

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

\AN ORDINANCE

**APPROVING AMENDMENTS TO THE PAYMENT SCHEDULES FOR
THE 2010A AND 2010B MASTER EQUIPMENT LEASE-PURCHASE
AGREEMENTS WITH PNC EQUIPMENT FINANCE, LLC; AND
AUTHORIZING PAYMENTS IN THE AMOUNT OF \$935,592.54 AND
\$284,308.95 RELATED TO THE DEMOLITION AND REMOVAL OF
ENERGY EFFICIENCY EQUIPMENT THAT WAS ORIGINALLY PART
OF THE AGREEMENTS.**

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WHEREAS, pursuant to Ordinance No. 2010-09-30-0816, passed and approved on September 30, 2010, the City entered into the 2010A Tax-Exempt Master Equipment Lease-Purchase Agreement (the 2010A Agreement”) with PNCEF LLC d/b/a PNC Equipment Finance (the “Lessor”) in the amount of \$8,780,664.08 for the acquisition of energy cost reduction measures for Convention, Sports and Entertainment Facilities; and

WHEREAS, pursuant to Ordinance No. 2010-09-30-0817, passed and approved on September 30, 2010, the City entered into the 2010B Exempt-Facility Master Equipment Lease-Purchase Agreement (the 2010B Agreement”) with the Lessor in the amount of \$3,211,418.25 for the acquisition of energy cost reduction measures for Aviation Department facilities; and

WHEREAS, with the construction of the Convention Center Expansion Project, portions of the energy efficiency equipment that was originally part of the 2010A Agreement were demolished and removed; and

WHEREAS, with the construction of the Consolidated Car Rental Facility Project at the Airport, portions of the energy efficiency equipment that was originally part of the 2010B Agreement were demolished and removed; and

WHEREAS, in order to remediate the demolished and removed energy efficient equipment that was originally part of the 2010A Agreement, the Lessor is requiring the City to reduce the outstanding principal balance of the 2010A Agreement by the amount of \$935,592.54 on August 1, 2017, after which reduction the outstanding principal balance of the 2010A Agreement will be \$5,098,112.98; and

WHEREAS, in order to remediate the demolished and removed energy efficient equipment that was originally part of the 2010B Agreement, the Lessor is requiring the City to reduce the outstanding principal balance of the 2010B Agreement by the amount of \$284,308.95 on August 1, 2017, after which reduction the outstanding principal balance of the 2010B Agreement will be 1,930,057.83; and

WHEREAS, City Staff has recommended to the City Council that the City enter into amendments with the Lessor to (1) amend the 2010A Agreement to provide for the August 1, 2017 principal reduction and (2) amend the 2010B Agreement to provide for the August 1, 2017 principal reduction; and

WHEREAS, after City Council discussion of and deliberations on the City Staff recommendation, the City Council has found and determined that the recommendation is in the best interests of the City and should be accepted; **NOW, THEREFORE:**

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

SECTION 1. That certain *Amendment of Lease* (the “2010A Amendment”) between the City and the Lessor, pursuant to which the 2010A Agreement is amended to provide for the August 1, 2017 principal reduction in the amount of \$935,592.54 is hereby approved. A copy of the 2010A Amendment is attached hereto as **Exhibit 1** and is incorporated herein by reference for all purposes.

SECTION 2. The City Manager or her designee or the Deputy Chief Financial Officer or his designee is hereby authorized to execute the 2010A Amendment substantially in accordance with the terms and conditions set forth in **Exhibit 1**.

SECTION 3. That certain *Amendment of Lease* (the “2010B Amendment”) between the City and the Lessor, pursuant to which the 2010B Agreement is amended to provide for the August 1, 2017 principal reduction in the amount of \$284,308.95 is hereby approved. A copy of the 2010A Amendment is attached hereto as **Exhibit 2** and is incorporated herein by reference for all purposes.

SECTION 4. The City Manager or her designee or the Deputy Chief Financial Officer or his designee is hereby authorized to execute the 2010B Amendment substantially in accordance with the terms and conditions set forth in **Exhibit 2**.

SECTION 5. *[Insert Fiscal Language As Appropriate]*

SECTION 6. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Deputy Chief Financial Officer 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 7. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this _____ day of _____, 2017.

M A Y O R
Ivy R. Taylor

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Andrew Segovia, City Attorney

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EXHIBIT 1

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EXHIBIT 2

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