

RKN  
06/17/10  
Item No. 34

AN ORDINANCE **2010-06-17-0567**

**APPROVING THE FINANCIAL UNDERWRITER SYNDICATE SELECTED FROM THE FINANCIAL UNDERWRITING POOL FOR FINANCING OF (1) AIRPORT SYSTEM REVENUE IMPROVEMENT BONDS, SERIES 2010; AND (2) PASSENGER FACILITY CHARGE AND SUBORDINATE LIEN AIRPORT SYSTEM REVENUE IMPROVEMENT BONDS, SERIES 2010, WHICH ARE ANTICIPATED TO BE SOLD IN FALL 2010.**

\* \* \* \*

**WHEREAS**, pursuant to Ordinance No. 2006-10-19-1201, the City Council has created a Financial Underwriting Pool consisting of sixteen (16) firms from which future underwriting syndicates may be selected ("Pool"), with the Pool to remain in effect until September 30, 2009; and

**WHEREAS**, during the City's Fiscal Year 2008, two of the firms in the Pool either ceased doing business in the municipal securities market, or sold its municipal securities group, thus reducing the Pool to fourteen (14) firms; and

**WHEREAS**, pursuant to Ordinance No. 2009-09-10-0722, passed and approved on September 17, 2009, the term of the Pool was extended for one year, commencing October 1, 2009 and ending September 30, 2010; and

**WHEREAS**, among other issuances, the City anticipates the issuance and sale in the Fall of 2010, of (1) Airport System Revenue Improvement Bonds, Series 2010 and (2) Passenger Facility Charge and Subordinate Lien Airport System Revenue Improvement Bonds, Series 2010; 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 current volatility and 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, 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 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 following Financial Underwriting Syndicate (“Syndicate”) is hereby selected and approved to provide underwriting services in connection with the potential underwriting and sale of the bonds and obligations stated below, but only in the event the City, through the adoption of subsequent ordinances, proceeds with the respective financing transaction:

**Airport System Revenue Improvement Bonds, Series 2010  
and  
Passenger Facility Charge and Subordinate Lien Airport System Revenue Improvement Bonds,  
Series 2010**

<b>Firm</b>	<b>Role</b>	<b>Classification</b>
J.P. Morgan	Senior Book Running Manager	
Siebert Bradford Shank & Co., LLC	Co-Senior Manager	AABE <sup>1</sup> , MBE <sup>2</sup> , WBE <sup>3</sup>
Morgan Keegan & Company	Co-Manager	
First Southwest Company	Co-Manager	
Ramirez & Company, Inc.	Co-Manager	MBE <sup>2</sup>

<sup>1</sup> AABE = African American Business Enterprise

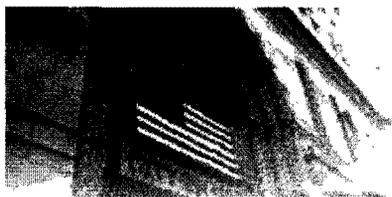
<sup>2</sup> MBE = Minority Business Enterprise

<sup>3</sup> WBE = Women Business Enterprise

It is anticipated that the specific financing transactions listed above will be sold during the Fall of 2010; however, the City is under no obligation to proceed with any financing transaction if bond market conditions are not favorable, and as such, there is no property right to provide service 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, with the prior concurrence of the City Manager, is hereby authorized to **(1)** revise the assigned role of any firm(s) within the Syndicate, and/or **(2)** completely remove any firm(s) from participation in the Syndicate, 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 transaction.



Request for  
**COUNCIL  
ACTION**

City of San Antonio



## Agenda Voting Results - 34

<b>Name:</b>	34						
<b>Date:</b>	06/17/2010						
<b>Time:</b>	02:53:55 PM						
<b>Vote Type:</b>	Motion to Approve						
<b>Description:</b>	An Ordinance approving a Financial Underwriter Syndicate selected from the Financial Underwriting Pool for financings of (1) Airport System Revenue Improvement Bonds, Series 2010 and (2) Passenger Facility Charge and Subordinate Lien Airport System Revenue Improvement Bonds, Series 2010. [Sheryl Sculley, City Manager; Ben Gorzell, Jr., Chief Financial Officer]						
<b>Result:</b>	Passed						
<b>Voter</b>	<b>Group</b>	<b>Not Present</b>	<b>Yea</b>	<b>Nay</b>	<b>Abstain</b>	<b>Motion</b>	<b>Second</b>
Julián Castro	Mayor		x				
Mary Alice P. Cisneros	District 1				x		
Ivy R. Taylor	District 2		x				
Jennifer V. Ramos	District 3		x				x
Philip A. Cortez	District 4		x			x	
David Medina Jr.	District 5		x				
Ray Lopez	District 6		x				
Justin Rodriguez	District 7		x				
W. Reed Williams	District 8		x				
Elisa Chan	District 9		x				
John G. Clamp	District 10		x				