

ORDINANCE 2019-05-16-0403

RATIFYING THE FIRST AMENDMENT AND EXTENSION OF THE CITY OF SAN ANTONIO FINANCIAL ADVISOR SERVICES CONTRACTS WITH FTN FINANCIAL MUNICIPAL ADVISORS AND HILLTOP SECURITIES, INC. FOR A TERM THAT WILL TERMINATE ON THE FIRST TO OCCUR OF (A) THE APPROVAL BY THE SAN ANTONIO CITY COUNCIL OF NEW CITY OF SAN ANTONIO FINANCIAL ADVISOR SERVICES CONTRACTS AND THE EXECUTION OF THOSE CONTRACTS BY ALL PARTIES TO THEM, OR (B) DECEMBER 31, 2019.

* * * * *

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, since such consent by the City, FTN 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 "FTN 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* ("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 FTN 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, the City and FTN desire to (1) amend ARTICLE III. TERM, Section 3.1 of the FTN Contract to provide that the initial term of the FTN Contract will terminate on the first to occur of (a) the approval by the San Antonio City Council of new City of San Antonio financial advisor services contracts and the execution of those contracts by all parties to them, or (b) December 31, 2019, and (2) delete ARTICLE III. TERM, Section 3.2 of the FTN Contract in its entirety; and as so amended, to be so extended; and

WHEREAS, the City and Hilltop desire to (1) amend ARTICLE III. TERM, Section 3.1 of the Hilltop Contract to provide that the initial term of the Hilltop Contract will terminate on the first to occur of (a) the approval by the San Antonio City Council of new City of San Antonio financial advisor services contracts and the execution of those contracts by all parties to them, or (b) December 31, 2019, and (2) delete ARTICLE III. TERM, Section 3.2 of the Hilltop Contract in its entirety; and as so amended, to be so extended; and

WHEREAS, City Staff has recommended to the City Council that the FTN 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 FTN Contract to provide that its initial term will terminate on the first to occur of (a) the approval by the San Antonio City Council of new City of San Antonio financial advisor services contracts and the execution of those contracts by all parties to them, or (b) December 31, 2019, is hereby ratified and confirmed in all things. A true and correct copy of that certain Amendment No. 1 To Financial Advisor Services Contract ("FTN Amendment") between the City and FTN 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**.

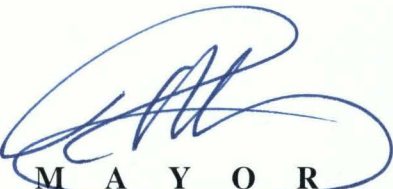
SECTION 2. The amendment and extension of the Hilltop Contract to provide that its initial term will terminate on the first to occur of (a) the approval by the San Antonio City Council of new City of San Antonio financial advisor services contracts and the execution of those contracts by all parties to them, or (b) December 31, 2019, is hereby ratified and confirmed in all things. A true and correct copy of that certain *Amendment No. 1 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 FTN 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 FTN under, the FTN Contract from April 1, 2019 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 April 1, 2019 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.

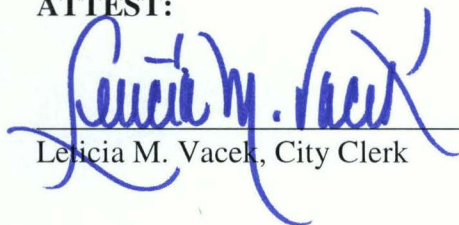
SECTION 5. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 16th day of May, 2019.




M A Y O R
Ron Nirenberg

ATTEST:



Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:



Andrew Segovia, City Attorney

Agenda Item:	15 (in consent vote: 6, 7, 8, 9, 10A, 10B, 10C, 10D, 10E, 11, 12, 13, 14, 15, 16, 17, 19, 20, 21, 22, 23, 24A, 24B)						
Date:	05/16/2019						
Time:	09:38:17 AM						
Vote Type:	Motion to Approve						
Description:	Ordinance ratifying the First Amendment and Extension of the Financial Advisor Services contracts with FTN Financial Municipal Advisors and Hilltop Securities, Inc. for a term to expire no later than December 31, 2019. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ron Nirenberg	Mayor		x				
Roberto C. Treviño	District 1		x			x	
Art A. Hall	District 2		x				x
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Greg Brockhouse	District 6		x				
Ana E. Sandoval	District 7		x				
Manny Pelaez	District 8		x				
John Courage	District 9		x				
Clayton H. Perry	District 10		x				

RKN
05/16/19
Item No. 15

A T T A C H M E N T I

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

**AMENDMENT NO. 1 TO CITY OF SAN ANTONIO
FINANCIAL ADVISOR SERVICES CONTRACT**

This *Amendment No. 1 To City of San Antonio Financial Advisor Services Contract* ("Amendment") is entered into by and between the **CITY OF SAN ANTONIO, TEXAS**, (hereinafter referred to as "City") a Texas Home-Rule Municipal Corporation, acting by and through its Chief Financial Officer, and **FTN FINANCIAL MUNICIPAL ADVISORS** (hereinafter referred to as "Firm"), a _____ chartered under the laws of the State of _____, acting by and through its representative, _____, its _____. City and Firm are sometimes hereafter collectively referred to as the "Parties".

WHEREAS, the City and Coastal Securities, Inc. ("Coastal") have heretofore entered into that certain *City Of San Antonio Financial Advisor Services Contract* ("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 Contract to Firm;

WHEREAS, since such consent by the City, Firm 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 initial term of the Contract, as provided in **ARTICLE III. TERM**, Section 3.1 of the Contract, commenced on April 25, 2016, and will terminate on March 31, 2019; and

WHEREAS, the Parties desire to amend **ARTICLE III. TERM**, Section 3.1 of the Contract to provide that the initial term of the Contract will terminate on the first to occur of (a) the approval by the San Antonio City Council of new City of San Antonio Financial Advisor Services Contracts and the execution of those contracts by all parties to them, or (b) December 31, 2019; and

WHEREAS, the Parties also desire to execute this Amendment in order to memorialize and evidence the extension of the initial term of the Contract as provided above; NOW, THEREFORE:

FOR A GOOD AND VALUABLE CONSIDERATION OF THE OBLIGATIONS AND UNDERTAKINGS OF EACH OF THE PARTIES TO THE OTHER, THE RECEIPT AND

SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

I. AMENDMENT OF CONTRACT

- 1.1 **ARTICLE III. TERM**, Section 3.1 of the Contract is hereby amended so that it shall hereafter read as follows:

“This **CONTRACT** shall commence on April 1, 2016, and shall terminate on the first to occur of (a) the approval by the San Antonio City Council of new City of San Antonio Financial Advisor Service Contracts or (b) December 31, 2019, unless extension or earlier termination shall occur pursuant to any of the provisions of this **CONTRACT**.”

- 1.2 **ARTICLE III. TERM**, Section 3.2 of the Contract is hereby deleted in its entirety.

II. INCORPORATION OF TERMS AND CONDITIONS OF CONTRACT BY REFERENCE

- 2.1 Except as revised by this Amendment, all terms and conditions of the Contract are incorporated into this Amendment, are made a part hereof for all purposes, and shall remain in full force and effect.

III. CONFLICT PROVISIONS

- 3.1 Any conflict between the provisions of this Amendment and the provisions of the Contract shall be resolved in favor of this Amendment.

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IV. ENTIRE AGREEMENT

- 4.1 The Contract, as amended, embodies the complete agreement of the Parties with regard to the subject matter contained herein, superseding all oral or written previous and contemporary agreements between the Parties relating to matters herein.

EXECUTED and **AGREED** to as of the dates set forth below, to be effective from and after March 31, 2019.

CITY

CITY OF SAN ANTONIO, TEXAS

FIRM

**FTN FINANCIAL MUNICIPAL
ADVISORS**

By: _____

Name: Ben Gorzell, Jr.

Title: Chief Financial Officer

Date: May __, 2019

By: _____

Name: _____

Title: _____

Date: May __, 2019

APPROVED AS TO FORM:

Robert K. Nordhaus
Assistant City Attorney

RKN
05/16/19
Item No. 15

A T T A C H M E N T I I

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

**AMENDMENT NO. 1 TO CITY OF SAN ANTONIO
FINANCIAL ADVISOR SERVICES CONTRACT**

This *Amendment No. 1 To City of San Antonio Financial Advisor Services Contract* ("Amendment") is entered into by and between the **CITY OF SAN ANTONIO, TEXAS**, (hereinafter referred to as "City") a Texas Home-Rule Municipal Corporation, acting by and through its Chief Financial Officer, and **HILLTOP SECURITIES, INC.** (hereinafter referred to as "Firm"), a corporation chartered under the laws of the State of Delaware, acting by and through its representative, Anne Burger Entekin, its Regional Managing Director. City and Firm are sometimes hereafter collectively referred to as the "Parties".

WHEREAS, the Parties have heretofore entered into that certain *City Of San Antonio Financial Advisor Services Contract* ("Contract") under which Firm is 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 initial term of the Contract, as provided in **ARTICLE III. TERM**, Section 3.1 of the Contract, commenced on April 25, 2016, and will terminate on March 31, 2019; and

WHEREAS, the Parties desire to amend **ARTICLE III. TERM**, Section 3.1 of the Contract to provide that the initial term of the Contract will terminate on the first to occur of (a) the approval by the San Antonio City Council of new City of San Antonio Financial Advisor Services Contracts and the execution of those contracts by all parties to them, or (b) December 31; and

WHEREAS, the Parties also desire to execute this Amendment in order to memorialize and evidence the extension of the initial term of the Contract as provided above; **NOW, THEREFORE:**

FOR A GOOD AND VALUABLE CONSIDERATION OF THE OBLIGATIONS AND UNDERTAKINGS OF EACH OF THE PARTIES TO THE OTHER, THE RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

I. AMENDMENT OF CONTRACT

1.1 **ARTICLE III. TERM**, Section 3.1 of the Contract is hereby amended so that it shall hereafter read as follows:

"This **CONTRACT** shall commence on April 1, 2016, and shall terminate on the first to occur of (a) the approval by the San Antonio City Council of new City of San Antonio Financial Advisor Service Contracts and execution of those contracts by all parties to them, or (b) December 31, 2019, unless extension of earlier termination shall occur pursuant to any of the provisions of this **CONTRACT**."

1.2 **ARTICLE III. TERM**, Section 3.2 of the Contract is hereby deleted in its entirety.

II. INCORPORATION OF TERMS AND CONDITIONS OF CONTRACT BY REFERENCE

2.1 Except as revised by this Amendment, all terms and conditions of the Contract are incorporated into this Amendment, are made a part hereof for all purposes, and shall remain in full force and effect.

III. CONFLICT PROVISIONS

3.1 Any conflict between the provisions of this Amendment and the provisions of the Contract shall be resolved in favor of this Amendment.

IV. ENTIRE AGREEMENT

4.1 The Contract, as amended, embodies the complete agreement of the Parties with regard to the subject matter contained herein, superseding all oral or written previous and contemporary agreements between the Parties relating to matters herein.

EXECUTED and **AGREED** to as of the dates set forth below, to be effective from and after March 31, 2019.

CITY

CITY OF SAN ANTONIO, TEXAS

FIRM

HILLTOP SECURITIES, INC.

By: _____

Name: Ben Gorzell, Jr.

Title: Chief Financial Officer

Date: May __, 2019

By: _____

Name: Anne Burger Entrekin

Title: Regional Managing Director

Date: May __, 2019

APPROVED AS TO FORM:

Robert K. Nordhaus
Assistant City Attorney