

CITY OF SAN ANTONIO
CITY ATTORNEY'S OFFICE
INTERDEPARTMENTAL CORRESPONDENCE

TO: Mayor and City Council

FROM: Andrew Martin, City Attorney

THROUGH: Terry M. Brechtel, City Manager

COPIES TO: Christopher J. Brady, Assistant City Manager; Bill Wood, Acting Deputy City Attorney; Celia Murphy, Legal Administrator

SUBJECT: Ratification of Professional Services Contract with Cox & Smith, Incorporated

DATE: December 13, 2002

SUMMARY AND RECOMMENDATION

This ordinance ratifies a professional services contract with the law firm of Cox & Smith, Incorporated, for legal services in connection with a proposed economic development known as Project Starbright, and authorizes payment for those legal services and associated expenses in an amount not to exceed \$135,000.00.

Staff recommends approval of this ordinance.

BACKGROUND

Over three months ago, local and state officials were contacted by a company interested in locating a major manufacturing facility in the San Antonio area. The company prefers to refer to the proposed economic development as "Project Starbright."

The city's negotiating team has held extensive discussions with the company. As the discussions evolved and developed, staff concluded it would be necessary to secure additional professional legal resources to provide a timely and thorough response to the company's questions and concerns.

Cox & Smith was retained by the City Attorney to join the City's negotiation team for Project Starbright. The firm is a San Antonio-based firm with significant depth and experience representing municipal and other clients in complex business and real estate transactions.

POLICY ANALYSIS

Cox & Smith was engaged to provide legal services at its standard hourly billing rates, however, the firm agreed to discount these hourly rates by 40% until and unless San Antonio is selected as the site for Project Starbright.

Since its engagement, Cox & Smith has been the primary source and coordinator of legal services to the City and has reviewed, drafted, and responded on the city's behalf to multiple drafts of a proposed master agreement between the company, the city, and other parties. Lawyers for the firm have prepared for and attended frequent meetings with those involved in the discussions. The firm has been instrumental in reviewing and resolving complicated issues related to real estate transactions necessary to obtain and provide clear title to the proposed site, if San Antonio is selected for Project Starbright.

FISCAL IMPACT

Funds needed to pay for the legal services and associated expenses in the amounts authorized by this ordinance have been budgeted for FY2003-2004 and are available.

SUPPLEMENTARY COMMENTS

The required ethics disclosure form is attached.


COORDINATION

This Council action has been coordinated with the City Manager's Office and the Finance Department.



ANDREW MARTIN
City Attorney

APPROVED:



TERRY M. BRECHTEL
City Manager

City of San Antonio

Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2

Attach additional sheets if space provided is not sufficient.

State Not Applicable for questions that do not apply.

* This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the city in the enforcement of provisions contained in the City Charter and the code of ethics, an individual or business entity seeking a discretionary contract from the city is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract;

(2) the identity of any **business entity** that would be a party to the discretionary contract:
Cox & Smith Incorporated and the name of:

(A) any individual or business entity that would be a *subcontractor* on the discretionary contract;

(B) any individual or business entity that is known to be a *partner*, or a *parent* or *subsidiary business* entity, of any individual or business entity who would be a party to the discretionary contract;

(3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

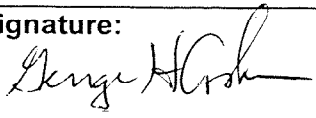
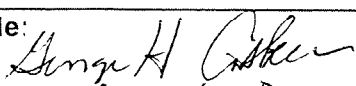
Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
Please see attached.		

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question¹ as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Signature:  George H. Casbeer	Title:  Company: Executive Director Cox & Smith Incorporated	Date: 12-10-02

¹ For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

POLITICAL CONTRIBUTIONS

<u>To Whom Made:</u>	<u>Amount:</u>	<u>Date of Contribution:</u>
Tim Bannwolf Campaign	\$1,500	November 2000
Tim Bannwolf Campaign	\$500	March 2001
Tim Bannwolf Campaign	\$500	November 2000
Tim Bannwolf Campaign	\$300	April 2001
Tim Bannwolf Campaign	\$250	December 2000
Tim Bannwolf Campaign	\$250	November 2000
Tim Bannwolf Campaign	\$250	April 2001
Tim Bannwolf Campaign	\$100	Spring 2001
Tim Bannwolf Campaign	\$100	Fall 2000
Tim Bannwolf Campaign	\$250	November 2000
Tim Bannwolf Campaign	\$250	January 2001
Tim Bannwolf Campaign	\$200	Fall 2000
Ed Garza Campaign	\$500	April 2001
Ed Garza Campaign	\$500	April 2001
Ed Garza Campaign	\$500	April 2001
Ed Garza Campaign	\$500	March 2001
Ed Garza Campaign	\$150	May 2001
Ed Garza Campaign	\$100	April 2001
Ed Garza Campaign	\$100	May 2002
Carroll Schubert Campaign	\$500	March 2001
Robert Perez Campaign	\$200	Spring 2000
Robert Perez Campaign	\$100	Spring 2001
Texas SBC EmPAC	\$10.00/month (payroll deduction) Contribution to Texas SBC EmPac	Unknow if and when contribution made to any City Council member