall be had for the payment of the Bond Requirements of the Bonds or for any claim based thereon or otherwise upon this Resolution authorizing their issuance or any other instrument relating thereto, against any individual member of the Board or any officer or other agent of the Board or District, past, present or future, either directly or indirectly through the Board or the District, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of the Bonds and as a part of the consideration of its issuance specially waived and released.

SECTION 13. Authorization of Bonds. For the purpose of providing funds to pay all or a portion of the cost of the Project, the District shall issue the "Clark County Water Reclamation District, Nevada, General Obligation (Limited Tax) Water Reclamation Bonds (Additionally Secured by Pledged Revenues), Series 2009B" in the aggregate principal amount as designated in the Certificate of the Manager (such principal amount not to exceed the principal amount necessary to effect the Project and shall not exceed $125,000,000).

SECTION 14. Bond Details; Custodial Deposit.

A. Bond Details. The Bonds shall be issued in fully registered form, i.e., registered as to both principal and interest, in compliance with Section 149 of the Tax Code, and the regulations of the Secretary of the Treasury thereunder. The Bonds shall be dated as of the date of delivery to the Purchaser. Except as otherwise provided in Section 14(B) hereof, shall be issued in denominations of $5,000 or any integral multiple thereof (provided that no Bond may be in a denomination which exceeds the principal coming due on any maturity date, and no individual Bond
will be issued with more than one maturity). The Bonds shall be numbered from 1 upward. The Bonds shall bear interest, calculated on a 360 day year of twelve 30 day months, from their date until their respective maturity dates (or, if redeemed prior to maturity as provided below, their redemption dates) at the respective rates set forth in the Certificate of the Manager, payable semiannually on July 1 and January 1 of each year commencing on January 1, 2010; provided that those Bonds which are reissued upon transfer, exchange or other replacement shall bear interest at the rates set forth in the Certificate of the Manager from the most recent interest payment date to which interest has been paid or duly provided for, or if no interest has been paid, from the date of the Bonds. The Bonds shall mature on July 1 in each of the amounts of principal and years as designated in the Certificate of the Manager not to exceed 30 years from the date of delivery of the Bonds.

The principal of and redemption premium, if any, on any Bond shall be payable to the registered owner thereof as shown on the registration records kept by the Registrar upon maturity or prior redemption thereof and upon presentation and surrender at the office of the Paying Agent, in Los Angeles, California, or at such other office as shall be designated by the Paying Agent. If any Bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the interest rate borne by said Bond until the principal thereof is paid in full. Except as otherwise provided in Section 14(B) hereof, payment 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 or her address as shown on the registration records kept by the Registrar as of the close of business on the fifteenth day of the calendar month next preceding each interest payment date (the "Regular Record Date"); but any such interest not so timely paid or duly provided for shall cease to be payable to the owner thereof as shown on the registration records of the Registrar as of the close of business on the Regular Record Date and shall be payable to the owner thereof, at his or her address, as shown on the registration records of the Registrar as of the close of business on a date fixed to determine the names and addresses of owners for the purpose of paying defaulted interest (the "Special Record Date"). Such Special Record Date and the date for payment of defaulted interest shall be fixed by the Paying Agent whenever moneys become available for payment of the defaulted interest, and notice of the
Special Record Date and the date for payment of defaulted interest shall be given to the owners of the Bonds not less than ten days prior thereto by first-class mail to each such owner as shown on the Registrar's registration records as of a date selected by the Registrar, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. The Paying Agent may make payments of interest on any Bond by such alternative means as may be mutually agreed to between the owner of such Bond and the Paying Agent. All such payments shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar.

B. Custodial Deposit.

1. The District may provide for the Bonds to be issued in book entry only form, in which case the Bonds shall initially be evidenced by one Bond for each year in which the Bonds mature in denominations equal to the principal amount which matures in each such year. Such initially delivered Bonds shall be registered in the name of "Cede & Co.," as nominee for The Depository Trust Company, the depository for the Bonds. The Bonds may not thereafter be transferred or exchanged except:

(a) To any successor of The Depository Trust Company or its nominee which successor of The Depository Trust Company must be both a "clearing corporation" as defined in NRS 104.8102, and a qualified and registered "clearing agency" under Section 17A of the Securities Exchange Act of 1934, as amended;

(b) Upon the resignation of The Depository Trust Company or a successor or new depository under clause (a) or this clause (b) of this Section 14(B)(1) or a determination of the District that The Depository Trust Company or such successor or new depository is no longer able to carry out its functions and the designation by the District of another depository institution, acceptable to the District and to the depository then holding the Bonds which new depository institution must be both a "clearing corporation" as defined in NRS 104.8102 and a qualified and
registered "clearing agency" under Section 17A of the Securities Exchange Act of 1934, as amended, to carry out the functions of The Depository Trust Company or such successor or new depository; or

(c) Upon the resignation of The Depository Trust Company or a successor depository or new depository under clause (a) or (b) of this Section 14(B)(1) or a determination by the District that The Depository Trust Company, or such successor or new depository is no longer able to carry out its functions and the failure by the District, after reasonable investigation, to locate another qualified depository institution under clause (b) to carry out the functions of The Depository Trust Company or such successor or new depository.

2. In the case of a transfer to a successor of The Depository Trust Company or its nominee as referred to in clause (a) of Section 14(B)(1) hereof or in the case of designation of a new depository pursuant to clause (b) of Section 14(B)(1) hereof upon receipt of the Outstanding Bonds by the Registrar, together with written instructions for transfer satisfactory to the Registrar, a new Bond for each then outstanding maturity shall be issued to such successor or new depository, as the case may be, or its nominee, as is specified in such written transfer instructions. In the case of a resignation or determination under clause (c) of Section 14(B)(1) hereof and the failure after reasonable investigation to locate another qualified depository institution for the Bonds as provided in clause (c) of Section 14(B)(1) hereof, and upon receipt of the Outstanding Bond by the Registrar, together with written instructions for transfer satisfactory to the Registrar, new Bonds shall be issued in the denominations of $5,000 or any integral multiple thereof, as provided in and subject to the limitations of Section 14(A), registered in the names of such persons, and in such denominations as are requested in such written transfer instructions; however, the Registrar shall not be required to deliver such new Bonds within a period of less than 60 days from the date of receipt of such written transfer instructions.

3. The District and the Registrar and Paying Agent shall be entitled to treat the registered owner of any Bond as the absolute owner thereof for all purposes
hereof and any applicable laws, notwithstanding any notice to the contrary received by any or all of them and the District and the Registrar and Paying Agent shall have no responsibility for transmitting payments or notices to the beneficial owners of the Bond held by The Depository Trust Company or any successor or new depository named pursuant to Section 14(B)(1) hereof.

4. The District, the Registrar and the Paying Agent shall endeavor to cooperate with The Depository Trust Company or any successor or new depository named pursuant to clause (a) or (b) of Section 14(B)(1) hereof in effectuating payment of the Bond Requirements of the Bonds by arranging for payment in such a manner that funds representing such payments are available to the depository on the date they are due.

SECTION 15. Prior Redemption.

A. Optional Prior Redemption. Bonds maturing on or before the date set forth in the Certificate of the Manager are not subject to redemption prior to their maturity dates. Bonds maturing on and after the date set forth in the Certificate of the Manager shall be subject to redemption prior to their respective maturities at the option of the District on and after the date set forth in the Certificate of the Manager in whole or in part ($5,000 or any integral multiple thereof) at any time from any maturities selected by the Board and by lot within a maturity (giving proportionate weight to Bonds in denominations larger than $5,000), at a price equal to the principal amount of each Bond, or portion thereof, so redeemed, accrued interest thereon to the redemption date and a premium, if any, as set forth in the Certificate of the Manager.

B. Mandatory Redemption. The Bonds maturing on and after the date set forth in the Certificate of the Manager, if any (the "Term Bonds"), are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof and accrued interest to the redemption date. As and for a sinking fund for the redemption of the Term Bonds, there shall be deposited into the 2009B Bond Fund (defined below) on or before the dates set forth in the Certificate of the Manager, a sum which, together with other moneys available in the 2009B Bond Fund, is sufficient to redeem (after credit is provided below) on the dates and the principal amounts of the Term Bonds as set forth in the Certificate of the Manager, plus accrued interest to the redemption date.
Not more than sixty days nor less than thirty days prior to the sinking fund payment dates for the Term Bonds, the Registrar shall proceed to select for redemption (by lot in such a manner as the Registrar may determine) from all outstanding Term Bonds, a principal amount of the Term Bonds equal to the aggregate principal amount of the Term Bonds redeemable with the required sinking fund payments, and shall call such Term Bonds or portions thereof for redemption from the sinking fund on the next principal payment date, and give notice of such call as provided in Section 16 of this Resolution.

At the option of the District to be exercised by delivery of a written certificate to the Registrar not less than sixty days next preceding any sinking fund redemption date, it may (i) deliver to the Registrar for cancellation Term Bonds, or portions thereof ($5,000 or any integral multiple thereof) in an aggregate principal amount desired by the City or, (ii) specify a principal amount of Term Bonds, or portion thereof ($5,000 or any integral multiple thereof) which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and canceled by the Registrar and not theretofore applied as a credit against any sinking fund redemption obligation. Each Term Bond or portions thereof so delivered or previously redeemed shall be credited by the Registrar at 100% of the principal amount thereof against the obligation of the District on the sinking fund redemption dates and any excess shall be so credited against future sinking fund redemption obligations in such manner as the District determines. In the event the District shall avail itself of the provisions of clause (i) of the first sentence of this paragraph, the certificate required by the first sentence of this paragraph shall be accompanied by the respective Term Bonds or portions thereof to be canceled of in the event the Bonds are registered in the name of Cede & Co. as provided in Section 14(B) of this Resolution, the certificate required by the first sentence of this paragraph shall be accompanied by such direction and evidence of ownership as is satisfactory to The Depository Trust Company.

C. Partial Redemption. If any Bond is in a denomination larger than $5,000, a portion of such Bond ($5,000 or any integral multiple thereof) may be redeemed, in which case the Registrar shall, without charge to the registered owner of such Bond, authenticate and issue a replacement Bond or Bonds for the unredeemed portion thereof. In the case of a partial redemption of Bonds of a single maturity, the Paying Agent shall select the Bonds to be redeemed by lot at such
time as directed by the District (but at least 30 days prior to the redemption date) and if such selection for optional redemption is more than 60 days before a redemption date, shall direct the Registrar to appropriately identify the Bonds so called for redemption by stamping them at the time any Bond so selected for redemption is presented to the Registrar for stamping or for transfer or exchange, or by such other method of identification as is deemed adequate by the Registrar, and any Bond or Bonds issued in exchange for, or to replace, any Bond so called for prior redemption shall likewise be stamped or otherwise identified. Bonds may not be selected for mandatory redemption more than 60 days before the redemption date.

SECTION 16. Notice of Prior Redemption. Unless waived by any registered owner of a Bond to be redeemed, notice of prior redemption shall be given by the Registrar, by certified or registered mail as long as Cede & Co. is registered owner of the Bonds and otherwise by first-class mail, at least 30 days but not more than 60 days prior to the Redemption Date to the Municipal Securities Rulemaking Board ("MSRB") and to the registered owner of any Bond (initially Cede & Co.) all or a part of which is called for prior redemption at his or her address as it last appears on the registration records kept by the Registrar. The notice shall identify the Bonds and state that on such date the principal amount thereof, and premium, if any, thereon will become due and payable at the Paying Agent (accrued interest to the Redemption Date being payable by mail or as otherwise provided in this Resolution), and that after such Redemption Date interest will cease to accrue. After such notice and presentation of said Bonds, the Bonds called for redemption will be paid. Actual receipt of mailed notice by the MSRB or any registered owner of Bonds shall not be a condition precedent to redemption of such Bonds. Failure to give such notice by mailing to the registered owner of any Bond designated for redemption, or any defect therein, shall not affect the validity of the proceedings for the redemption of any other Bond. A certificate by the Registrar that notice of call and redemption has been given as provided in this Section shall be conclusive as against all parties; and no owner whose Bond is called for redemption or any other owner of any Bond may object thereto or may object to the cessation of interest on the Redemption Date on the ground that he failed actually to receive such notice of redemption.

Notwithstanding the provisions of this subsection, any notice of redemption may contain a statement that the redemption is conditional upon the receipt by the Paying Agent of funds
on or before the date fixed for redemption sufficient to pay the redemption price of the Bonds so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the owners of the Bonds called for redemption in the same manner as the original redemption notice was mailed.

SECTION 17. **Negotiability.** The Bonds shall be fully negotiable within the meaning of and for the purpose of the Uniform Commercial Code - Investment Securities and each owner shall possess all rights enjoyed by holders of negotiable instruments under the Uniform Commercial Code - Investment Securities.

SECTION 18. **Registration, Transfer and Exchange of Bonds.** Except as otherwise provided in Section 14(B) hereof:

A. Records for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender 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 owner or his or her attorney duly authorized in writing, the Registrar shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount and of the same maturity, bearing a number or numbers not previously assigned. Bonds may be exchanged at the Registrar for an equal aggregate principal amount of Bonds of the same maturity of other authorized denominations, as provided in Section 14(A) hereof. The Registrar shall authenticate and deliver a Bond or Bonds which the owner making the exchange is entitled to receive, bearing a number or numbers not previously assigned. For every exchange or transfer of Bonds requested by the owner thereof, the Registrar may make a sufficient charge to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and may charge a sum sufficient to pay the cost of preparing and authenticating a new Bond. No such charge shall be
levied in the case of an exchange resulting from an optional prior redemption of a Bond.

B. The Registrar shall not be required to transfer or exchange (i) any Bond subject to redemption during a period beginning at the opening of business fifteen (15) days before the date of mailing by the Registrar of a notice of prior redemption of Bonds and ending at the close of business on the date of such mailing, or (ii) any Bond after the mailing of notice calling such Bond, or any portion thereof, for redemption as herein provided.

C. The person in whose name any Bond shall be registered, on the registration records kept by the Registrar, shall be deemed and regarded as the absolute owner thereof for the purpose of payment and for all other purposes (except to the extent otherwise provided in Section 14(A) hereof with respect to interest payments); and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the owner thereof or his or her legal representative. 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.

D. If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it or the District may reasonably require, and upon payment of all expenses in connection therewith, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity, bearing a number or numbers not previously assigned. If such lost, stolen, destroyed or mutilated Bond shall have matured or shall have been called for redemption, the Registrar may direct that such Bond be paid by the Paying Agent in lieu of replacement.
E. Whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or to the Registrar for transfer, exchange or replacement as provided herein, such Bond shall be promptly canceled by the Paying Agent or Registrar, and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or Registrar to the Board if requested.

SECTION 19. **Execution and Authentication.**

A. Prior to the execution of any Bonds by facsimile signature and pursuant to NRS 350.638, to the act known as the Uniform Facsimile Signatures of Public Officials Act, cited as Chapter 351, NRS, and to the Supplemental Bond Act, the Chairman (the "Chairman"), the Clark County Treasurer who is the ex officio District Treasurer (the "Treasurer") and the Board Secretary (the "Secretary") shall each file with the Secretary of State of Nevada his or her manual signature certified by him or her under oath if the Bonds will bear facsimile signatures.

B. The Bonds shall be approved, signed and executed in the name of and on behalf of the District with the manual or facsimile signature of the Chairman, shall be countersigned and executed with the manual or facsimile signature of the Treasurer, and shall bear a manual impression or a facsimile of an impression of the official seal of the District attested with the manual or facsimile signature of the Secretary.

C. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication thereon, substantially in the form hereinafter provided, has been duly manually executed by the Registrar. By authenticating any of the Bonds initially delivered pursuant to this Resolution, the Registrar shall be deemed to have assented to all of the provisions of this Resolution.
D. The Chairman, the Treasurer and the Secretary are hereby authorized and directed to prepare and to execute the Bonds as herein provided.

SECTION 20. Use of Predecessor's Signature. The Bonds bearing the signatures of the officers in office at the time of the execution of the Bonds shall be valid and binding obligations of the District, notwithstanding that before their delivery any or all of the persons who executed them shall have ceased to fill their respective offices. The Chairman, the Treasurer, and the Secretary at the time of the execution of a signature certificate relating to the Bonds, may each 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.

SECTION 21. Incontestable Recital. Pursuant to NRS 350.628, 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. State Tax Exemption. Pursuant to NRS 350.710, 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, except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation skipping transfers imposed pursuant to Chapter 375B of NRS.

SECTION 23. Bond Form. Subject to the provisions of this Resolution, 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 Resolution, or be consistent with this Resolution 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

CLARK COUNTY WATER RECLAMATION DISTRICT, NEVADA
GENERAL OBLIGATION (LIMITED TAX)
WATER RECLAMATION BOND
(ADDITIONALLY SECURED BY PLEDGED REVENUES)
SERIES 2009B

<table>
<thead>
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<th>No.</th>
<th>$___________</th>
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<th>Interest Rate</th>
<th>Maturity Date</th>
<th>Dated As of</th>
<th>CUSIP</th>
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<td>_____% per annum</td>
<td>July 1, ___</td>
<td>_____ __, 2009</td>
<td></td>
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</table>

REGISTERED OWNER: **Cede & Co.**

PRINCIPAL AMOUNT: DOLLARS

The Clark County Water Reclamation District, a public corporation located in Clark County, Nevada (the "District", the "County", and the "State", respectively) for value received, hereby acknowledges itself to be indebted and promises to pay to the registered owner specified above, or registered assigns, the principal amount specified above, on the maturity date specified above (unless called for earlier redemption), and to pay interest thereon on July 1 and January 1 of each year, commencing on January 1, 2010, at the interest rate per annum specified above, until the principal sum is paid or payment has been provided for or, if such payment date is not a business day, on or before the next succeeding business day. This Bond shall bear interest from the most recent interest payment date to which interest has been paid or, if no interest has been paid, from the date of the bonds of which this Bond is one (the "Bonds"). The principal of and redemption premium, if any, on this Bond are payable upon maturity or prior redemption and upon presentation and surrender hereof at the principal office of the District's paying agent for the Bonds (or at such other office as shall be designated by such paying agent) or any successor (the "Paying Agent"), presently The Bank of New York Mellon Trust Company, N.A. in Los Angeles, California, who is also now acting as the District's Registrar for the Bonds (the "Registrar"). Interest on this Bond will be paid on or before each interest payment date (or, if such date is not a business day, on or before the next succeeding business day) by check or draft mailed to the person in whose name this Bond is registered (the "registered owner") in the registration records of the District maintained by the Registrar, at the address appearing thereon, as of the close of business on the fifteenth day of the calendar month next preceding such interest payment date (the "Regular Record Date"). Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner as of the close of business on the Regular Record Date and shall be payable to the
person who is the registered owner as of the close of business on a special record date for the payment of any defaulted interest (the "Special Record Date"). Such Special Record Date and the date for payment of defaulted interest shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date and the date for payment of defaulted interest shall be given to the registered owner not less than ten (10) days prior thereto. Alternative means of payment of interest may be used if mutually agreed to by the registered owner and the Paying Agent, as provided in the Resolution of the Board authorizing the issuance of the Bonds and designated in Section 1 thereof as the "2009B Bond Resolution", duly adopted by the Board (the "Resolution"). All such payments shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar. If this Bond is not paid upon presentation at its maturity or prior redemption, interest at the rate specified above shall continue to be borne hereby until the principal hereof is discharged as provided in the Resolution.

This Bond is one of a series of Bonds (the "Bonds") issued by the District upon its behalf and upon the credit thereof, for the purpose of defraying wholly or in part the cost of the Project, as defined in the Resolution, under the authority of and in full compliance with the Constitution and laws of the State, and pursuant to the Resolution.

This Bond is issued pursuant to Nevada Revised Statutes ("NRS") chapter 318, pursuant to NRS 350.500 through 350.720, and all laws amendatory thereof designated in NRS 350.500 thereof as the Local Government Securities Law (the "Bond Act"); and pursuant to NRS chapter 348 (the "Supplemental Bond Law"); pursuant to NRS 350.628, this recital is conclusive evidence of the validity of the Bonds and the regularity of their issuance; and pursuant to NRS 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, except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation skipping transfers imposed pursuant to Chapter 375B of NRS.

The Bonds, or portions thereof, are subject to redemption prior to their maturity date as set forth in the Certificate of the Manager, as defined in the Resolution.

**The Bonds shall not be transferable or exchangeable, except as set forth in the Resolution. Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the District or its agent for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co., (or in such other name as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL, inasmuch as the registered owner hereof, Cede & Co., has an interest herein**

It is hereby certified, recited and warranted that all the requirements of law have been fully complied with by the proper officers of the District in the issuance of this Bond; that the total indebtedness of the District, 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 ("General Taxes") against all the taxable property
within the District sufficient to pay the principal of, interest on, and any prior redemption premiums
due on this Bond (the "Bond Requirements") when the same become due (except to the extent other
revenues are available therefor), subject to the limitations imposed by the Constitution and by the
statutes of the State; and that the full faith and credit of the District are hereby irrevocably pledged to
the punctual payment of Bond Requirements of this Bond according to its terms.

Payment of the principal of and interest on the Bonds are additionally secured by a
pledge of the net revenues (herein called the "Net Revenues") derived by the District from the
operation and use of, and otherwise pertaining to the System of the District, after provision is made
for the payment of all necessary and reasonable operation and maintenance expenses of the System,
which Net Revenues are so pledged as more specifically provided in the Resolution.

The Bonds are equally and ratably secured by such pledge of the Net Revenues, and
such pledge constitutes an irrevocable lien (but not necessarily an exclusive lien) upon the Net
Revenues, subject to and after the prior liens thereon of any Superior Securities, as defined in the
Resolution, and on a parity with the Parity Securities, as defined in the Resolution. Additional
securities may be issued and made payable from the Net Revenues of the System and having a lien
thereon subordinate to or on a parity with such pledge, in each case subject to the conditions of and
in accordance with the Resolution.

Reference is made to the Resolution and to the Bond Act for an additional description
of the nature and extent of the security for the Bonds, the accounts, funds, and revenues pledged, the
nature and extent and manner of enforcement of the pledge, the rights and remedies of the registered
owners of the Bonds with respect thereto, the terms and conditions upon which the Bonds are issued,
and a statement of rights, duties, immunities, and obligations of the District, and other rights and
remedies of the owners of the Bonds.

To the extent and in the respects permitted by the Resolution, the provisions of the
Resolution may be amended or otherwise modified by action of the District taken in the manner and
subject to the conditions and exceptions prescribed in the Resolution. The pledge of Net Revenues
under the Resolution may be discharged at or prior to the respective maturities or prior redemption of
the Bonds upon the making of provision for the payment thereof on the terms and conditions set
forth in the Resolution.

This Bond shall not be entitled to any benefit under the Resolution, or be valid or
obligatory for any purpose until the Registrar shall have manually signed the certificate of
authentication hereon.

*The Bonds are issuable solely in fully registered form in denominations of $5,000
each or (subject to certain conditions) any integral multiple thereof, and are exchangeable for fully
registered Bonds of the same maturity in equivalent aggregate principal amounts and in authorized
denominations at the aforesaid office of the Registrar but only in the manner, subject to the limitations, and on payment of charges provided in the Resolution.*

*This Bond is fully transferable by the registered owner in person or by his or her duly authorized attorney on the registration records kept by the Registrar upon surrender of this Bond together with a duly executed written instrument of transfer satisfactory to the Registrar. Upon such transfer a new fully registered Bond of authorized denomination or denominations of the same aggregate principal amount and maturity will be issued to the transferee in exchange for this Bond, on payment of the charges and subject to the terms and conditions as set forth in the Resolution.*

The District 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 payment and for all other purposes, except to the extent otherwise provided hereinabove and in the Resolution with respect to Regular and Special Record Dates for the payment of interest.

*The Registrar will not be required to transfer or exchange (i) any Bond subject to redemption during the period beginning at the opening of business fifteen (15) days before the day of mailing by the Registrar of a notice of prior redemption of Bonds and ending at the close of business on the day of such mailing, or (ii) any Bond after the mailing of a notice calling such Bond or any portion thereof for prior redemption.*

This Bond must be registered in the name of the owner as to both principal and interest on the registration records kept by the Registrar in conformity with the provisions stated herein and endorsed hereon and subject to the terms and conditions set forth in the Resolution. No transfer of this Bond shall be valid unless made on the registration records maintained at the principal office of the Registrar by the registered owner or his or her attorney duly authorized in writing.

No recourse shall be had for the payment of the Bond Requirements of this Bond or for any claim based thereon or otherwise in respect to the Resolution or other instrument pertaining thereto against any individual member of the Board, or any officer or other agent of the District, past, present, or future, either directly or indirectly through the Board or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of this Bond and as a part of the consideration of its issuance specially waived and released.

IN WITNESS WHEREOF, the Board of County Commissioners of Clark County, Nevada ex officio the Board of Trustees of the Clark County Water Reclamation District, has caused this Bond to be executed in the name and on behalf of the District with the manual or facsimile signature of the Chairman of the Board, to be attested, signed and executed with a manual or
facsimile signature of the Secretary, has caused a manual or facsimile impression of the seal of the District to be affixed hereon, and has caused this Bond to be countersigned with the manual or facsimile signature of the Treasurer, all as of ________ __, 2009.

CLARK COUNTY WATER RECLAMATION DISTRICT, NEVADA

By: ___(Manual or Facsimile Signature)___
Chairman, Board of Trustees
Clark County Water Reclamation District

Countersigned:

___(Manual or Facsimile Signature)___
County Treasurer, ex officio Treasurer
Clark County Water Reclamation District

(SEAL)

Attest:

___(Manual or Facsimile Signature)___
County Clerk, ex officio Secretary
Clark County Water Reclamation District

* Insert only if issued as serial bonds pursuant to Section 14(A) hereof.
** Insert only if issued as book entry bonds pursuant to Section 14(B) hereof.

(End of Form of Bond)
(Form of Registrar's Certificate of Authentication for Bonds)

Date of authentication and registration ____________________________

This is one of the Bonds described in the within-mentioned Resolution, and this Bond has been duly registered on the registration records kept by the undersigned as Registrar for such Bonds.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.
as Registrar

By (Manual Signature) ______
Authorized Officer

(End of Form of Registrar's Certificate of Authentication for Bonds)
(Form of Assignment for Bonds)

For value received, the undersigned hereby sells, assigns and transfers unto ___________________________________ the within Bond and hereby irrevocably constitutes and appoints ____________________________ attorney, to transfer the same on the records kept or registration of the within Bond, with full power of substitution in the premises.

Dated: _____________________________

Signature(s) guarantee should be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program

Name of Transferee: __________________________________________

Address of Transferee: ________________________________________
________________________________________________________________________
________________________________________________________________________

Social Security or other tax identification number of Transferee: ________________________________________

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.

NOTICE: TRANSFER FEES MUST BE PAID TO THE REGISTRAR IN ORDER TO TRANSFER OR EXCHANGE THIS BOND AS PROVIDED IN THE WITHIN-MENTIONED RESOLUTION.

(End of Form of Assignment for Bonds)
SECTION 24. **Delivery of Bonds; Deposit of Bond Proceeds.** Upon the issuance of the Bonds, the Chief Financial Officer shall cause the proceeds of the Bonds to be deposited into a special account hereby created and designated as the "Clark County Water Reclamation District, Nevada, General Obligation (Limited Tax) Water Reclamation Bonds (Additionally Secured by Pledged Revenues), Series 2009B Construction Account" (the "Construction Account") to be held by the District. Moneys in the Construction Account shall be used solely to defray wholly or in part the cost of the Project including, without limitation, as provided in NRS 350.516, all costs of issuing the Bonds, and the costs of rebates to the United States under Section 148 of the Tax Code, which the Board hereby determines are necessary and desirable and appertain to the Project. After the Project is complete and after all expenses have been paid or adequate provision therefor is made, pursuant to NRS 350.650, any unexpended balance of Bond proceeds (or, unless otherwise required by law, any other moneys) remaining in the Construction Account shall be deposited into the 2009B Bond Fund created herein to be used to pay the principal of and interest on the Bonds.

SECTION 25. **Completion of Project.** The District, with the proceeds derived from the sale of the Bonds, shall proceed to complete the Project with due diligence to the best of the District's ability hereinafore provided.

SECTION 26. **Use of Investment Gain.** Pursuant to NRS 350.658 and except as may otherwise be required hereby, any gain from any investment and any reinvestment of any proceeds of the Bonds shall be deposited promptly upon the receipt of such gain at any time or from time to time into the Construction Account, and if not needed for the Project, into the 2009B Bond Fund, hereinafter created, for the respective payment of the principal of or interest on the Bonds or any combination thereof. As provided in Section 32 hereof, the annual General Taxes for the payment of the principal of or interest on the Bonds levied after such deposits of any such investment or reinvestment gain, may be diminished to the extent of the availability of such deposit for the payment of such principal or interest.

SECTION 27. **Purchaser Not Responsible.** The validity of the Bonds shall not be dependent on nor be affected by the validity or regularity of any proceedings relating to the Project, or any part thereof, or to the completion of the Project. Neither the Purchaser, any associate thereof, nor any subsequent owner of any Bond shall in any manner be responsible for the application or
disposal by the District or by any of its officers, agents and employees of the moneys derived from the sale of the Bonds or of any other moneys referred to in this Resolution.

SECTION 28. General Tax Levies. So far as possible, the Bond Requirements of the Bonds shall be paid from Net Revenues of the System as described herein. However, pursuant to NRS 350.596, the principal and interest falling due on the Bonds at any time when there is not sufficient funds in the 2009B Bond Fund (as defined below) to pay such principal and interest on the Bonds when due, shall be paid out of a general fund of the District or out of any other funds that may be available for such purpose, including, without limitation, any proceeds of General Taxes. 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 Bond Requirements, there are hereby created separate accounts designated respectively as the "Clark County Water Reclamation District, Nevada, General Obligation (Limited Tax) Water Reclamation Bonds (Additionally Secured by Pledged Revenues), Series 2009B, Principal Account" (the "Principal Account") and the "Clark County Water Reclamation District, Nevada, General Obligation (Limited Tax) Water Reclamation Bonds (Additionally Secured by Pledged Revenues), Series 2009B, Interest Account" (the "Interest Account") (collectively, the "2009B Bond Fund"). Pursuant to NRS 350.592 and 350.594, there shall be duly levied immediately after the issuance of the Bonds and annually thereafter, until all of the Bond Requirements 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 District, 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 principal and interest, and to pay the interest on the Bonds becoming due after such initial installment, and to pay, retire and redeem the Bonds as they thereafter become due at maturity as herein provided, 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 or appropriation resolution for the District, the Board 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 Board, including, without limitation, the Bonds, subject to the
limitation imposed by NRS 361.453 and Section 2, art. 10, State Constitution, and the amount of money necessary for this purpose shall be a first charge against all the revenues received by the Board.

SECTION 29. Priorities for Bonds. As provided in NRS 361.463, in any year in which the total General Taxes levied against the property in the District by all overlapping units within the boundaries of the District exceeds the limitation imposed by NRS 361.453, or a lesser or greater amount fixed by the State Board of Examiners in any fiscal year, and it becomes necessary by reason thereof to reduce the levies made by any and all such units, the reductions so made shall be in General Taxes levied by such unit or units (including, without limitation, the District and the State) for purposes other than the payment of their bonded indebtedness, including interest thereon. The General Taxes levied for the payment of such bonded indebtedness and the interest thereon shall always enjoy a priority over General Taxes levied by each such unit (including, without limitation, the District and the State) for all other purposes where reduction is necessary in order to comply with the limitation of NRS 361.453.

SECTION 30. 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 Bonds herein authorized shall be kept in the 2009B Bond Fund, which shall be used for no other purpose than the payment of principal and interest, respectively, as the same fall due.

SECTION 31. Use of General Funds. Any sums becoming due on the Bonds at any time when there are on hand from such General Taxes (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 District, reimbursement to be made for such general funds in the amounts so advanced when the General Taxes herein provided for have been collected, pursuant to NRS 350.596.

SECTION 32. Use of Other Funds. Nothing in this Resolution prevents the District from applying any funds (other than General Taxes but including Net Revenues as herein defined) that may be available for that purpose to the payment of the Bond Requirements as the same, respectively, fall due, and upon such payments, the levy or levies herein provided may thereupon to that extent be diminished, pursuant to NRS 350.598.
SECTION 33. **Legislative Duties.** In accordance with NRS 350.592, it shall be the duty of the Board annually, at the time and in the manner provided by law for levying other General Taxes of the District, if such action shall be necessary to effectuate the provisions of this Resolution, to ratify and carry out the provisions hereof with reference to the levy and collection of General Taxes; and the Board shall require the officers of the County to levy, extend and collect such General Taxes in the manner provided by law for the purpose of creating funds for the payment of the principal of the Bonds and the interest thereon. Such General Taxes when collected shall be kept for and applied only to the payment of the principal of and the interest on the Bonds as hereinbefore specified.

SECTION 34. **Appropriation of General Taxes.** In accordance with NRS 350.602, there is hereby specially appropriated the proceeds of such General Taxes to the payment of such principal of and interest on the Bonds; and such appropriations will not be repealed nor the General Taxes postponed or diminished (except as herein otherwise expressly provided) until the Bond Requirements of the Bonds have been wholly paid.

SECTION 35. **Pledge of Net Revenues.** Subject only to the provisions of this Resolution permitting the application thereof for or to the purposes and on the terms and conditions set forth herein, there are hereby additionally pledged to secure the payment of principal of and interest on the Bonds in accordance with their terms and the provisions of this Resolution, all of the Net Revenues of the System. This pledge shall be valid and binding from and after the date of the delivery of the Bonds; and the Net Revenues, as received by the District shall immediately be subject to the lien of this pledge without any physical delivery thereof, any filing or further act; and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the District (except as herein otherwise provided) irrespective of whether such parties have notice thereof. The lien of this pledge and the obligation to perform the contractual provisions hereby made shall have priority over any and all other obligations and liabilities of the District payable from the Net Revenues, except as herein otherwise provided. The lien of this pledge for the Bonds shall be subject to and after the first lien of any Superior Securities hereafter issued. The lien of this pledge for the Bonds shall be on a parity with the lien of the pledge of the Net Revenues to any Parity Securities Outstanding or hereafter issued.
SECTION 36. Revenue Fund. So long as any of the Bonds shall be Outstanding, the entire Gross Revenues, upon their receipt from time to time by the District, shall be set aside and credited immediately to a separate account heretofore created, renamed and continued hereby as the "Clark County Water Reclamation District, Nevada, Reclamation System Gross Pledged Revenues Fund" (the "Revenue Fund"). So long as any of the Bonds hereby authorized shall be Outstanding, the Revenue Fund shall be administered and the moneys on deposit therein shall be applied in the order of priority specified herein.

SECTION 37. Operation and Maintenance Fund; Superior Securities.

A. First, from time to time there shall be transferred and credited to a separate account heretofore created and renamed herein and designated as the "Clark County Water Reclamation District, Nevada, Reclamation System Facilities Operation and Maintenance Fund" (the "Operation and Maintenance Fund"), moneys sufficient to pay Operation and Maintenance Expenses, as budgeted and approved in accordance with law, as such expenses become due and payable, and thereupon they shall be promptly paid. Any surplus remaining in the Operation and Maintenance Fund at the end of the fiscal year of the District and not needed for Operation and Maintenance Expenses shall be transferred to the Revenue Fund.

B. Second, after such payments are made into the Operation and Maintenance Fund, there shall be set aside and credited to the bond funds (including any reasonable reserve requirements, rebate requirements, and payments due on any Qualified Swap) for any Superior Securities hereafter issued, such amounts as are required to be deposited by the resolutions authorizing the issuance of the Superior Securities.

Section 38. Bond Fund. Third, from any moneys thereafter remaining in the Revenue Fund, i.e., from the Net Revenues after provision for payment of the Superior Securities and any reserves therefor, there shall be transferred and credited to the bond funds established for the
Parity Securities the amounts required to be deposited by the resolutions authorizing the issuance of the Parity Securities and the amounts required by future resolutions for the payment of any Parity Securities hereafter issued (including payments due on any Qualified Swap). Concurrently with such transfers, there shall be transferred to the 2009B Bond Fund, monthly, commencing on the date provided below succeeding the delivery of the Bonds the amount, including payments due on any Qualified Swap, necessary to accumulate by substantially equal monthly installments (together with any other moneys from time to time available therefor from whatever sources) the amount necessary to pay:

A. Commencing on the first day of the month succeeding delivery of the Bonds (after taking into account any accrued interest, if any, paid into the 2009B Bond Fund), a sum at least equal to the amount, if paid monthly, of the next maturing installment of interest on the Bonds, and monthly thereafter, one-sixth of the amount necessary to pay the next maturing installment of interest on the Bonds.

B. Commencing twelve months before the first principal payment on the Bonds, one-twelfth of the amount necessary to pay the next installment of principal of the Bonds.

SECTION 39. Rebate Account. Fourth, after the aforementioned deposits, from the Net Revenues, there shall be transferred and credited to a special and separate account hereby created and designated as the "Clark County Water Reclamation District, Clark County, Nevada, General Obligation (Limited Tax) Water Reclamation Bonds (Additionally Secured by Pledged Revenues), Series 2009B Rebate Account (the "2009B Rebate Account") (and to any other fund or account established for the payment of rebates to the United States in accordance with Section 148(f) of the Tax Code on Parity Securities), such amounts as are required to be deposited therein to meet the District's obligations under the covenant contained in Section 53 hereof, in accordance with Section 148(f) of the Tax Code. Such deposits shall be made at such times as are required by Section 148(f) of the Tax Code and such covenant and amounts in the 2009B Rebate Account shall be used for the purpose of making the payments to the United States required by such covenant and Section 148(f)
of the Tax Code. Any amounts in the 2009B Rebate Account in excess of those required to be on deposit therein may be withdrawn therefrom and deposited into the Revenue Fund.

SECTION 40. Payment of Additional Securities. Fifth, and subject to the provisions hereinabove stated but either concurrently with or subsequent to the payments required hereinabove, any moneys remaining in the Revenue Fund may be used by the District for the payment of Bond Requirements of additional bonds or other additional securities payable from the Net Revenues and hereafter authorized to be issued in accordance with this Resolution, including reasonable reserves for such securities and amounts required to be rebated to the United States for such securities, as the same accrue. The lien of such additional bonds or other additional securities on the Net Revenues and the pledge thereof for the payment of such additional securities shall be superior to, on a parity with or subordinate to the lien and pledge of the Bonds as herein provided. Payments for interest, principal and Rebate Accounts for Parity Securities shall be made concurrently with the payments required by Sections 38 and 39, but payments for the interest, principal and Rebate Accounts for additional subordinate securities shall be made after the payments required by Sections 38 and 39 hereof.

SECTION 41. Surplus Revenues. Sixth, after the payments hereinabove required to be made, any remaining revenues in the Revenue Fund may be used at the end of any Fiscal Year of the District, or whenever there shall have been credited all amounts required to be deposited in the respective foregoing separate accounts for all of that Fiscal Year, for any lawful purposes of the District, as the Board may from time to time determine, including, without limitation, for the creation of operation and maintenance reserves and capital reserves, the payment of capital costs and major maintenance costs of the System, to pay any other obligations pertaining to the System or otherwise.

SECTION 42. Termination of Deposits. No payment need be made into the 2009B Bond Fund if the amounts in that fund total a sum at least equal to the entire amount of the Outstanding Bonds as to all Bond Requirements to their respective maturities both accrued and not accrued, in which case moneys in such account in an amount, except for any interest or other gain to accrue from any investment of moneys in Federal Securities (as herein defined) from the time of any such investment to the time or respective times the proceeds of any such investment or deposit shall
be needed for such payment, at least equal to such Bond Requirements, shall be used, together with any such gain from such investments, solely to pay such Bond Requirements as the same become due.

SECTION 43. Equal Security. The Bonds and any Parity Securities hereafter or heretofore issued from time to time Outstanding shall be equally and ratably secured by the pledge of Net Revenues hereunder and shall not be entitled to any priority one over the other in the application of the Net Revenues regardless of the time or times of the issuance of the Bonds and any such Parity Securities.

SECTION 44. Defraying Delinquencies. If at any time (including a date on which a payment under a Qualified Swap is due) the District shall for any reason fail to pay into the 2009B Bond Fund or the 2009B Rebate Account the full amount above stipulated from the Net Revenues, then an amount shall be paid first into the 2009B Bond Fund and second into the 2009B Rebate Account at such time as Net Revenues are available therefor equal to the difference between that paid from the Net Revenues and the full amount so stipulated. If securities (other than the Bonds) are Outstanding, the payment of which are secured by a lien on the Net Pledged Revenues which lien is on a parity with the lien hereon of the Bonds, and if the proceedings authorizing issuance of those securities require the replacement of moneys in a bond fund, reserve fund or rebate account therefor, then the moneys replaced in such funds shall be replaced on a pro rata basis related to the principal amount of the then Outstanding Bonds and the then Outstanding other Parity Securities, as moneys become available therefor, first into all of such bond and reserve funds and second into all such rebate accounts.

SECTION 45. Conditions to Additional Superior Securities and Parity Securities.

A. Nothing herein, except as expressly hereinafter provided, shall prevent the issuance by the District of additional securities payable from Net Revenues and constituting a lien thereon on a parity with, or constituting a lien thereon superior to, the lien thereon of the Bonds, provided, however, that the following are express conditions to the authorization and issuance of any such Superior Securities or Parity Securities:

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(1) At the time of adoption of the instrument authorizing the issuance of the additional Superior Securities or Parity Securities, the District shall not be in default in the payment of principal of or interest on the Bonds.

(2) The Net Revenues (subject to adjustments as hereinafter provided) projected by the General Manager of the District, the Chief Financial Officer, or an independent accountant or consulting engineer to be derived in the later of (i) the Fiscal Year immediately following the Fiscal Year in which the facilities to be financed with the proceeds of the additional Superior Securities or Parity Securities are projected to be completed or (ii) the first Fiscal Year for which no interest has been capitalized for the payment of any Superior Securities or Parity Securities, including the Superior Securities or Parity Securities proposed to be issued, will be sufficient to pay at least an amount equal to the principal and interest requirements (to be paid during that Fiscal Year) of all Outstanding Superior Securities, Outstanding Parity Securities, the Outstanding Bonds, and the Superior Securities or Parity Securities proposed to be issued (excluding any reserves therefor).

B. In any determination of whether or not additional Superior Securities or Parity Securities may be issued in accordance with the foregoing earnings test, consideration shall be given to any probable estimated increase or reduction in Operation and
Maintenance Expenses that will result from the expenditure of the funds proposed to be derived from the issuance and sale of the additional Superior Securities or Parity Securities.

C. In any determination of whether or not additional Superior Securities or Parity Securities may be issued in accordance with the foregoing earnings test: (i) the respective annual principal (or Redemption Price) and interest requirements shall be reduced to the extent such requirements are scheduled to be paid with moneys held in trust or in escrow for that purpose by any Trust Bank within or without the State, including the known minimum yield from any investment in Federal Securities (as herein defined); and (ii) the respective annual principal and interest requirements shall be reduced to the extent of the amount of principal and interest of any outstanding securities with a term of one year or less which the General Manager or Chief Financial Officer certifies are expected to be refunded. The certificate shall also provide an estimate of the debt service for the long-term refunding obligations that will refund the securities with the term of one year or less, calculated based on an interest rate equal to the A25 Bond Revenue Index most recently published in The Bond Buyer prior to the date of certification.

D. For the purposes of Subsection A of this section, if any Superior Security or Parity Security bears interest at a variable interest rate and is not covered by a Qualified Swap, the rate of interest used in the foregoing test shall be the lesser of the maximum permitted rate of interest on those Superior Securities or Parity Securities or a rate equal to the "25 Bond Revenue Index" as most recently published in The Bond Buyer prior to the date a firm offer to purchase the then proposed Superior Securities or Parity Securities is accepted by the District or if such index is no longer published such
other similar long-term bond index as the District reasonably selects. In addition, any such variable interest rate securities must meet the requirements of the insurer of the Bonds, if any.

E. Termination payments due under a Qualified Swap Agreement must be subordinate to the payments of the Bond Requirements of any Bonds, unless all of the Outstanding Bonds are insured by a bond insurer whose rating issued by Standard and Poors' Rating Services or Moody's Investors Service or both (whichever has a rating in effect for the Outstanding Bonds) is equal to or better than the rating the Bonds would have without such insurance, and the insurer of the outstanding Bonds consents to the lien position of such termination payment prior to the execution of such Qualified Swap Agreement.

F. A written certificate or written opinion by the General Manager of the District, the Chief Financial Officer or an independent accountant or consulting engineer that the foregoing earnings test is met, shall be conclusively presumed to be accurate in determining the right of the District to authorize, issue, sell and deliver additional Superior Securities or Parity Securities.

G. In connection with the authorization of any such additional securities the Board may on behalf of the District adopt any additional covenants or agreements with the holders of such additional securities; provided, however, that no such covenant or agreement may be in conflict with the covenants and agreements of the District herein. Any finding of the District to the effect that the foregoing requirements are met shall, if made in good faith, conclusively establish that the foregoing requirements have been met for purposes of this Resolution.
H. Nothing herein prohibits the issuance of securities having a lien on the Net Revenues superior to the lien thereon of the Bonds, except that such Superior Securities may only be issued as special obligations and not as general obligations of the District.

SECTION 46. Subordinate Securities for the System. Nothing herein, except as expressly hereinafter provided, shall prevent the District from issuing additional securities payable from Net Revenues and constituting a lien thereon subordinate to the lien thereon of the Bonds and any Outstanding Parity Securities; provided, however, that the proceeds of any such Subordinate Securities shall be used only to pay the cost (including, without limitation, incidental expenses) of a project for the betterment, enlargement, extension, other improvement or equipment of the System, or any combination thereof.

SECTION 47. Issuance of Refunding Securities.

A. At any time after the Bonds, or any part thereof, are issued and remain Outstanding, if the District shall find it desirable to refund any Outstanding Bonds or other Outstanding Parity or Subordinate Securities, such Bonds or other securities, or any part thereof, may be refunded only if the Bonds or other securities at the time or times of their required surrender for payment shall then mature or shall be then callable for prior redemption for the purpose of refunding them at the District's option upon proper call, unless the owner or owners of all such Outstanding securities consent to such surrender and payment, regardless of whether the priority of the lien for the payment of the refunding securities on the Pledged Revenues is changed (except as provided herein).

B. The refunding bonds or other refunding securities so issued shall enjoy complete equality of lien with the portion of any securities of the same issue which is not refunded, if there is any; and the owner or owners of the refunding securities shall be subrogated to all of the rights and privileges enjoyed by the owner or owners of the
unrefunded securities of the same issue partially refunded by the refunding securities.

C. Any refunding bonds or other refunding securities payable from any Gross Revenues shall be issued with such details as the Board may by resolution provide, subject to the provisions of this section but without any impairment of any contractual obligation imposed upon the District by any proceedings authorizing the issuance of any unrefunded portion of the Outstanding securities of any one or more issues (including, without limitation, the Bonds).

D. If only a part of the Outstanding Bonds and other Outstanding securities of any issue or issues payable from the Gross Revenues is refunded, then such securities may not be refunded without the consent of the owner or owners of the unrefunded portion of such securities:

(1) Unless the refunding bonds or other refunding securities do not increase for any Bond Year the aggregate principal and interest requirements evidenced by the refunding securities and by the Outstanding securities not refunded on and before the last maturity date or last Redemption Date, if any, whichever is later, of the unrefunded securities, and unless the lien of any refunding bonds or other refunding securities on the Net Revenues is not raised to a higher priority than the lien thereon of the Bonds or other securities thereby refunded; or

(2) Unless the lien on any Gross Revenues for the payment of the refunding securities is subordinate to each such lien for the payment of any securities not refunded; or
(3) Unless the refunding bonds or other refunding securities are issued in compliance with Section 45 hereof.

SECTION 48. Operation of the System. The District shall at all times operate the System properly and in a sound and economical manner and shall maintain, preserve and keep the System properly, or cause the same so to be maintained, preserved and kept, in good repair, working order and condition. The District also shall from time to time make or cause to be made all necessary and proper repairs, replacements and renewals so that at all times the operation of the System may be properly and advantageously conducted in conformity with standards customarily followed by municipalities operating sanitary sewer facilities of like size and character.

Except for the use of the System or services pertaining thereto in the normal course of business, neither all nor a substantial part of the System shall be sold, leased, mortgaged, pledged, encumbered, alienated or otherwise disposed of until all the Bonds have been paid in full, or unless provision has been made therefor as hereinafter provided.

SECTION 49. Insurance. The District shall at all times maintain with responsible insurers all such insurance as is customarily maintained with respect to works and properties of like character against loss of or damage to such works or properties and against public or other liability to the extent reasonably necessary to protect the interest of the District and the owners of the Bonds issued hereunder. If any useful part of the works and properties of the System shall be damaged or destroyed, the District shall repair or replace the damaged works or properties so as to restore the same to use. The proceeds of any insurance policies covering any such loss or damage shall be payable to the District, and shall be applied to the District's reasonable and necessary reconstruction costs and, to the extent not so applied, shall be paid into the Revenue Fund and used in the same manner as other moneys in said fund.

SECTION 50. Payment of Taxes. The District shall pay or cause to be paid all taxes, assessments and other municipal or governmental charges, if any, lawfully levied or assessed upon or in respect of the System or any part thereof, or upon any portion of the Gross Revenues, when the same shall become due. The District shall duly observe and comply with all valid requirements of any municipal or governmental authority relative to the System or any part thereof,
except for any period during which the validity of the same is being contested in good faith by proper legal proceedings. The District shall not create or suffer to be created any lien or charge on the System or any part thereof, or upon the Gross Revenues, except the pledge and lien created by this Resolution for the payment of the Bonds and any other Outstanding Parity or Subordinate Securities issued in accordance herewith, and except as herein otherwise permitted. The District shall pay or cause to be discharged or shall make adequate provision to satisfy and to discharge within 60 days after the same shall become payable, all lawful claims and demands for labor, materials, supplies or other objects which, if unpaid, might by law become a lien upon the System or any part thereof, or upon the Gross Revenues. Nothing herein contained requires the District to pay or cause to be discharged or to make provision for any such tax, assessment, lien, charge or demand before the time when payment thereon shall be due, or so long as the validity thereof shall be contested in good faith by appropriate legal proceedings.

SECTION 51. Rate Covenant. The District shall charge against users or against purchasers of services or commodities pertaining to the System such fees, rates and other charges as shall be sufficient to produce Gross Revenues annually which, together with any other funds available therefor, will be in each Fiscal Year of the District at least equal to the sum of:

(a) An amount equal to the annual Operation and Maintenance Expenses for such Fiscal Year;

(b) An amount equal to the sum of the debt service due in such Fiscal Year on any then Outstanding Superior Securities, the then Outstanding Bonds and any then Outstanding Parity Securities; and

(c) Any other amounts payable from the Net Revenues and pertaining to the System, including, without limitation, debt service on any Subordinate Securities and any other securities pertaining to the System, operation and maintenance reserves, additional capital reserves and prior deficiencies pertaining to any account relating to Gross Revenues.
The foregoing rate covenant is subject to compliance by the District with any legislation of the United States of America, the State or other governmental body, or any regulation or other action taken by the United States, the State or any agency or political subdivision of the State pursuant to such legislation, in the exercise of the police power thereof for the public welfare, which legislation, regulation or action limits or otherwise inhibits the amounts of fees, rates and other charges collectible by the District for the use of or otherwise pertaining to, and all services rendered by, the System.

Subject to the foregoing, the District shall cause all fees, rates and other charges pertaining to the System to be collected as soon as reasonable and shall provide methods of collection and penalties to the end that the Gross Revenues shall be adequate to meet the requirements hereof.

SECTION 52. Books of Record and Account. So long as any of the Bonds remain Outstanding, proper records and accounts shall be kept by the District, separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the System and to all moneys pertaining thereto, including, without limitation, the Gross Revenues.

SECTION 53. Tax Covenant. The District covenants for the benefit of the 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 District 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 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 District in fulfilling the above covenant under the Tax Code have been met.

SECTION 54. Defeasance. When all Bond Requirements of any Bond have been duly paid, the pledge, the lien, and all obligations hereunder shall thereby be discharged and the
Bond shall no longer be deemed to be Outstanding within the meaning of this Resolution. There shall be deemed to be such due payment when the District 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 Federal Securities in which such amount may be initially invested wholly or in part) to meet all Bond Requirements of the Bond, as the same become due to the final maturities of the Bond, or upon any redemption date as of which the District shall have exercised or shall have obligated itself to exercise its prior redemption option by a call of the Bond for payment then. 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 District 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. When such defeasance is accomplished the Paying Agent shall mail written notice of the defeasance to the registered owner of the Bond at the address last shown on the registration records for the Bond maintained by the Registrar.

SECTION 55. Owners Rights and Enforcement. Each owner of any Bond issued hereunder shall be entitled to all of the privileges, rights and remedies provided or permitted in the District Act and the Bond Act, and as otherwise provided or permitted by law or in equity or by other statutes, except as otherwise provided herein, but subject to the provisions herein concerning the pledge of and the covenants and the other contractual provisions concerning the Net Revenues and the proceeds of the Bonds. Nothing herein affects or impairs the right of any owner of any Bond to enforce the payment of the Bond Requirements due in connection with his Bond or the obligation of the District to pay the Bond Requirements of each Bond to the owner thereof at the time and the place expressed in the Bond.

SECTION 56. Qualified Swap Covenant.  
A. At least 15 days in advance of entering into a Qualified Swap, the District will give written notice to Moody=s Investors Service and Standard and Poor=s Ratings Service, of such Qualified
Swap and to provide Moody=s Investors Service and Standard and Poor=s Ratings Service with the proposed documentation evidencing such Qualified Swap.

B. If a termination payment under a Qualified Swap is unconditionally due and payable in accordance with the terms of the Qualified Swap, and the District determines that payment of such termination payment on its due date would be unduly burdensome, the District will use its best efforts to issue bonds or other obligations and use the proceeds thereof for the purpose of paying such termination payment.

C. Any Qualified Swap entered into by the District will contain a provision requiring the Qualified Swap Provider to (i) maintain at least an "A" rating from Standard and Poor=s Ratings Service on its senior long-term debt obligations, or on the senior long-term debt obligations of the financial institution that guarantees the District=s obligations under the Qualified Swap, or (ii) to collateralize its obligations under the Qualified Swap in a manner reasonably acceptable to Moody=s Investors Service and Standard and Poor=s Ratings Service.

SECTION 57. Events of Default. Each of the following events is hereby declared an "event of default":

A. Payment of the principal of any of the Bonds, or any prior redemption premium due in connection therewith, or both, is not made when the same becomes due and payable, either at maturity or by proceedings for prior redemption, or otherwise;

B. Payment of any installment of interest is not made when the same becomes due and payable;

C. The District for any reason is rendered incapable of fulfilling its obligations hereunder;
D. The District fails to carry out and to perform (or in good faith to begin the performance of) all acts and things lawfully required to be carried out or to be performed by it under any contract relating to the Net Revenues or to the System, or otherwise, including, without limitation, this Resolution, and such failure continues for 60 days after receipt of notice from the owners of at least 10% in aggregate principal amount of the Bonds then Outstanding;

E. The District discontinues or unreasonably delays or fails to carry out with reasonable dispatch the reconstruction of any part of the System which is necessary to the adequate operation of the System and which is destroyed or damaged and is not promptly repaired or replaced (whether the failure promptly to repair the same is due to impracticality of the repair or replacement or is due to a lack of moneys therefor or for any other reason);

F. An order or decree is entered by a court of competent jurisdiction with the consent or acquiescence of the District appointing a receiver or receivers for the System or for the Net Revenues and any other moneys subject to the lien to secure the payment of the Bonds, or both the System and such moneys, or if an order or decree having been entered without the consent or acquiescence of the District is not vacated or discharged or stayed on appeal within 60 days after entry; and

G. The District makes any default in the due and punctual performance of any other of the representations, covenants, conditions, agreements and other provisions contained in the Bonds or in this Resolution on its part to be performed and if the default continues for 60 days after written notice specifying the default and requiring the same to be remedied is given to the District by the
owners of at least 10% in aggregate principal amount of the Bonds then Outstanding.

SECTION 58. Remedies for Defaults. Upon the happening and continuance of any of the events of default, then and in every case the owner or owners of not less than 10% in aggregate principal amount of the Bonds then Outstanding, including, without limitation, a trustee or trustees therefor, may proceed against the District and its agents, officers and employees to protect and to enforce the rights of any owner of Bonds under this Resolution by mandamus or by other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained herein or in an award of execution of any power herein granted for the enforcement of any proper, legal or equitable remedy as the owner or owners may deem most effectual to protect and to enforce the rights aforesaid, or thereby to enjoin any act or thing which may be unlawful or in violation of any right of any owner of any Bond, or to require the District to act as if it were the trustee of an express trust, or any combination of such remedies. All proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all owners of the Bonds, and any Parity Securities then Outstanding.

SECTION 59. Receivers. Any receiver appointed in any proceedings to protect the rights of owners hereunder, the consent to any such appointment being hereby expressly granted by the District, may enter and may take possession of the System, subject to the rights and privileges of any lessee or other user under any lease or other contract, may operate and maintain the same, may prescribe fees, rates and other charges, and may collect, receive and apply all Net Revenues arising after the appointment of the receiver in the same manner as the District itself might do.

SECTION 60. Rights and Privileges Cumulative. The failure of any owner of any Outstanding Bond to proceed in any manner herein provided shall not relieve the District, the Board or any officers, agents or employees thereof of any liability for failure to perform or carry out any duty, obligation or other commitment. Each right or privilege of any owner (or trustee thereof) is in addition and is cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any owner shall not be deemed a waiver of any other right or privilege thereof.
SECTION 61. **Duties upon Default.** Upon the happening of any of the events of default, the District, in addition, shall do and perform all proper acts on behalf of and for the owners of Bonds to protect and to preserve the security created for the payment of their Bonds and to insure the payment of the Bond Requirements promptly as the same become due. During any period of default, so long as any of the Bonds issued hereunder, as to any Bond Requirements, are Outstanding, except to the extent it may be unlawful to do so, all Net Revenues shall be paid into the 2009B Bond Fund pro rata with payments into the bond funds for Parity Securities and after payments to the bond funds for any Superior Securities. If the District fails or refuses to proceed as in this Section provided, the owner or owners of not less than 10% in aggregate principal amount of the Bonds then Outstanding, after demand in writing, may proceed to protect and to enforce the rights of the owners of the Bonds as hereinabove provided; and to that end any such owners of Outstanding Bonds shall be subrogated to all rights of the District under any agreement or other contract involving the System or the Net Revenues entered into before the effective date of this Resolution or thereafter while any of the Bonds are Outstanding.

SECTION 62. **User Bankruptcies.** If any lessee or other user of the System or any Person paying fees, rates or other charges pertaining thereto or to Pledged Revenues, or to both such System and such money, proceeds under any laws of the United States relating to bankruptcy, including, without limitation, any action under any law providing for corporate reorganization, it shall be the duty of the District, and its appropriate officers are hereby authorized and directed, to take all necessary steps for the benefit of the owners of the Bonds in such proceedings, including the filing of any claims for unpaid fees, rates, other charges and any other payments or otherwise arising from the breach of any of the covenants, terms or conditions of any contract involving the System or the Net Revenues.

SECTION 63. **Prejudicial Action Unnecessary.** Nothing herein requires the District to proceed as provided herein if the Board determines in good faith and without any gross abuse of its discretion that if the District so proceeds it is more likely than not to incur a net loss rather than a net gain, or the action is otherwise likely to affect materially and prejudicially the owners of the Outstanding Bonds and any Outstanding Parity Securities.
SECTION 64. Amendments. This Resolution may be amended or supplemented by instruments adopted by the District, without receipt by the District of any additional consideration, but with the written consent of the insurer of the Bonds, if any, or the owners of at least 66% in aggregate principal amount of the Bonds Outstanding at the time of the adoption of the amendatory or supplemental instrument, excluding Bonds which may then be held or owned for the account of the District, but including such refunding securities as may be issued for the purpose of refunding any of the Bonds if the refunding securities are not owned by the District. No such instrument shall permit without the consent of the insurer of the Bonds, if any, and the registered owners of Bonds adversely affected thereby:

(a) A change in the maturity or in the terms of redemption of the principal or any installment thereof of any Outstanding Bond or any installment of interest thereon;
(b) A reduction in the principal amount of any Bond or the rate of interest thereon; or
(c) A reduction of the principal amount or percentages or otherwise affecting the description of Bonds, the consent of the owners of which is required for any modification or amendment; or
(d) The establishment of priorities as between Bonds issued and Outstanding under the provisions of this Resolution; or
(e) The modification of, or other action which materially and prejudicially affects the rights or privileges of the owners of less than all of the Bonds then Outstanding.

Whenever the District proposes to amend or modify this Resolution under the provisions hereof, it shall cause notice of the proposed amendment to be mailed within 30 days to the insurer of the Bonds, if any, or each registered owner of each registered Bond. The notice shall briefly set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory instrument is on file in the office of the Board Secretary for public inspection.

Whenever at any time within one year from the date of such notice there shall be filed in the office of the Board Secretary an instrument or instruments executed by the insurer of the
Bonds, if any, or the owners of at least 66% in aggregate principal amount of the Bonds then Outstanding, which instrument or instruments shall refer to the proposed amendatory instrument described in the notice and shall specifically consent to and approve the adoption of the instrument; thereupon, but not otherwise, the Board may adopt the amendatory instrument and the instrument shall become effective.

If the insurer of the Bonds, if any, or the owners of at least 66% in aggregate principal amount of the Bonds Outstanding, at the time of the adoption of the amendatory instrument, or the predecessors in title of such owners, shall have consented to and approved the adoption thereof as herein provided, no owner of any Bond, whether or not the owner shall have consented thereto, shall have any right or interest to object to the adoption of the amendatory instrument or to object to any of the terms or provisions therein contained or to the operation thereof or to enjoin the District from taking any action pursuant to the provisions thereof. Any consent given by the holder of a Bond pursuant to the provisions hereof shall be irrevocable.

Bonds authenticated and delivered after the effective date of any action taken as provided in this Section may bear a notation by endorsement or otherwise in form approved by the District as to the action; and if any Bond so authenticated and delivered shall bear such notation, then upon demand of the owner of any Bond Outstanding at such effective date and upon presentation of his Bond, suitable notation shall be made on the Bond as to any such action. If the District so determines, new Bonds so modified as in the opinion of the District to conform to such action shall be prepared, registered and delivered; and upon demand of the owner of any Bond then Outstanding, shall be exchanged without cost to the owner for Bonds then Outstanding upon surrender of such Bonds.

SECTION 65. Replacement of Registrar or Paying Agent. If the Registrar or Paying Agent initially appointed hereunder shall resign, if the District shall reasonably determine that said Registrar or Paying Agent has become incapable of performing its duties hereunder, or if the District shall determine that it is in the best interests of the District to replace the Registrar or Paying Agent, the Board may, upon notice mailed to the insurer of the Bonds, if any, and to each registered owner of any Bond at his address last shown on the registration records, appoint a successor Registrar of 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 person or institution serve as both Registrar and Paying Agent hereunder, but the District shall have the right to have the same person or institution serve as both Registrar and Paying Agent.

Any corporation or association into which the Registrar or Paying Agent may be converted or merged, or with which they may be consolidated, or to which they may sell or transfer their 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 they are a party, shall be and become the successor Registrar or Paying Agent under this resolution, 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 in this Resolution to the contrary notwithstanding.

SECTION 66. **Delegated Powers.** The officers of the District are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution, including, without limitation:

A. The printing or other preparation of the Bonds including, without limitation, and if appropriate, a statement of insurance, if any;

B. The execution of such certificates as may be reasonably required by the Purchaser, relating, inter alia,
   
   (1) to the signing of the Bonds and the deposit of the Bonds with The Depository Trust Company,
   
   (2) to the tenure and identity the officials of the District,
   
   (3) to the assessed valuation of the taxable property in and the indebtedness of the District,
   
   (4) to the rate of taxes levied against the taxable property within the District,
   
   (5) to the exclusion from gross income of interest on the Bonds for federal income tax purposes,
(6) the delivery of the Bonds and the receipt of the Bond purchase price,

(7) the completeness and accuracy of any information provided in connection with the Bonds as of the date of delivery of the Bonds, and

(8) if it is in accordance with the fact, the absence of litigation, pending or threatened, affecting the validity of the Bonds,

C. The completion and execution of the Certificate of the Manager; and

D. The assembly and dissemination of financial and other information concerning the District and the Bonds.

SECTION 67. Repealer. All 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 resolution, bylaw, order, or part thereof, heretofore repealed.

SECTION 68. Continuing Disclosure Undertaking. The District covenants for the benefit of the holders and beneficial owners of the Bonds to comply with the provisions of the final Continuing Disclosure Certificate in substantially the form now on file with the District, to be executed by the General Manager or the Chief Financial Officer of the District and delivered in connection with the delivery of the Bonds.

SECTION 69. Severability. If any section, paragraph, clause or 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 provision shall not affect any of the remaining provisions of this Resolution.

SECTION 70. Resolution Irrepealable. After any of the Bonds are issued, this Resolution shall constitute an irrevocable contract between the District and the owner or owners of the Bonds; and this Resolution, 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 71. Effective Date. This Resolution shall be effective upon its adoption.

ADOPTED AND APPROVED on this March 3, 2009.

____________________________________________
Lawrence L. Brown III, Chairman
Board of Trustees
Clark County Water Reclamation District

[DISTRICT SEAL]

Attest:

_________________________________
Shirley B. Parraguirre, County Clerk,
ex officio Secretary
Clark County Water Reclamation District

APPROVED AS TO LEGALITY ONLY:

_________________________________
Carolyn Campbell, Deputy District Attorney
STATE OF NEVADA

COUNTY OF CLARK

I, Shirley B. Parraguirre, the duly chosen, qualified, and acting County Clerk of Clark County, Nevada, ex officio Secretary to the Board of Trustees of the Clark County Water Reclamation District (herein the "District"), do hereby certify:

1. The foregoing pages constitute a true, correct, complete and compared copy of a resolution adopted by the Board of Trustees of the District (herein the "Board") at a regular meeting of the Board held on March 3, 2009.

2. The original of the resolution has been approved and authenticated by the signatures of the Chairman of the District and the Board and myself as Secretary of the District and the Board, and sealed with the seal of the District, and has been recorded in the minute book of the Board kept for that purpose in my office which record has been duly signed by such officers and properly sealed.

3. The members of the Board were present at such meeting and voted on the passage of the resolution as follows:

   Those Voting Aye: Susan Brager
                      Lawrence L. Brown III
                      Tom Collins
                      Chris Giunchigliani
                      Rory Reid
                      Steve Sisolak
                      Lawrence Weekly

   Those Voting Nay: ______________________________
                      ______________________________

   Those Abstaining: ______________________________
                      ______________________________

   Those Absent: ______________________________
                     ______________________________
4. The members of the Board were given due and proper notice of the meeting.

5. 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 mailing a copy of the notice to each member of the Board;

   (b) By posting a copy of the notice on the District’s website; at the principal office of the Board, or if there is not principal office, at the building in which the meeting is to be held; and at least three other separate, prominent places within the jurisdiction of the Board, to wit:

      (i) Principal Office  
          500 South Grand Central Parkway  
          Las Vegas, Nevada

      (ii) Paradise Park, Pool and Center  
          4770 Harrison Avenue  
          Las Vegas, Nevada

      (iii) Clark County Courthouse  
          200 South Third Street  
          Las Vegas, Nevada

      (iv) Clark County Water Reclamation District  
          5857 E. Flamingo Road  
          Las Vegas, Nevada

and

   (c) By mailing a copy of the notice to each person, if any, who has requested notice of the meeting of the Board in accordance with the provisions of Chapter 241 of NRS.

6. A copy of the notice so given of the meeting of the Board held on March 3, 2009 is attached to this certificate as Exhibit A.
IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the Clark County Water Reclamation District in Clark County, Nevada, this March 3, 2009.

____________________________________
Shirley B. Parraguirre, County Clerk,
ex officio Secretary
Clark County Water Reclamation District

(DISTRICT SEAL)
EXHIBIT A

(Attach Copy of Notice of Meeting)