

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

AN ORDINANCE

APPROVING THE FINANCIAL UNDERWRITING SYNDICATES SELECTED FROM THE FINANCIAL UNDERWRITING POOL FOR FINANCING OF (1) GENERAL IMPROVEMENT AND REFUNDING BONDS, SERIES 2014, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2014, AND TAX NOTES, SERIES 2014; (2) GENERAL IMPROVEMENT REFUNDING BONDS, SERIES 2014; AND (3) CUSTOMER FACILITY CHARGE AND SUBORDINATE LIEN AIRPORT SYSTEM REVENUE IMPROVEMENT BONDS, SERIES 2015, WHICH ARE ANTICIPATED TO BE SOLD IN 2014 AND 2015.

* * * *

WHEREAS, pursuant to Ordinance No. 2011-05-19-0411, the City Council has created a Financial Underwriting Pool ("Pool") identified in **Exhibit I**, which is attached hereto and made a part hereof for all purposes, consisting of seventeen (17) firms from which future underwriting syndicates may be selected, with the Pool to remain in effect until September 30, 2014; and

WHEREAS, immediately prior to the consideration and adoption of this Ordinance, the City Council considered and adopted an Ordinance that approves on the same terms and conditions the first renewal term for the Pool; and

WHEREAS, among other issuances, the City anticipates the issuance and sale in 2014 and 2015, of (1) General Improvement and Refunding Bonds, Series 2014, Combination Tax and Revenue Certificates of Obligation, Series 2014, and Tax Notes, Series 2014; (2) General Improvement Refunding Bonds, Series 2014, and (3) Customer Facility Charge and Subordinate Lien Airport System Revenue Improvement Bonds, Series 2015; and

WHEREAS, it is necessary to select and designate from the Pool the firms which will comprise the syndicate to be utilized in connection with each of the transactions described above; and

WHEREAS, a selection committee comprised of representatives from the City's Department of Finance and the City's Co-Financial Advisors has recommended the Syndicate set forth below for each of said specific transactions; and

WHEREAS, in light of the uncertainty within the financial markets in general and the municipal securities market in particular, City staff is recommending that City Council give the Chief Financial Officer and/or the Director of Finance, with the prior concurrence of the City Manager, the authority to (1) revise the assigned role of any firm(s) within a syndicate, and/or (2) completely remove any firm(s) from participation in a syndicate, at any time after the effective date of this Ordinance and up to and including the day of pricing, without further action by the

City Council, based on the most current information available on the underwriting firm, and current market conditions; and

WHEREAS, the City Council finds and determines that the recommended syndicates should be selected and approved and that the authorization requested by City staff as set forth above should be granted; **NOW THEREFORE**:

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

SECTION 1. The Financial Underwriting Syndicates (“Syndicates”) identified with specificity in **Exhibit II**, which is attached hereto and made a part hereof for all purposes, are hereby selected and approved to provide underwriting services in connection with the potential underwriting and sale as set out in **Exhibit II**, but only in the event the City, through the adoption of subsequent ordinances, proceeds with the respective financing transactions.

It is anticipated that the specific financing transactions listed above will be sold during 2014 and 2015; however, the City is under no obligation to proceed with any financing transaction if bond market conditions are not favorable or for any other reason and may delay or cancel any financing transaction if deemed to be in the City’s best interests. As such, there is no property right to provide service or receive any consideration vested in any of the firms listed above as a result of this Ordinance.

SECTION 2. In order to protect and further the City’s interests in selling each of the issues included in this Ordinance at the price and on the terms and conditions most advantageous and favorable to the City, the Chief Financial Officer and/or the Director of Finance, with the prior concurrence of the City Manager, is hereby authorized to (1) revise the assigned role of any firm(s) within any of the Syndicates, and/or (2) completely remove any firm(s) from participation in any of the Syndicates, at any time after the effective date of this Ordinance up to and including the day of pricing, based on the most current information available on the underwriting firm, and current market conditions, without further action by the City Council. Any such revision(s) or removal(s) will be made solely for the purpose of ensuring successful bond financings for the City.

SECTION 3. Fees for underwriting services for the financing transactions are paid from the proceeds derived from the issuance and sale of such obligations, if the City elects to proceed with the financing transactions. Therefore, there is no impact on the City’s Operating Budget, and no fiscal language is required to be included in this Ordinance.

SECTION 4. 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 _____, 2014.

M A Y O R
Julián Castro

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Robert F. Greenblum, City Attorney

Draft

EXHIBIT I

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