

**CITY OF SAN ANTONIO  
FINANCE DEPARTMENT  
CITY COUNCIL AGENDA MEMORANDUM**

**TO:** Mayor and City Council  
**FROM:** Milo Nitschke, Director, Finance Department  
**SUBJECT:** Extension of Depository Services Contract  
**DATE:** April 28, 2005

**SUMMARY AND RECOMMENDATIONS**

This Ordinance authorizes the Interim City Manager or his designee to renew the Depository Contract, approved through Ordinance No. 95596, passed and approved on April 11, 2002, with Frost National Bank, to provide depository banking and related financial services to the City of San Antonio, for a period of one (1) year, from July 1, 2005 through June 30, 2006, under the same terms and conditions.

Staff recommends approval of this Ordinance.

**BACKGROUND INFORMATION**

The City maintains bank depository services that will safeguard the City's deposits and ensure secure and efficient processing of the City's monetary collections and disbursements.

The current Depository Services Contract is a product of the competitive bid process. In 2002, bank depository services were solicited through the request for proposal (RFP) process. Four financial institutions, which include Frost National Bank, Bank of America, Bank One, and Wells Fargo submitted proposals to the City. After the review and analysis process, the Selection Committee recommended and City Council approved Frost National Bank to provide depository banking and related financial services for three (3) years, commencing on July 1, 2002, through June 30, 2005, with an option to renew for two (2) additional one (1) year periods.

Frost National Bank has a long history of providing the City with depository banking services and has demonstrated its commitment to provide quality service to the City, and has assisted the City in the evaluation and implementation of banking services and products. The City and the Depository wish to renew and extend the existing Depository Services Contract making it effective for one additional year commencing July 1, 2005 and terminating on June 30, 2006.

**POLICY ANALYSIS**

The City's banking policies and procedures are governed by various Federal and State statutes and the City Charter. The extension of this contract is consistent with the City's banking service practice, City policy and legal requirements.

### **FISCAL IMPACT**

Fees for services provided are paid out of compensating balances retained in the City's bank account and invested by Frost National Bank. The fees for services and method of payment is in accordance with the existing contract without a cost increase.

### **COORDINATION**

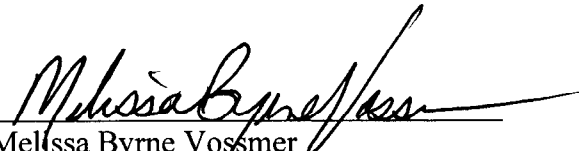
This action was coordinated with the City Manager's Office, City Attorney's Office, and the Department of Finance.

### **SUPPLEMENTAL COMMENTS**

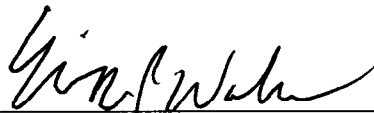
The disclosures required by the City's Ethics Ordinance for Frost National Bank are attached.



Milo D. Nitschke  
Director, Finance Department



Melissa Byrne Vossmer  
Assistant City Manager



J. Rolando Bono  
Interim City Manager

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## DEPOSITORY SERVICES CONTRACT RENEWAL AND EXTENSION

This Renewal and Extension is entered into by and between the City of San Antonio, Texas (hereinafter referred to as "**CITY**"), a Texas Municipal Corporation, acting by and through its Interim City Manager, or his designated representative, pursuant to Section IV., entitled "Term", of the Depository Services Contract, approved through Ordinance No. 95596, passed and approved on April 11, 2002 (hereinafter referred to as "Contract"), and The Frost National Bank (hereinafter referred to as "**DEPOSITORY**"), a duly incorporated financial institution domiciled in the State of Texas and authorized to perform depository services in this State, and is as follows:

**WHEREAS**, through Ordinance No. 95596, passed and approved on April 11, 2002, City Council authorized the execution of the Depository Services Contract with The Frost National Bank to provide banking and related services; and

**WHEREAS**, said Contract provides for an initial three (3) year term, with the option to renew for two (2) additional one-year terms, subject to approved by City Council; and

**WHEREAS**, the parties have agreed to a one-year extension of the Depository Service Contract; and

### I.

Pursuant to the provisions of Section IV., entitled "Term", of the Depository Services Contract, **CITY** and **DEPOSITORY** mutually agree to renew and extend the term of said Contract for a period of one-year, commencing July 1, 2005 and terminating June 30, 2006, under the same terms and conditions as stated in said Contract, as amended.

### II.

All other terms, conditions, covenants and provisions of the Depository Services Contract approved through Ordinance No. 95596 are hereby renewed and extended.

**EXECUTED this the** \_\_\_\_ **day of** \_\_\_\_\_, **2005.**

**CITY**  
City of San Antonio

\_\_\_\_\_  
J. Rolando Bono,  
Interim City Manager

**DEPOSITORY**  
The Frost National Bank

  
\_\_\_\_\_  
Tom Frost, III  
Senior Vice President

Approved as to Form:

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

**City of San Antonio**  
**Discretionary Contracts Disclosure**

For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)  
Attach additional sheets if space provided is not sufficient.

**ATTACHMENT(S)**  
**ITEM NO 12**

(1) Identify any individual or business entity<sup>1</sup> that is a **party** to the discretionary contract:

None to my knowledge

(2) Identify any individual or business entity which is a **partner, parent** or **subsidiary** business entity, of any individual or business entity identified above in Box (1):

☐ No partner, parent or subsidiary; or

List partner, parent or subsidiary of each party to the contract and identify the corresponding party:

None to my knowledge

(3) Identify any individual or business entity that would be a **subcontractor** on the discretionary contract.

☐ No subcontractor(s); or

List subcontractors: Although Frost Bank uses various partners/sub-contractors for services, we have no plans to subcontract this depository agreement.

(4) Identify any **lobbyist** or **public relations firm** employed by any party to the discretionary contract for purposes related to seeking the discretionary contract.

☐ No lobbyist or public relations firm employed; or

List lobbyists or public relations firms:

None to my knowledge

<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. A sole proprietor should list the name of the individual and the d/b/a, if any.

**(5) Political Contributions**

List all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made 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 Box (1), (2), (3) or (4) above, or by the officers, owners of any business entity listed in Box (1), (2) or (3):

☐ No contributions made; If contributions made, list below:

By Whom Made:	To Whom Made:	Amount:	Date of Contribution:
See attached list  With 3,600 employees, it is not feasible to have a list which includes everyone. The attached list includes our Executive Committee and the signer.			

**(6) Disclosures in Proposals**


Any individual or business entity seeking a discretionary contract with the city must disclose any known facts which, reasonably understood, raise a question<sup>2</sup> as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code), ("conflicts of interest") by participating in official action relating to the discretionary contract.

☐ Party not aware of facts which would raise a "conflicts-of-interest" issue under Section 2-43 of the City Code; or

Party aware of the following facts:

No violations to my knowledge

This form is required to be supplemented in the event there is any change in the information 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, whichever occurs first.

<b>Signature:</b>  Tom Frost III	<b>Title:</b> Sr. Executive V.P. <b>Company or D/B/A:</b> Frost National Bank	<b>Date:</b>  April 19, 2005
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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.

<u>FNB employee</u>	<u>Donation Recipient</u>	<u>Amount</u>	<u>Date</u>
Dick Evans	Julian Castro	500	2/15/05
	Ken Wolff	50	8/6/04
		100	1/25/05
	Roger Flores	50	5/12/03
		100	10/19/04
		100	3/7/05
	Joel Williams	50	5/12/03
		100	3/3/04
		100	3/7/05
	Phil Cortez	50	5/12/03
	Art Hall	50	5/12/03
		50	4/5/04
		100	3/7/05
	Patti Radle	50	5/12/03
		50	2/13/04
	-	100	2/23/05
	Ron Segovia	50	6/18/03
		50	1/28/04
		50	6/15/04
	Enrique Barrera	50	8/5/04
	Chip Haas	50	9/11/03
		50	5/18/04
		100	3/30/05
	Richard Perez	50	8/16/04
Tom C Frost	John Clamp	500	2/12/03
	Carroll Schubert	250	3/25/03
		1000	2/16/05
	Toni Moorehouse	50	3/25/03
	Patti Radle	100	5/7/03
		50	2/11/04
		250	9/1/04
		100	2/24/05
	Joel Williams	50	5/13/03
		50	3/3/04
		100	3/8/05
	Roger Flores	50	5/13/03
		250	11/4/03
		100	10/14/04
		100	3/4/05
	Art Hall	50	5/13/03
		50	4/1/04
		100	3/8/05
	Phil Cortez	50	5/13/03

	Ron Segovia	50	6/13/03
		50	1/3/04
		50	6/15/04
	Enrique Barrera	50	8/8/03
	Chip Haas	50	9/12/03
		50	5/19/03
		100	3/28/05
	Kevin Wolff	50	8/11/04
		100	1/24/05
Tom Frost III	Art Hall	100	5/6/03
	Phil Hardburger	250	3/3/05
Pat Frost	Phil Hardberger	500	11/04
	Phil Hardberger	500	2/05
	Kevin Wolff	50	1/05
	Roger Flores	900	5/03
		100	10/04
	-	50	3/05
	Joel Williams	50	5/03
		50	3/04
		50	3/05
	Toni Moorehouse	100	3/03
	Ron Segovia	50	6/03
		50	1/04
	Richard Perez	50	5/03
		50	8/04
	Patti Radle	50	5/03
		50	2/04
		50	2/05
	Enrique Barrera	50	8/04
	Art Hall	50	5/03
		50	4/04
		50	3/05
	Chip Haas	50	9/03
		50	5/04
		50	3/05