

RKN
09/10/09
Item No. 28 (B)

AN ORDINANCE

APPROVING THE FIRST AMENDMENT AND SECOND EXTENSION OF THE FINANCIAL ADVISOR CONTRACT WITH ESTRADA HINOJOSA & COMPANY, INC. FOR FINANCIAL ADVISOR SERVICES IN CONNECTION WITH THE CITY'S FINANCINGS, TO PROVIDE FOR ONE (1) ADDITIONAL ONE-YEAR TERM COMMENCING OCTOBER 1, 2009 AND TERMINATING SEPTEMBER 30, 2010, UNDER THE SAME TERMS AND CONDITIONS.

* * * * *

WHEREAS, pursuant to Ordinance No. 100095, passed and approved on December 9, 2004, which amended Ordinance No. 99825, passed and approved on September 30, 2004, **ESTRADA HINOJOSA & COMPANY, INC.** ("Estrada") and **COASTAL SECURITIES, LP** (to which **COASTAL SECURITIES, INC.** "Coastal" is successor) were designated as Co-Financial Advisors of the City, and contracts between the City and Estrada, and between the City and Coastal, providing for the firms to provide co-financial advisor services to the City for the period beginning on October 1, 2004, and ending on September 30, 2007, with regard to the City's financings, with Coastal receiving 60% and Estrada receiving 40% of all fees associated therewith, were approved; and

WHEREAS, pursuant to said Ordinance No. 100095, City and Estrada have entered into that certain *Professional Services Agreement For Co-Financial Advisor Services With Estrada Hinojosa & Company, Inc.* ("Estrada Agreement"); and

WHEREAS, also pursuant to said Ordinance No. 100095, City and Coastal have entered into that certain *Professional Services Agreement For Co-Financial Advisor Services With Coastal Securities, LP.* ("Coastal Agreement"); and

WHEREAS, in accordance with the terms and conditions of the Estrada Agreement, and pursuant to Ordinance No. 2007-06-21-0713, passed and approved on June 21, 2007, the Estrada Agreement was renewed and extended for one (1) two (2) year term commencing October 1, 2007, and ending September 30, 2009; and

WHEREAS, in accordance with the terms and conditions of the Coastal Agreement, and pursuant to Ordinance No. 2007-06-21-0712, passed and approved on June 21, 2007, the Coastal Agreement was renewed and extended for one (1) two (2) year term commencing October 1, 2007, and ending September 30, 2009; and

WHEREAS, neither the Estrada Agreement nor the Coastal Agreement contain provisions for extension of the term beyond September 30, 2009; and

WHEREAS, City Staff has recommended that the Estrada Agreement and the Coastal Agreement each be amended to extend its term for one (1) additional year, commencing October 1, 2009, and ending September 30, 2010, upon the same terms and conditions; and

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

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

SECTION 1. The amendment and extension of the Estrada Agreement, to provide for one (1) additional one (1) year term commencing October 1, 2009, and ending September 30, 2010, upon the same terms and conditions, is hereby approved.

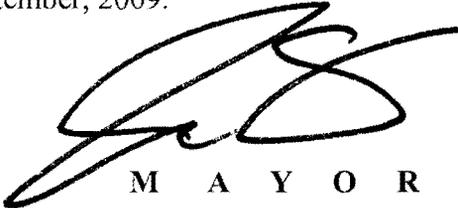
SECTION 2. The City Manager, or the City Manager's designee, or the Director of Finance are each hereby authorized to negotiate and execute that certain *First Amendment And Second Extension Of Professional Services Agreement For Co-Financial Advisor Services With Estrada Hinojosa & Company, Inc.*, substantially in the form attached hereto and incorporated herein as **Attachment I**. The City Manager or her designee or the Director of Finance is authorized forty-five (45) business days from the effective date of this Ordinance within which to negotiate and execute a contract, substantially according to the terms and conditions set forth in **Attachment I**. If said contract is not negotiated and executed within said forty-five (45) business days, or if the parties cannot agree to terms of such contract within such time, then there shall be no authority to execute said contract unless there is subsequent City Council approval.

SECTION 3. The City's Co-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.

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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 10th day of September, 2009.



M A Y O R
JULIÁN CASTRO

ATTEST: 
City Clerk

APPROVED AS TO FORM: 
City Attorney

Agenda Item:	28B (in consent vote: 28A, 28B)						
Date:	09/10/2009						
Time:	10:51:41 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing the amendment and extension of the Financial Advisor Contract with Estrada Hinojosa & Company, Inc., to provide financial advisor services in connection with the City's financings for one (1) additional one-year period under the same terms and conditions commencing October 1, 2009 and terminating on September 30, 2010.						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
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				
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				x
John G. Clamp	District 10		x				

A T T A C H M E N T I

FRST AMENDMENT AND SECOND EXTENSION
OF
PROFESSIONAL SERVICES AGREEMENT
FOR CO-FINANCIAL ADVISOR SERVICES WITH
ESTRADA HINOJOSA & COMPANY, INC.

THE STATE OF TEXAS §
 §
THE COUNTY OF BEXAR §

This First Amendment And Second Extension Of Professional Services Agreement For Co-Financial Advisor Services With Estrada Hinojosa & Company, Inc. (“Amendment and 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 or her designee, pursuant to Ordinance No. 2009-09-10- , passed and approved September 10, 2009, and **ESTRADA HINOJOSA & COMPANY, INC.**, a _____ corporation, acting herein through its duly authorized representative (hereinafter referred to as “Firm”). City and Firm may be hereinafter collectively referred to as the “Parties”.

WHEREAS, pursuant to Ordinance No. 100095, passed and approved on December 9, 2004, which amended Ordinance No. 99825, passed and approved on September 30, 2004, Firm and **COASTAL SECURITIES, LP** (“Coastal”) were designated as Co-Financial Advisors of the City, and contracts between the City and Firm and between the City and Coastal, providing for the firms to provide co-financial advisor services to the City for the period beginning on October 1, 2004, and ending on September 30, 2007, with regard to the City’s financings, with Coastal receiving 60% and Firm receiving 40% of all fees associated therewith, were approved; and

WHEREAS, pursuant to said Ordinance No. 100095, City and Firm have entered into that certain *Professional Services Agreement For Co-Financial Advisor Services With Estrada Hinojosa & Company, Inc.* (“Agreement”); and

WHEREAS, also pursuant to said Ordinance No. 100095, City and Coastal have entered into that certain *Professional Services Agreement For Co-Financial Advisor Services With Coastal Securities, LP.* (“Coastal Agreement”); and

WHEREAS, in accordance with the terms and conditions of the Agreement, and pursuant to Ordinance No. 2007-06-21-0713, the Agreement was renewed and extended for one (1) two (2) year term commencing October 1, 2007, and ending September 30, 2009; and

WHEREAS, in accordance with the terms and conditions of the Coastal Agreement, and pursuant to Ordinance No. 2007-06-21-0712, the Coastal Agreement was renewed and extended for one (1) two (2) year term commencing October 1, 2007, and ending September 30, 2009; and

WHEREAS, neither the Agreement nor the Coastal Agreement contain provisions for extension of the term beyond September 30, 2009; and

WHEREAS, City desires to amend the Agreement to extend its term for one (1) year, commencing October 1, 2009, and ending September 30, 2009, upon the same terms and conditions set forth in the Agreement, and Firm desires to do the same; and

WHEREAS, City also desires to amend the Coastal Agreement to extend its term for one (1) year, commencing October 1, 2009, and ending September 30, 2009, upon the same terms and conditions set forth in the Coastal Agreement; and

WHEREAS, City and Coastal will execute that certain First Amendment And Second *Extension Of Professional Services Agreement For Co-Financial Advisor Services With Coastal Securities, Inc.*, thereby extending the Coastal Agreement for the additional one (1) year term described above, upon the same terms and conditions set forth in the Coastal Agreement; **NOW, THEREFORE**

FOR VALUABLE CONSIDERATION, the Parties 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. DEFINITIONS

- 1.1 For purposes of this Amendment And Extension, the word “Firm” as used herein shall refer to **ESTRADA HINOJOSA & COMPANY, INC.**
- 1.2 For purposes of this Amendment And Extension, the term “Co-Financial Advisors” as used herein shall refer to **ESTRADA HINOJOSA & COMPANY, INC.** and **COASTAL SECURITIES, INC.**
- 1.3 For purposes of this Amendment And Extension, the word “Agreement” as used herein shall refer to the Professional Services Agreement For Co-Financial Advisor Services With Estrada Hinojosa & Company, Inc., executed by and between the City and Firm, which was authorized by Ordinance No. 100095.

II. AMENDMENT OF AGREEMENT

- 2.1 Article III. Term of the Agreement is hereby amended so as to add thereto Section 3.4, which shall read as follows:

“3.4 The Parties may extend the term of the Agreement for one (1) additional one year term commencing October 1, 2009, and ending September 30, 2010, under the same terms and conditions, by executing this Amendment and Extension. Execution on behalf of the City shall be authorized by an Ordinance of City’s City Council.”

III. EXTENSION OF AGREEMENT

- 3.1 In accordance with the provisions of Section 3.4 of the Agreement, the Agreement is hereby extended for a term of one (1) year, beginning on October 1, 2009 and ending on September 30, 2010.

IV. SCOPE OF SERVICES

- 4.1 Firm shall provide the same services during the term of this Amendment and Extension as are set forth in Article I and Article II of the Agreement.

V. CONSIDERATION

- 5.1 The fees to be paid to Firm during the term of this Amendment and Extension, in consideration of the performance of its services in accordance with this Amendment and Extension, shall be those set forth in Article IV of the Agreement and Attachment A – Financial Advisor Fee Schedule to the Agreement.

VI. CONFLICT OF INTEREST

- 6.1 For the purposes of this Amendment and Extension, Firm warrants and certifies, and this Amendment and Extension is entered into and executed by City in reliance thereon, that Firm, its officers, employees and agents are neither officers nor employees of the City, as those terms are defined in Division 2, Section 2.52 of the *City Of San Antonio Ethics Code* dated March 2, 2006, as amended on June 25, 2009 (“Ethics Code”). Firm further warrants and certifies that it has tendered to the City a current *City of San Antonio Discretionary Contracts Disclosure* in compliance with the Ethics Code.

6.2 The terms and conditions of Article XIV of the Agreement shall apply to this Amendment and Extension.

VII. INCORPORATION OF TERMS AND CONDITIONS OF AGREEMENT BY REFERENCE

7.1 Except as provided for in this Amendment and Extension, all other terms and conditions of the Agreement, approved by Ordinance No. 100095, passed and approved on December 9, 2004, are hereby renewed and extended pursuant to the terms of this Amendment and Extension, and are incorporated into this Amendment and Extension, and are made a part hereof for all purposes.

VIII. CONFLICT PROVISIONS

8.1 Any conflict between the provisions of this Amendment and Extension and the provisions of the Agreement shall be resolved in favor of this Amendment and Extension.

EXECUTED and AGREED TO this the ____ day of September, 2009.

CITY:
CITY OF SAN ANTONIO

FIRM:
ESTRADA HINOJOSA &
COMPANY, INC.

Ben Gorzell, Jr., CPA
Director of Finance

BY: _____
TITLE: _____

Approved as to form:

Robert Nordhaus
Assistant City Attorney