

AN ORDINANCE **98477**

**AUTHORIZING THE EXECUTION OF A CONTRACT WITH ERNST & YOUNG LLP, FOR ARBITRAGE REBATE COMPLIANCE SERVICES FOR VARIOUS ISSUES OF TAX-EXEMPT OBLIGATIONS AT A BASE FEE OF \$1,900.00 PER ISSUE, PER CALCULATION YEAR, TO COMMENCE ON DECEMBER 1, 2003 AND TO TERMINATE ON NOVEMBER 30, 2006, WITH THE OPTION TO EXTEND THE CONTRACT FOR TWO (2) ADDITIONAL SUCCESSIVE ONE (1) YEAR PERIODS UNDER THE SAME TERMS AND CONDITIONS.**

\* \* \* \* \*

**WHEREAS**, the City of San Antonio ("City") Department of Finance released a Request for Proposals ("RFP") to provide Arbitrage Rebate Compliance Services on September 2, 2003 and

**WHEREAS**, the scope of arbitrage rebate compliance services includes a comprehensive review of the City's outstanding tax-exempt obligations, debt service funds, debt service reserve funds, capital projects funds and other funds, into which tax-exempt proceeds have been deposited; and

**WHEREAS**, arbitrage rebate compliance services also includes calculation and verification of the arbitrage rate for each tax exempt obligation for which an arbitrage rebate computation is required, on-going services with respect to questions related to arbitrage rebate that may arise from time to time, and assistance with queries about arbitrage posed to the City; and

**WHEREAS**, the three proposals received were evaluated by a selection committee (the "Committee") comprised of representatives from the City Manager's Office, the departments of Finance, Management and Budget, and Economic Development, using the criteria specified in the RFP; and

**WHEREAS**, the Committee now recommends Ernst & Young, LLP to provide said services; **NOW THEREFORE:**

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

**SECTION 1.** Ernst & Young, LLP ("E&Y") is hereby selected to provide arbitrage rebate compliance services for various issues of tax-exempt obligations at a base fee of \$1,900.00 per revenue bond issue and \$1,700.00 per general obligation bond issue, per computation year, for a period commencing on December 1, 2003 and ending on November 30, 2006. The City Manager, or her designee, is authorized to execute a contract with E&Y substantially containing the terms and provisions as provided for in the City's Request for Proposals.

**SECTION 2.** Fees for arbitrage rebate compliance services are paid from tax-exempt obligation proceeds and interest earned on the investment of such proceeds; therefore, there is no impact on the City's operating budget.

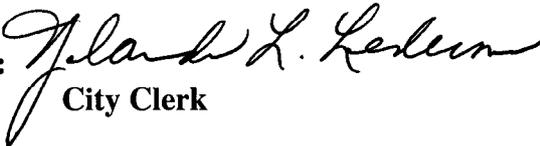
**SECTION 3.** This ordinance shall take effect ten days from the date of passage hereof.

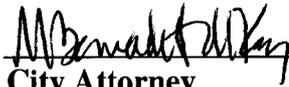
**PASSED AND APPROVED** this 13<sup>th</sup> day of November, 2003.



M A Y O R

**EDWARD D. GARZA**

ATTEST:   
City Clerk

APPROVED AS TO FORM:   
for City Attorney