

RESOLUTION

A RESOLUTION DESIGNATED AS THE "2018 TRUCKEE RIVER FLOOD CONTROL FINANCING ELECTION RESOLUTION"; SUBMITTING A QUESTION TO THE REGISTERED VOTERS AT THE GENERAL ELECTION ON TUESDAY, NOVEMBER 6, 2018, CONCERNING THE IMPOSITION OF CERTAIN TAXES FOR TRUCKEE RIVER FLOOD CONTROL PROJECTS AS RECOMMENDED BY THE TRUCKEE RIVER FLOOD CONTROL PROJECT NEEDS COMMITTEE; PROVIDING FOR OTHER MATTERS PROPERLY RELATED THERETO; AND PROVIDING THE EFFECTIVE DATE HEREOF.

WHEREAS, Washoe County (the "County"), in the State of Nevada (the "State"), was duly organized and created pursuant to Nevada Revised Statutes ("NRS") 243.340 and is operating as a county under NRS chapter 244 and the general laws of the State; and

WHEREAS, the Truckee River Flood Control Project Needs Committee (the "Committee") was created pursuant to Assembly Bill 375 of the 2017 Legislative Session ("AB375") to prepare and submit recommendations to the Washoe County Board of County Commissioners (the "Board of County Commissioners") for the imposition of one more taxes in the County to provide funding for capital projects for the Truckee River Flood Management Authority; and

WHEREAS, the Committee has unanimously recommended the imposition of an additional property tax rate on taxable property within Washoe County in the amount of \$0.0248 per \$100 assessed value. The Committee makes this Recommendation with the intent and understanding that any funds will be used only for the purposes set forth in NRSD 244A.063 and NRS 268.738 and any interlocal agreement entered into pursuant to chapter 277 of NRS as those statutes exist on the date of the Recommendation and that the Committee intended that the Legislature should rescind any property tax on assessed value by this Recommendation if the funds are ever to be used for other purposes, and has been submitted its Recommendation to the Board of County Commissioners; and

WHEREAS, the Committee on March 29, 2018 adopted its Recommendation and requested that the Board of County Commissioners adopt an ordinance imposing the tax (the "Ordinance") if a majority of the voters of the County voting on a question asking whether the recommended tax should be imposed in the County (the "Question") vote affirmatively on the Question at the election (the "Election") to be held in conjunction with the State general election on Tuesday November 6, 2018, as required by AB375; and

WHEREAS, the Committee caused a copy of the Recommendation to be transmitted to the Board of County Commissioners; and

WHEREAS, pursuant to AB375, the Board of County Commissioners shall submit the Question to the voters of the County at the Election.

Now, therefore, be it RESOLVED by the Washoe County Board of Commissioners as follows:

1. The resolution shall be known and may be cited as the "2018 Truckee River Flood Control Financing Election Resolution" (the "Resolution")

2. The Election is hereby designated, ordered, and called to be held in conjunction with the State general election on Tuesday, November 6, 2018, at which time there shall be submitted to the voters of the County the Question hereinafter set forth in Section 3 of this Resolution. The Election shall be conducted in the manner provided by NRS chapter 293 and all laws amendatory thereof (the "General Election Act").
3. The County Clerk shall provide the County Registrar of Voters with a copy of the Question (including an explanation of the Question and a description of anticipated financial effect) substantially in the forms as follows, with such changes are approved by Executive Director of the Truckee River Flood Management Authority, to be submitted to the registered voters of the County:

[Form of Submission Clause and Other Ballot Information]

WASHOE COUNTY QUESTION:

Shall Washoe County be authorized to levy an additional property tax rate for the purpose of paying for the cost of designing, acquiring, constructing, improving and equipping a flood protection project by the Truckee River Flood Management Authority for the Truckee River in the amount of \$0.0248 per \$100 of assess valuation and for the Truckee River Flood Management Authority to issue up to \$89,000,000 of general obligation bonds for those purposes? The bonds are expected to require a property tax levy of 30 years for each series of bonds from the dates of issuance. The tax will terminate when these bonds have been retired in approximately 30 years from the dates they are issued. The cost of the \$0.0248 property tax levy for the owner of a new \$100,000 home is estimated to average \$8.68 per year. If this question is approved by the voters, any property tax as authorized by this question will be outside of the caps on the taxpayer's liability for property (ad valorem) taxes established by the legislature in the 2005 session and exempt from partial abatement from taxation as provided by NRS 361.4722, 361.4723 and 361.4724.

EXPLANATION:

A "yes" vote will increase property taxes in Washoe County by \$0.0248 per \$100 of assessed valuation. This property tax increase will allow the Truckee River Flood Management Authority (TRFMA) to pay for the cost of acquiring, constructing, improving and equipping the Truckee River Flood Protection Project that will protect properties that are prone to flooding along portions of the Truckee River, Steamboat Creek from its confluence with the Truckee River to two miles southwest of Boynton Slough, and the North Truckee Drain from its confluence with the Truckee River to approximately 1,000 feet upstream of Interstate 80. The need for this project is illustrated by the 1997 flood that caused damage in excess of \$1.0 billion which is the equivalent of annual damages estimated to range from \$22 to \$52 million. The tax increase will also help in potentially securing \$182 million in federal funding for the construction of the flood protection project by ensuring that TRFMA will be able to meet required financial commitments to the United States Army Corps of Engineers. It is anticipated that the Truckee River Flood Management Authority will issue up to \$89 million of general obligation bonds on the proceeds of the property tax increase as well as use the proceeds for cash expenditures to build the Truckee River Flood Protection Project. Revenue from the proposed property tax increase will not be used for the operation or the maintenance of the flood control project. The specific anticipated uses of the funds are:

- Final engineering, design, and permitting of the Flood Protection Project

- Construction of levees and floodwalls along the Truckee River
- Widening of the Truckee River Channel at the Vista Narrows
- Terracing and environmental restoration along the Truckee River
- The elevation of homes within the home elevation project boundaries
- Downstream mitigation project planning, design and construction

A "no" vote means the flood protection project in its current configuration would likely not be built, and if any portion is built at all, could only be built over a very long timeframe that would leave the properties along the Truckee River unprotected for decades. In addition, \$182 million in federal funding to assist in the construction of the project would likely be lost.

Argument Advocating the Truckee River Flood Project Question: [To be provided by the committee advocating the Question.]

Argument Opposing the Truckee River Flood Project Question: [To be provided by the committee opposing the Question.]

Rebuttal to Argument Advocating the Truckee River Flood Project Question: [To be provided by the committee opposed to the Question.]

Rebuttal to the Argument Opposing the Truckee River Flood Project Question: [To be provided by the committee advocating the Question.]

Description of Anticipated Financial Effect: The tax will terminate when all bonds issued have been retired in approximately 30 years from the dates they are issued. The Bonds are expected to be issued over 30 years and each bond issued is expected to have a term of 30 years. The cost of the property tax levy for the owner of a new \$100,000 home is estimated to average \$8.68 pre year.

4. The Board of County Commissioners shall follow the procedure set forth in NRS 295.121 with respect to appointment of committees to prepare arguments advocating and opposing approval of the Question.
5. Nothing in this Resolution prevents the inclusion in the ballots of provisions for the expression by the qualified registered voters of the County of their choice for any question or proposals other than the Question submitted at the Election.
6. Immediately after the closing of the polls, the election officers shall proceed to canvass the votes cast on the Question, and certify the results so disclosed to the County Board.
7. Within five (5) working days of the Election, the County Board shall meet and publicly canvass the returns.
8. If a majority of the voters voting on the Question vote affirmatively on the Question, the County Board shall adopt the Ordinance substantially in the form attached to the Request Resolution.
9. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the County Board and by the officers of the County relating to the Question is ratified, approved and confirmed.
10. The officers of the County are authorized and directed to take all action necessary and appropriate to effectuate the provisions of this Resolution.

11. All orders, bylaws and resolutions, or parts thereof, in conflict with the Resolution, are hereby repealed. This repealer shall not construe to revive any bylaw, order or resolution, or part thereof, heretofore repealed.
12. 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.
13. This Resolution shall be in effect from and after its adoption.

ADOPTED this _____ day of _____ 2018.

Chair

Washoe County Clerk