

**THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED
ORDINANCE OR RESOLUTION ADOPTED BY CITY COUNCIL.**

AN ORDINANCE

**APPROVING AMENDMENT NO. 2 TO THE CITY OF SAN ANTONIO
FINANCIAL ADVISOR SERVICES CONTRACTS WITH FHN FINANCIAL
MUNICIPAL ADVISORS AND HILLTOP SECURITIES, INC. TO (1) EXTEND
THE TERM OF EACH CONTRACT FOR A TERM THAT WILL END
MARCH 31, 2021, AND (2) PROVIDE THAT EACH FIRM WILL RECEIVE
FIFTY PERCENT (50%) OF THE COMPENSATION DUE AND OWING
UNDER THE CONTRACTS.**

* * * * *

WHEREAS, pursuant to Ordinance No. 2016-04-14-0289, passed and approved April 14, 2016, the City and Coastal Securities, Inc. (“Coastal”) entered into that certain *City Of San Antonio Financial Advisor Services Contract* (“Coastal Contract”) under which Coastal served as Financial Advisor or Co-Financial Advisor to City in connection with financing capital improvements and other projects through the potential issuance of certain financial obligations; and

WHEREAS, pursuant to Ordinance No. 2017-03-30-0188, passed and approved March 30, 2017, the City gave its consent to the transfer of all right, title and interest of Coastal in and to the Coastal Contract to **FTN FINANCIAL MUNICIPAL ADVISORS** (hereinafter referred to as “FTN”); and

WHEREAS, on October 25, 2019, FTN changed its name to **FHN FINANCIAL MUNICIPAL ADVISORS** (“FHN”) and is currently doing business under that name; and

WHEREAS, since such consent by the City, FHN has served and is currently serving as Financial Advisor or Co-Financial Advisor to City in connection with financing capital improvements and other projects through the potential issuance of certain financial obligations; and

WHEREAS, the Coastal Contract is hereafter referred to as the “FHN Contract”; and

WHEREAS, pursuant to Ordinance No. 2016-04-14-0290, passed and approved April 14, 2016, the City and **HILLTOP SECURITIES, INC.** (“Hilltop”) have heretofore entered into that certain *City Of San Antonio Financial Advisor Services Contract* (“Hilltop Contract”) under which Hilltop serves as Financial Advisor or Co-Financial Advisor to City in connection with financing capital improvements and other projects through the potential issuance of certain financial obligations; and

WHEREAS, the initial term of both the FHN Contract and the Hilltop Contract, as provided in **ARTICLE III. TERM**, Section 3.1 of each Contract, commenced on April 25, 2016, and terminated on March 31, 2019; and

WHEREAS, pursuant to Ordinance No. 2019-05-16-0403, passed and approved May 16, 2019, Amendment 1 to the FHN Contract and Amendment 1 to the Hilltop Contract were both ratified, and the term of the FHN Contract and the Hilltop Contract was extended to December 31, 2019; and

WHEREAS, the City and FHN now desire to amend the FHN Contract to provide that the term of the Contract will be extended for a term commencing January 1, 2020 and ending March 31, 2021; and

WHEREAS, the City and FHN now desire to further amend the FHN Contract to provide that during the extended term of the FHN Contract, FHN will receive fifty percent (50%) of the compensation paid by City under both the FHN Contract and the Hilltop Contract; and

WHEREAS, the City and Hilltop now desire to amend the Hilltop Contract to provide that the term of the Hilltop Contract will be extended for a term commencing January 1, 2020 and ending March 31, 2021; and

WHEREAS, the City and Hilltop now desire to further amend the Hilltop Contract to provide that during the extended term of the Hilltop Contract, Hilltop will receive fifty percent (50%) of the compensation paid by City under both the Hilltop Contract and the FHN Contract; and

WHEREAS, City Staff has recommended to the City Council that the FHN Contract and the Hilltop Contract be amended and extended in the manner described above; and

WHEREAS, following discussion and deliberations by the City Council on the matter, the City Council is of the opinion that the recommendation of City Staff should be accepted and followed;
NOW THEREFORE:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The amendment and extension of the FHN Contract to provide that (i) its term will be extended for a term beginning January 1, 2020 and ending March 31, 2021, and (ii) during the extended term of the FHN Contract, FHN will receive fifty percent (50%) of the compensation paid by City under both the FHN Contract and the Hilltop Contract, is hereby approved. A true and correct copy of that certain *Amendment No. 2 To Financial Advisor Services Contract* (“FHN Amendment”) between the City and FHN is attached hereto and incorporated herein for all purposes as **Attachment I**. The City Manager or his Designee, or the Chief Financial Officer (CFO) or his Designee, are hereby authorized to execute the FTN Amendment containing the same or substantially the same terms and conditions as those set forth in **Attachment I**.

SECTION 2. The amendment and extension of the Hilltop Contract to provide that (i) its term will be extended for a term beginning January 1, 2020 and ending March 31, 2021, and (ii) during the extended term of the FHN Contract, FHN will receive fifty percent (50%) of the compensation

paid by City under both the FHN Contract and the Hilltop Contract, is hereby approved. A true and correct copy of that certain *Amendment No. 2 To Financial Advisor Services Contract* (“Hilltop Amendment”) between the City and Hilltop is attached hereto and incorporated herein for all purposes as **Attachment II**. The City Manager or his Designee, or the Chief Financial Officer (CFO) or his Designee, are hereby authorized to execute the Hilltop Amendment containing the same or substantially the same terms and conditions as those set forth in **Attachment II**.

SECTION 3. All actions taken on behalf of the City, and all services provided by FHN under, the FHN Contract from January 1, 2020 through the date of this Ordinance are hereby ratified and confirmed in all things. All actions taken on behalf of the City, and all services provided by Hilltop under, the Hilltop Contract from January 1, 2020 through the date of this Ordinance are hereby ratified and confirmed in all things.

SECTION 4. The City’s Financial Advisors are paid from the proceeds derived from the issuance of obligations and other financings; therefore, there is no impact on the City’s operating budget and no financial language is required for this ordinance.

SECTION 5. This Ordinance is effective immediately upon the receipt of eight (8) affirmative votes; otherwise, it is effective ten (10) days after passage.

PASSED AND APPROVED this ____ day of _____, 2020.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Andrew Segovia, City Attorney

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