

A G E N D A



Recommendation for Council Action

Austin City Council		Item ID	11675	Agenda Number	8.
Meeting Date:	1/12/2012		Department:	Aviation	
Subject					
Authorize the negotiation and execution of a lease agreement with the United States Transportation Security Administration for administrative office and support space at the Austin-Bergstrom International Airport for a term of five years commencing on February 28, 2012.					
Amount and Source of Funding					
This is a revenue-generating contract. Fiscal Year 2012-2013 revenue is projected to be \$486,896.00. This revenue is reflected in the Department of Aviation’s (DOA) Fiscal Year 2012-2013 budget. Revenue over the five-year term of the lease is estimated at \$2,434,480.00.					
Fiscal Note					
There is no unanticipated fiscal impact. A fiscal note is not required.					
Purchasing Language:					
Prior Council Action:	July 17, 2003: Council authorized execution of the initial lease with the United States Transportation Security Administration, retroactive to September 1, 2002. July 26, 2007: Council authorized negotiation and execution of a second lease with the United States Transportation Security Administration.				
For More Information:	Mr. David Arthur, Assistant Director – Finance/ (512) 530-6688.				
Boards and Commission Action:	Recommended by the Airport Advisory Commission.				
MBE / WBE:					
Related Items:					
Additional Backup Information					

Congress created the Transportation Security Administration (TSA) in the aftermath of the tragedy of September 11, 2001 to provide security at airports and other transportation facilities. TSA assumed full responsibility of passenger screening at Austin-Bergstrom International Airport (ABIA) in September 2002. TSA has approximately 275 employees assigned to ABIA.

The lease agreement provides various areas needed by TSA to support its passenger and baggage screening functions. It covers only the office, administrative, and support space, not the actual screening checkpoint areas. The screening checkpoint areas are provided by the airlines. The TSA has leased space at ABIA since September 1, 2002. The original lease was for two years and was extended three additional years on September 1, 2004. The second lease was for four years and extended for 6 months terminating on February 27, 2012. The lease cannot be extended further; therefore, a new lease must be executed. The rent under the TSA lease is calculated at the same rate per square foot as other airport tenants for comparable space. The space being leased to the TSA is located within the airport terminal and information systems building. TSA's total annual rent for the five year period is estimated to be \$2,434,480.00.