

**CITY OF SAN ANTONIO  
INTERDEPARTMENTAL MEMORANDUM  
ECONOMIC DEVELOPMENT DEPARTMENT**

**TO:** Mayor and City Council

**FROM:** Ramiro A. Cavazos, Director, Economic Development

**THROUGH:** Terry M. Brechtel, City Manager

**COPIES:** J. Rolando Bono; Christopher J. Brady; Roland Lozano; Melvin Tennant; Michael Sawaya; Milo Nitschke; Trey Jacobson; Andrew Martin; Veronica Zertuche; File

**SUBJECT:** Requesting an ordinance to authorize the City Manager to amend a professional services agreement with HVS International (approved by Ordinance No. 99012 on March 25, 2004) in an amount not to exceed \$30,000 (for a total contract amount of \$90,000) to provide additional consultant services during the Hotel Developer Proposal evaluation phase for the Convention Center Hotel Project.

**DATE:** September 23, 2004

**SUMMARY AND RECOMMENDATIONS**

This ordinance would authorize the City Manager to amend a professional services agreement with HVS International (approved by Ordinance No. 99012 on March 25, 2004) in an amount not to exceed \$30,000 (for a total contract amount of \$90,000) to provide additional consultant services during the Hotel Developer Proposal evaluation phase for the Convention Center Hotel Project.

Staff recommends approval.

**BACKGROUND INFORMATION**

The City is pursuing the development of a 1,000-room convention center hotel adjacent to the Henry B. Gonzalez Convention Center. On August 24, 2004, the City received proposals from three hotel development teams. The City is now in the process of evaluating the proposals.

In its agreement with the City, HVS agreed to perform, but not be limited to, four main tasks. In the last six months, HVS has worked on the first two tasks: conduct an investment feasibility analysis and prepare Request For Proposal documents for the City's hotel developer RFP.

Now that City has received the proposals, HVS will perform the third task of assisting the City in evaluating the proposals. HVS will be responsible for submitting a written evaluation report and will be available to answer City Council questions during the developer selection process. This amendment to the agreement will cover the expenses incurred in providing this service.

If the City selects a preferred hotel developer, then the City may engage HVS to complete the fourth main task, which is to conduct a final investment feasibility analysis. This final feasibility analysis will become part of the Offering Statement for bond issuance in support of the Convention Center Hotel Project. In its agreement with the City, HVS was made aware that the City would need to amend the agreement a second time to make funds available for this final and fourth task.

### **POLICY ANALYSIS**

By amending the professional services agreement with HVS International, the City continues with its deliberate process of engaging experts in assisting the City with its selection of a hotel developer. It is anticipated that a recommendation regarding the proposals will be presented to City Council by the end of October 2004.

### **FISCAL IMPACT**

On October 23, 2003, City Council approved Ordinance No. 98339, which re-appropriated \$96,346.19 from a Hotel/Motel Improvements and Contingency Fund to a Miscellaneous Special Revenue Fund for payment to hotel consultants working on the Convention Center Hotel Project. On March 25, 2004, the City Council approved Ordinance No. 99012, which allocated these funds to the professional services agreement with HVS.

### **COORDINATION**

This item has been coordinated with the City Manager's Office, City Attorney's Office, and Finance Departments.

### **SUPPLEMENTARY COMMENTS**

City's Discretionary Contracts Disclosure Form is attached.

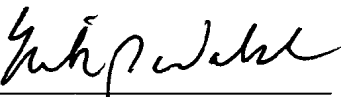


Ramiro A. Cavazos, Director  
Economic Development Department

Approved:



J. Rolando Bono  
Deputy City Manager



Terry M. Brechtel  
City Manager

**FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT FOR  
HOTEL CONSULTANT SERVICES FOR THE SAN ANTONIO  
CONVENTION CENTER HOTEL PROJECT**

**FOR VALUE RECEIVED**, the receipt and sufficiency of which is hereby acknowledged, this First Amendment to the Professional Services Agreement for Hotel Consultant Services for the San Antonio Convention Center Hotel Project ("First Amendment") is entered into by the CITY OF SAN ANTONIO, a Texas Municipal corporation ("City"), acting by and through its City Manager pursuant to and duly authorized by Ordinance No. \_\_\_\_\_, passed and approved on September 23, 2004, and HVS International ("Consultant") acting by and through its duly authorized designated officer.

A. City and Consultant entered into the Professional Services Agreement for Hotel Consultant Services for the San Antonio Convention Center Hotel Project ("Agreement") pursuant to City of San Antonio Ordinance No. 99012, dated March 25, 2004.

**B. City and Consultant agree to amend specific provisions of the Agreement as set out in this First amendment.**

1. **Section 4.1. is amended to include additional payment under the Agreement and shall read:**

In consideration of Consultant's performance in a satisfactory and efficient manner, as determined solely by Director, of all services and activities set forth in this Agreement, City agrees to pay Consultant an amount not to exceed ninety thousand dollars (\$90,000.00) as total compensation, to be paid to Consultant in accordance with the fees set forth in Exhibit A, which is attached hereto and incorporated herein for all purposes.

Except as otherwise expressly modified hereby, all terms and provisions of the Agreement are ratified and confirmed and shall remain in full force and effect, enforceable in accordance with their terms.

EXECUTED AND SIGNED this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

**CITY OF SAN ANTONIO**

**HVS INTERNATIONAL**

\_\_\_\_\_  
Terry M. Brechtel  
City Manager

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ATTEST:**

Approved as to Form:

\_\_\_\_\_  
Leticia Vacek  
City Clerk

\_\_\_\_\_  
City Attorney

ATTACHMENT

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:

None

(2) the identity of any business entity<sup>1</sup> that would be a party to the discretionary contract:

None

and the name of:

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

None

and the name of:

(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:

None

<sup>1</sup> A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

- (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.

None

#### 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:
Not applicable		

#### 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 question<sup>2</sup> 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: Thomas Haysnalski	Title: Managing Director Company: HUS International	Date: 3-15-04
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<sup>2</sup> 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.