

AN ORDINANCE 2007-04-05-0378

**SELECTING BANK OF AMERICA, N.A. AS THE LETTER OF CREDIT PROVIDER FOR THE IMPLEMENTATION OF THE CITY'S SALES TAX REVENUE COMMERCIAL PAPER PROGRAM; AND AUTHORIZING OTHER MATTERS INCIDENT AND RELATED THERETO.**

\* \* \* \* \*

**WHEREAS**, as a result of voter approval on May 7, 2005, the Edwards Aquifer Venue Project ("Project") has been established, for the purpose of acquiring land over the Edwards Aquifer, which acquisitions are funded through an allocation in the amount of \$90 million to be generated by a 1/8 of one percent (1/8 of 1%) sales and use tax which was also authorized at the election and which took effect on October 1, 2005, with the entire \$90 million estimated to be collected within six years from imposition; and

**WHEREAS**, due to the potential increase in the cost of land over the Edwards Aquifer, a financing plan has been developed to provide for an accelerated land acquisition program for the Project, which plan calls in part for the implementation of a Sales Tax Revenue Commercial Paper Program ("Program"); and

**WHEREAS**, the Program will allow the City access to the majority of the \$90 million allocated to the Project in Fiscal Years 2007 and 2008; and

**WHEREAS**, it is necessary for the City Council to select a Letter of Credit Provider, who will be responsible for issuing an irrevocable, direct-pay Letter of Credit which will provide additional security for the Sales Tax Revenue Commercial Paper Notes to be issued as part of the Program, and to authorize execution of a Letter of Credit and Reimbursement Agreement with the selected Letter of Credit Provider; and

**WHEREAS**, proposals have been solicited by City Staff from firms seeking to serve as the Letter of Credit Provider for the Notes; and

**WHEREAS**, six (6) firms submitted proposals to serve as the City's Letter of Credit Provider for the Notes, which proposals were received and evaluated by City Staff with assistance from the City's Financial Advisors; and

**WHEREAS**, the evaluation involved, among other inquiries, assessment of fee proposals; out of pocket expenses in connection with the Letter of Credit; the bank's bond rating; and additional provisions stipulated by the bank; and

**WHEREAS**, City Staff recommends that the City Council select Bank of America, N.A. as the City's Letter of Credit Provider for the Notes, and that City Staff be authorized and directed to negotiate the terms and conditions of a Letter of Credit and Reimbursement Agreement with Bank of America, N.A., to be presented to and considered by City Council at an upcoming regular Council meeting; **NOW THEREFORE:**

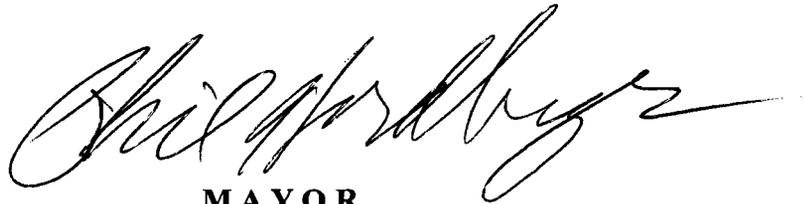
**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** Bank of America, N.A. is hereby selected as the City's Letter of Credit Provider to be responsible for issuing an irrevocable, direct-pay Letter of Credit which will provide additional security for the Sales Tax Revenue Commercial Paper Notes to be issued as part of the Program.

**SECTION 2.** The City Manager and the Director of Finance are hereby authorized and directed to negotiate a Letter of Credit and Reimbursement Agreement with Bank of America, N.A., to be presented to and considered by the City Council at an upcoming regular Council meeting.

**SECTION 3.** This Ordinance shall take effect on the tenth (10<sup>th</sup>) day following passage hereof.

**PASSED AND APPROVED** this 5<sup>th</sup> day of April, 2007.



**MAYOR  
PHIL HARDBERGER**

**ATTEST:**   
\_\_\_\_\_  
City Clerk

**APPROVED AS TO FORM:**   
\_\_\_\_\_  
City Attorney

# Agenda Voting Results

**Name:** CONSENT AGENDA Items 8-30B except Items 8, 11, 13, 18, 20 22, 23, 26, 29

**Date:** 04/05/07

**Time:** 03:28:03 PM

**Vote Type:** Multiple selection

**Description:**

<b>Voter</b>	<b>Group</b>	<b>Status</b>	<b>Yes</b>	<b>No</b>	<b>Abstain</b>
ROGER O. FLORES	DISTRICT 1	Not present			
SHEILA D. MCNEIL	DISTRICT 2		x		
ROLAND GUTIERREZ	DISTRICT 3		x		
RICHARD PEREZ	DISTRICT 4	Not present			
PATTI RADLE	DISTRICT 5		x		
DELICIA HERRERA	DISTRICT 6		x		
ELENA K. GUAJARDO	DISTRICT 7		x		
ART A. HALL	DISTRICT 8		x		
KEVIN A. WOLFF	DISTRICT 9		x		
CHIP HAASS	DISTRICT_10		x		
MAYOR PHIL HARDBERGER	MAYOR		x		

**MEETING OF THE CITY COUNCIL**

ALAMODOME
ARTS & CULTURAL AFFAIRS
ASSET MANAGEMENT
AVIATION
BUDGET & PERFORMANCE ASSESSMENT
BUILDING INSPECTIONS
HOUSE NUMBERING
CITY ATTORNEY
MUNICIPAL COURT
REAL ESTATE (FASNIDGE)
REAL ESTATE (WOOD)
RISK MANAGEMENT
CITY MANAGER
SPECIAL PROJECTS
CITY PUBLIC SERVICE - GENERAL MANAGER
CITY PUBLIC SERVICE - MAPS AND RECORDS
CODE COMPLIANCE
COMMERCIAL RECORDER
COMMUNITY INITIATIVES
COMMUNITY RELATIONS
PUBLIC INFORMATION
CONVENTION AND VISITORS BUREAU
CONVENTION CENTER EXPANSION OFFICE
CONVENTION FACILITIES
ECONOMIC DEVELOPMENT
FINANCE - DIRECTOR
FINANCE - ASSESSOR
FINANCE - CONTROLLER
FINANCE - GRANTS
FINANCE - TREASURY
FIRE DEPARTMENT
HOUSING AND COMMUNITY DEVELOPMENT
HUMAN RESOURCES (PERSONNEL)
INFORMATION SERVICES
INTERGOVERNMENTAL RELATIONS
INTERNAL REVIEW
INTERNATIONAL AFFAIRS
LIBRARY
METROPOLITAN HEALTH DISTRICT
MUNICIPAL CODE CORPORATION
MUNICIPAL COURT
PARKS AND RECREATION
MARKET SQUARE
YOUTH INITIATIVES
PLANNING DEPARTMENT
DISABILITY ACCESS OFFICE
LAND DEVELOPMENT SERVICES
POLICE DEPARTMENT
GROUND TRANSPORTATION
PUBLIC WORKS DIRECTOR
CAPITAL PROJECTS
CENTRAL MAPPING
ENGINEERING
ENVIRONMENTAL SERVICES
PARKING DIVISION
REAL ESTATE DIVISION
SOLID WASTE
TRAFFIC ENGINEERING
PURCHASING AND GENERAL SERVICES
SAN ANTONIO WATER SYSTEMS (SAWS)

AGENDA ITEM NUMBER: \_\_\_\_\_

248

DATE: \_\_\_\_\_

APR 05 2007

MOTION: \_\_\_\_\_

ORDINANCE NUMBER 2007-04-05-0378

RESOLUTION NUMBER: \_\_\_\_\_

ZONING CASE NUMBER: \_\_\_\_\_

TRAVEL AUTHORIZATION: \_\_\_\_\_

ROGER O. FLORES District 1			
SHEILA D. MCNEIL District 2			
ROLAND GUTIERREZ District 3			
RICHARD PEREZ District 4			
PATTI RADEB District 5			
DELICIA BERDEA District 6			
ELENA GUAJARDO District 7			
ART A. HALL District 8			
KEVIN A. WOLFF District 9			
CHRISTOPHER "CHIP" HAASS District 10			
PHIL HARDENBERGER Mayor			

VIA

**CONSENT AGENDA**