RKN
5/29/14
Item No. 24 B

AN ORDINANCE 2014-05-29-0383

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.

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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 29th day of May, 2014.

M A Y O R
Julián Castro

ATTEST:

Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:

Robert F. Greenblum, City Attorney

E X H I B I T I

Exhibit I

Financial Underwriting Pool

	Firm	SBEDA Designation
1.	Cabrera Capital Markets, LLC	MBE
2.	Citigroup Global Markets, Inc.	
3.	First Southwest Company	
4.	Frost National Bank	
5.	J.P. Morgan Securities, LLC	
6.	Loop Capital Markets, LLC	MBE
7.	M.E. Allison & Co., Inc.	SBE
8.	Piper Jaffray & Co.	
9.	RBC Capital Markets, LLC	
10.	Rice Securities, LLC	MBE, SBE
11.	SAMCO Capital Markets, Inc.	
12.	Samuel A. Ramirez & Co., Inc.	MBE
13.	Siebert Brandford Shank & Co., LLC	MBE, WBE
14.	Southwest Securities, Inc.	
15.	Southwestern Capital Markets, Inc.	MBE, SBE
16.	Stifel, Nicolaus & Company, Incorporated	
17.	Wells Fargo Bank, National Association	

E X H I B I T II

Exhibit II

Proposed Financial Underwriter Syndicates

General Improvement and Refunding Bonds, Series 2014,
Combination Tax and Revenue Certificates of Obligation, Series 2014, and
Tax Notes, Series 2014

Firm	Role	SBEDA Designation
Piper Jaffray & Co.	Senior Book Running Manager	
Stifel, Nicolaus & Company, Incorporated	Co-Senior Manager	
Cabrera Capital Markets, LLC	Co-Manager	MBE
Loop Capital Markets, LLC	Co-Manager	MBE
M.E. Allison & Co., Inc.	Co-Manager	SBE
SAMCO Capital Markets, Inc.	Co-Manager	
Southwest Securities, Inc.	Co-Manager	

General Improvement Refunding Bonds, Series 2014

Firm	Role	SBEDA Designation
Siebert Brandford Shank & Co., LLC	Senior Book Running Manager	MBE, WBE
Frost National Bank	Co-Senior Manager	
RBC Capital Markets, LLC	Co-Manager	
Southwestern Capital Markets, Inc.	Co-Manager	MBE, SBE

Customer Facility Charge and Subordinate Lien
Airport System Revenue Improvement Bonds, Series 2015

Firm	Role	SBEDA Designation
Wells Fargo Bank, National Association	Senior Book Running Manager	
Citigroup Global Markets, Inc.	Co-Senior Manager	
First Southwest Company	Co-Manager	
J.P. Morgan Securities, LLC	Co-Manager	
Rice Securities, LLC	Co-Manager	MBE, SBE
Samuel A. Ramirez & Co., Inc.	Co-Manager	MBE

Agenda Item:	**24B (in consent vote: 6, 7, 8, 10, 12, 13, 14, 15, 16, 17, 20, 21, 22, 24A, 24B)**
Date:	05/29/2014
Time:	11:33:53 AM
Vote Type:	Motion to Approve
Description:	An Ordinance approving the Financial Underwriter Syndicates selected from the Financial Underwriting Pool for financings of General Improvement and Refunding Bonds, Series 2014, Combination Tax and Revenue Certificates of Obligation, Series 2014; and Tax Notes, Series 2014; General Improvement Refunding Bonds, Series 2014; and Customer Facility Charge and Subordinate Lien Airport System Revenue Improvement Bonds, Series 2015.
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor		x				
Diego Bernal	District 1		x				
Ivy R. Taylor	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x			x	
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7	x					
Ron Nirenberg	District 8		x				
Joe Krier	District 9	x					
Michael Gallagher	District 10		x				x