



# City of San Antonio

## Agenda Memorandum

**File Number:**17-1554

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**Agenda Item Number:** 7.

**Agenda Date:** 3/2/2017

**In Control:** City Council A Session

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**DEPARTMENT:** Aviation

**DEPARTMENT HEAD:** Russell J. Handy

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

Lease Agreement with U.S. Customs and Border Protection for the General Aviation Federal Inspection Station

### **SUMMARY:**

This Ordinance authorizes a lease agreement with the United States (U.S.) Customs and Border Protection (CBP) for the General Aviation (GA) Federal Inspection Station (FIS) at San Antonio International Airport at 1778 Skyplace Blvd. The facility is approximately 4,735 square feet and is expected to be ready for CBP to occupy in March 2017. The term is for one year and will automatically renew on a year-to-year basis for a total of 20 years.

### **BACKGROUND INFORMATION:**

Federal law requires CBP to process passengers entering the U.S. from international commercial and GA flights. Currently, San Antonio International Airport has a single Federal Inspection Station located in Terminal A providing both commercial and GA operations. The single FIS location has led to gate traffic congestion, delays and safety concerns.

In October 2012, City Council authorized a Memorandum of Agreement (MOA) between CBP and the City for a new location to process international GA passengers. The MOA identified that the City will design and build a permanent facility and CBP will relocate GA FIS activities to the new location.

In November 2014, the City Council authorized a lease agreement with San Antonio Sky Place Real Estate Ventures, LLC (Sky Place). As part of the lease agreement, Sky Place agreed to design and construct the GA

FIS facility. Per a separate sublease agreement approved in the same Council action, the City of San Antonio will take possession of the GA FIS facility upon completion of construction. The CBP will relocate processing GA aircraft to the new GA FIS from Terminal A. The movement of these operations to a location away from the terminals will improve efficiency and safety for the operations of commercial air traffic.

#### Lease Agreement

The facility will be ready for operation this spring and requires a lease agreement between the City and CBP to allow CBP to occupy the building. The building is approximately 4,735 square feet of office space located at 1778 Skyplace Blvd at the San Antonio International Airport. As part of the lease agreement, the City agrees to:

- Procure and install all information technology equipment and systems to support data and voice technology.
- Reimburse CBP for any costs for equipment, installation or maintenance or recurring costs related to the information technology systems. The estimated recurring costs are \$7,800 which includes data service.
- Reimburse CBP for any upgrades to the equipment or system for data cabling or electrical components, which is expected to occur every 3-5 years.

The term is for one year and will automatically renew on a year-to-year basis for a total of 20 years.

#### **ISSUE:**

City Council approval is required for all agreements between the City of San Antonio and federal agencies.

#### **ALTERNATIVES:**

City Council could elect to not authorize the lease agreement with CBP. However, this action will allow CBP to begin processing GA aircraft at the new GA FIS and transfer those operations from the terminal areas. The movement of these operations to a location away from the terminals will improve efficiency and safety for the operations of commercial air traffic.

#### **FISCAL IMPACT:**

The City does not require rent in exchange for the service the CBP provides for the processing of international passengers. The Aviation Department is responsible for facilities maintenance of the facility, including telephone, IT, and fire system monitoring fees, over the term of the lease. These fees have been budgeted in the FY 2017 Aviation Budget.

#### **RECOMMENDATION:**

Staff recommends the authorization of the lease agreement with the CBP for the GA FIS facility located at 1778 Sky Place Blvd at the San Antonio International Airport.