



City of San Antonio

Agenda Memorandum

File Number:19-7834

Agenda Item Number: 11.

Agenda Date: 11/7/2019

In Control: City Council A Session

DEPARTMENT: Aviation

DEPARTMENT HEAD: Russell J. Handy

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Lease Agreement with U.S. Customs and Border Protection for the Federal Inspection Station in Terminal A of the San Antonio International Airport

SUMMARY:

This ordinance authorizes a lease agreement with the United States (U.S.) Customs and Border Protection (CBP) for the Federal Inspection Station (FIS) in Terminal A of the San Antonio International Airport. The facility, which has been under renovation for the past 2 years, is approximately 37,803 square feet and is expected to complete renovations in January 2020. The term for this agreement is on a year-to-year basis for a total of 20 years.

BACKGROUND INFORMATION:

Both U.S. citizens and foreign visitors arriving into the United States either on a general aviation or commercial aircraft are required to be processed in a FIS before they exit the airport by U.S. Federal Law. All international passengers are required to show their passport and may have their luggage checked. It is federally mandated that the U.S. government is responsible for providing these services through CBP, while the airport owners are responsible for providing the space, necessary support infrastructure and maintenance of the space to allow CBP to perform its work. The FIS is considered the sovereign territory of the United States and not the City of San Antonio (or any airport owner).

At the San Antonio International Airport, the FIS is located in Terminal A. Since March 2017, this area has been under renovation and expansion in order to increase the number of travelers processed from 400 to 800

per hour during peak travel hours and increase baggage handling from 180 bags per flight to 350 bags per flight. The expansion project will increase the space from approximately 25,000 square feet to approximately 37,800 square feet. Additionally, this project constructed new restrooms, offices and installed a new data telecom system consisting of fiber and telephone lines. This project is anticipated to be completed in January 2020.

ISSUE:

Federal law requires both U.S. citizens and foreign visitors arriving into the United States either on a general aviation or commercial aircraft are required to pass through a CBP check in the FIS before they exit the airport.

The CBP has requested a lease agreement with the City of San Antonio for this space to commence on the day the project is completed. The initial lease term is for one year and will be automatically renewed on a year-to-year basis for a total of 20 years in accordance with annual Congressional appropriations.

In return for the CBP locating its personnel and providing the processing services at the San Antonio International Airport, the City will provide the space for this work; bear all costs and expenses to perform the work for acceptance of the premises; provide the information technology services and equipment costs; and, provide all services, utilities and maintenance required for the proper operation of the area including inspections, modifications, repairs, replacements and improvements.

ALTERNATIVES:

The CBP has requested this lease agreement in order to occupy the space in Terminal A of the San Antonio International Airport. If the ordinance is not authorized, CBP may decide not to provide its services at the airport and commercial international air service could not be provided at the airport.

FISCAL IMPACT:

This ordinance authorizes a lease agreement with United States Customs and Border Protection for the Federal Inspection Station for the San Antonio International Airport located in Terminal A.

The City cannot 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. Airport owners are responsible by federal law to bear the full costs and expenses to perform the work for acceptance of the premises under this lease agreement.

RECOMMENDATION:

Staff recommends the authorization of the lease agreement with U.S. Customs and Border Protection for approximately 37,803 square feet in Terminal A of the San Antonio International Airport.