

ORDINANCE NO. 2008-06-12-0537

AUTHORIZING THE TERMINATION OF UBS SECURITIES LLC AS THE DEALER FOR THE CITY'S SALES TAX REVENUE COMMERCIAL PAPER NOTE PROGRAM, AND APPROVING AND AUTHORIZING THE EXECUTION OF A COMMERCIAL PAPER DEALER AGREEMENT WITH SAMUEL A. RAMIREZ & CO., INC. TO SERVE AS THE NEW DEALER FOR SUCH COMMERCIAL PAPER NOTE PROGRAM

WHEREAS, pursuant to Ordinance No. 2007-05-10-0526 (the "*Note Ordinance*") adopted by the City Council of the CITY OF SAN ANTONIO, TEXAS (the "*City*") on May 10, 2007, the City authorized the establishment of a Sales Tax Commercial Paper Note Program (the "*Commercial Paper Program*") pursuant to which the City is authorized to issue Commercial Paper Notes in an aggregate principal amount at any one time outstanding not to exceed \$50,000,000 for the purpose of providing financing to acquire property for a conservation easement or open-space preservation program intended to protect water in the Edwards Aquifer, as approved by the voters of the City on May 7, 2005 through the implementation of a 1/8th cent sales and use tax in the City; and

WHEREAS, the Note Ordinance approved UBS Securities LLC ("*UBS*") to serve as the "Dealer" in connection with the Commercial Paper Program in accordance with the terms of a Commercial Paper Dealer Agreement, dated as of May 1, 2007, between the City and UBS (the "*UBS Dealer Agreement*"); and

WHEREAS, the City has been notified that UBS will be closing its institutional municipal securities group in the near future, which necessitates finding a replacement for UBS as the Dealer for the Commercial Paper Program; and

WHEREAS, Section 7 of the UBS Dealer Agreement authorizes the City to remove UBS as the Dealer upon seven days written notice; and

WHEREAS, the City now deems it necessary and appropriate to amend the Note Ordinance for the purpose of authorizing the termination and removal of UBS as the Dealer under the Commercial Paper Program; and

WHEREAS, the City's staff requested the submission of bids from the City's approved underwriting firms to serve as the new Dealer for the Commercial Paper Program, and based on the receipt of such bids, the City's Director of Finance has recommended that Samuel A. Ramirez & Co., Inc. ("*Ramirez*") be appointed to serve as the new Dealer for the Commercial Paper Program; and

WHEREAS, the City Council now deems it appropriate to further amend the Note Ordinance in order to appoint Ramirez to serve as the new Dealer for the Commercial Paper Program and to authorize the City to enter into a new Commercial Paper Dealer Agreement in substantially the form attached hereto as Exhibit A; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code; **NOW THEREFORE**:

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

SECTION 1. TERMINATION OF UBS AS DEALER. The City Council hereby authorizes the termination of UBS as the Dealer for the Commercial Paper Program and, consequently, the termination of the UBS Dealer Agreement as originally approved in accordance with Section 3.04 of the Note Ordinance, and the City Council further authorizes the Director of Finance of the City, or another appropriate official of the City, to send a formal notice of termination to UBS in accordance with the termination provisions of the UBS Dealer Agreement. The effective date of such termination shall be a date determined by the Director of Finance in his discretion.

SECTION 2. APPOINTMENT OF RAMIREZ AS THE NEW DEALER. Ramirez is hereby appointed to serve as the new Dealer for the Commercial Paper Program, which appointment shall become effective immediately upon the effective date of the termination of UBS as the Dealer. The Mayor, City Manager, any Deputy City Manager, any Assistant City Manager, and the Director of Finance of the City each is hereby authorized to execute on behalf of the City a Commercial Paper Dealer Agreement with Ramirez in substantially the form attached hereto as Exhibit A. The Mayor, City Manager, any Deputy City Manager, any Assistant City Manager, and the Director of Finance of the City are further authorized to approve any and all changes to such Commercial Paper Dealer Agreement from the form attached to this Ordinance and approved at this meeting, and such approval shall be evidenced by the signature of such authorized person and the delivery of such executed Dealer Agreement to Ramirez as the new Dealer.

SECTION 3. AUTHORIZATION OF OTHER NECESSARY ACTIONS; SIGNATURES. The Mayor, the City Manager, any Deputy City Manger, any Assistant City Manager, the City Clerk, the Director of Finance, and any other officer, employee, agent and official of the City designated by the City Manager are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform and to take any and all action necessary and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the City all such instruments, documents and agreements, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of the Dealer Agreement with Ramirez.

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SECTION 4. ENFORCEABILITY OF ORDINANCE. If any section, paragraph, clause, or provision of this Ordinance shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Ordinance. In case any obligation of the City authorized or established by this Ordinance or the City Agreements is held to be in violation of law as applied to any person or any circumstance, such obligation shall be deemed to be the obligation of the City to the fullest extent permitted by law.

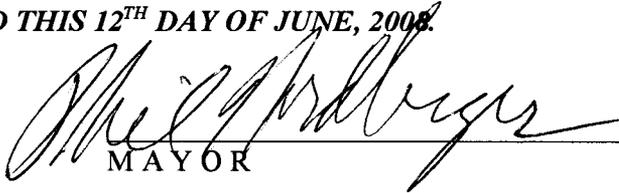
SECTION 5. INCORPORATION OF RECITALS. The City Council hereby finds that the statements set forth in the recitals of this Ordinance are true and correct, and the City Council hereby incorporates such recitals as a part of this Ordinance.

SECTION 6. EFFECTIVE DATE. This Ordinance shall become effective on the tenth day from passage hereof.

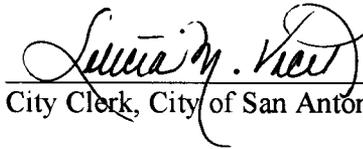
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PASSED AND APPROVED THIS 12TH DAY OF JUNE, 2008.


MAYOR

ATTEST:


City Clerk, City of San Antonio, Texas



(CITY SEAL)

APPROVED AS TO FORM:

By: 
City Attorney

** ** * ** * ** * **

[SIGNATURE PAGE FOR ORDINANCE RELATING TO SALES TAX COMMERCIAL PAPER NOTES]

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EXHIBIT A

FORM OF DEALER AGREEMENT

CERTIFICATE FOR ORDINANCE

I, the undersigned City Clerk of the CITY OF SAN ANTONIO, TEXAS (the "City"), hereby certify as follows:

1. The City Council of the City convened in REGULAR MEETING ON THE 12TH DAY OF JUNE, 2008 at the designated meeting place, and the roll was called of the duly constituted officers and members of said City Council, to wit:

Phil Hardberger, Mayor
Mary Alice P. Cisneros, Councilmember, District 1
Sheila D. McNeil, Councilmember, District 2
Jennifer V. Ramos, Councilmember, District 3
Philip A. Cortez, Councilmember, District 4
Lourdes Galvan, Councilmember, District 5

Delicia Herrera, Councilmember, District 6
Justin Rodriguez, Councilmember, District 7
Diane G. Cibrian, Councilmember, District 8
Louis E. Rowe, Councilmember, District 9
John G. Clamp, Councilmember District 10

and all of said persons were present, except the following absentees: NONE
_____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said Meeting: a written Ordinance entitled:

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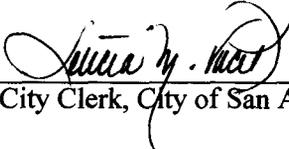
was duly introduced for the consideration of said City Council. It was then duly moved and seconded that said Ordinance be passed; and, after due discussion, said motion, carrying with it the passage of said Ordinance, prevailed and carried by the following vote:

AYES: 11 NOES: 0 ABSTENTIONS: 0

2. A true, full and correct copy of the aforesaid Ordinance passed at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; said Ordinance has been duly recorded in said City Council's minutes of said Meeting; the above and foregoing paragraph is a true, full and correct excerpt from said City Council's minutes of said Meeting pertaining to the passage of said Ordinance; the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said City Council as indicated therein; each of the officers and members of said City Council was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid Meeting, and that said Ordinance would be introduced and considered for passage at said Meeting, and each of said officers and members consented, in advance, to the holding of said Meeting for such purpose; and said Meeting was open to the public and public notice of the time, place and purpose of said Meeting was given, all as required by Texas Government Code, Chapter 551.

SIGNED AND SEALED THE 12TH DAY OF JUNE, 2008.





City Clerk, City of San Antonio, Texas