

AN ORDINANCE 2014 - 03 - 06 - 0140

AUTHORIZING THE RENEWAL AND EXTENSION OF THE SECURITIES LENDING AGREEMENT WITH FROST BANK FOR THE SECOND AND FINAL ONE YEAR TERM, COMMENCING APRIL 1, 2014, UNDER THE SAME TERMS AND CONDITIONS.

* * * * *

WHEREAS, pursuant to Ordinance No. 2010-03-18-0217 passed and approved March 18, 2010, City and Frost Bank (“Frost”) entered into that one certain *Agreement Authorizing Frost Bank to act as Lender’s Agent in Lending Securities* (“Agreement”), providing terms and conditions under which Frost shall provide securities lending services to the City for a three (3) year term commencing April 1, 2010, and ending March 31, 2013, with the option to extend the Agreement for two (2) successive one (1) year terms under the same terms and conditions; and

WHEREAS, pursuant to Ordinance No. 2013-03-07-0160, the Agreement was extended for the first one (1) year term ending March 31, 2014, under the same terms and conditions as the Agreement; and

WHEREAS, City Staff has recommended that the Agreement be extended for the final one (1) year term, commencing April 1, 2014, and ending March 31, 2015, upon the same terms and conditions, and Frost is willing to agree to such extension; and

WHEREAS, after due deliberations on and consideration of the matter, the City Council desires to accept the Staff recommendations as set forth above; **NOW THEREFORE**;

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

SECTION 1. The extension of the Agreement, to provide for the final one (1) year term commencing April 1, 2014, and ending March 31, 2015, upon the same terms and conditions, is hereby approved.

The City Manager, or her designee, or the Director of Finance or his designee, are each hereby authorized to execute that certain *Second Extension of Securities Lending Agreement Between City of San Antonio, Texas and Frost Bank* with Frost, substantially in the form attached hereto as **Attachment I** and incorporated herein by reference for all purposes.

SECTION 2. Funds generated by this ordinance will be deposited into Fund 98001000, Internal Order 207000000116 and General Ledgers 4902801, 4902802, 5402800 and 5402801.

SECTION 3. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance, may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to

specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 4. This ordinance is effective immediately upon passage by eight (8) affirmative votes; otherwise, said effective date shall be ten (10) days from the date of passage hereof.

PASSED AND APPROVED this 6th day of March, 2014.


M A Y O R
Julián Castro

ATTEST:



Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:



Robert F. Greenblum, City Attorney

Agenda Item:	17 (in consent vote: 5, 6, 7, 8, 9, 10, 11, 12, 13, 15, 17, 18, 18A, 18B, 19)
Date:	03/06/2014
Time:	10:01:17 AM
Vote Type:	Motion to Approve
Description:	An Ordinance authorizing the renewal and extension of the Securities Lending Agreement with Frost Bank for the second and final one year renewal term, commencing April 1, 2014, under the same terms and conditions. [Ben Gorzell, Jr., Chief Financial Officer, Troy Elliott, Director of Finance]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor		x				
Diego Bernal	District 1		x				
Ivy R. Taylor	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x			x	
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				x
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				

A T T A C H M E N T I

**SECOND EXTENSION
OF
SECURITIES LENDING AGREEMENT
BETWEEN
CITY OF SAN ANTONIO, TEXAS
AND
FROST BANK**

THE STATE OF TEXAS §
 §
THE COUNTY OF BEXAR §

This *Second Extension of Agreement Authorizing Frost Bank to act as Lender's Agent in Lending Securities* ("Second Extension") is made and entered into by and between the **CITY OF SAN ANTONIO** (hereinafter referred to as "City"), a Texas Municipal Corporation, acting by and through its City Manager, her designee, or its Director of Finance pursuant to Ordinance No. 201_-_-____ (the "Ordinance"), passed and approved _____, 2014, and **FROST BANK**, a Texas state bank, acting by and through its duly authorized representative (hereinafter referred to as "Frost").

WHEREAS, pursuant to Ordinance No. 2010-03-18-0217 passed and approved March 18, 2010, City and Frost entered into that one certain *Agreement Authorizing Frost Bank to act as Lender's Agent in Lending Securities* ("Agreement"), providing terms and conditions under which Frost shall provide securities lending services to the City for a three (3) year term commencing April 1, 2010, and ending March 31, 2013, with the option to extend the Agreement for two (2) successive one (1) year terms under the same terms and conditions; and

WHEREAS, pursuant to Ordinance No. 2013-03-07-0160, the Agreement was extended for the first one (1) year term ending March 31, 2014, under the same terms and conditions as the Agreement; and

WHEREAS, City desires to renew and extend the Agreement for the second and final one (1) year renewal term, upon the same terms and conditions as the Agreement, and Frost desires to do the same; **NOW, THEREFORE:**

FOR VALUABLE CONSIDERATION, the parties hereto severally and collectively agree, and by the execution hereof are bound, to the mutual obligations herein contained and to the performance and accomplishment of the tasks hereinafter described.

I. RENEWAL AND EXTENSION OF CONTRACT

1.1 The Agreement is hereby renewed and extended for the period commencing April 1, 2014 and ending March 31, 2015, under the same terms and conditions as set forth in the Agreement.

II. INCORPORATION OF TERMS AND CONDITIONS OF CONTRACT BY REFERENCE

2.1 Except as provided for in this Second Extension, all other terms and conditions of the Agreement are hereby renewed and extended pursuant to the terms of this Second Extension, and incorporated into this Second Extension, and are made a part hereof for all purposes.

III. CONFLICT PROVISIONS

3.1 Any discrepancy between the provisions of this Second Extension and the provisions of the Agreement shall be resolved in favor of this Second Extension.

EXECUTED and AGREED TO this the ____ day of _____, 2014, to be effective on April 1, 2014.

CITY:
CITY OF SAN ANTONIO

FROST:
FROST BANK

Troy Elliott, CPA
Director of Finance

BY: _____
Paul F. Grimm
Senior Vice President
Securities Lending

Approved as to form:

Robert Nordhaus
Assistant City Attorney