



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: William F. Sherry, A.A.E.

SUBJECT: SEE BELOW

DATE: May 14, 2012

Approved

Date

5/22/12

**SUBJECT: TRANSPORTATION SECURITY ADMINISTRATION LAW
ENFORCEMENT OFFICER REIMBURSEMENT PROGRAM OTHER
TRANSACTION AGREEMENT**

RECOMMENDATION

Adopt a resolution authorizing the City Manager to apply for federal funding, negotiate, and execute an "Other Transaction Agreement" with the Transportation Security Administration (TSA) to fund eligible costs for deployment of Law Enforcement Officers (LEOs) at each airport passenger-screening location at the Norman Y. Mineta San José International Airport in excess of the City Manager's contract authority in the estimated amounts of approximately \$1,133,000 per year, or approximately \$3,400,000 for the period October 1, 2012 to September 30, 2015.

OUTCOME

Approval of this recommendation will allow the City to receive a federal grant to partially fund the Airport's cost of providing the required security mandated by the TSA and to reduce Airport operating and maintenance costs.

BACKGROUND

After the events of September 11, 2001, several security mandates were issued by the TSA in order to ensure the security of the traveling public and the nation's transportation system. One of these mandates is to require each airport operator to provide a law enforcement presence and capability at the Airport that is adequate to ensure the safety of the passengers.

On June 26, 2007, the City Council authorized the City Manager to apply for grant funding and execute related agreements with the TSA for the reimbursement of the law enforcement officer costs at the passenger-screening locations. In September 2007, the City executed a Cooperative

Agreement with the TSA for a five-year period effective from October 1, 2007 to September 30, 2012.

ANALYSIS

Since the current Cooperative Agreement expires on September 30, 2012, the TSA invited the Airport to re-apply for grant funding for another three-year term from October 1, 2012 to September 2015. The TSA reimburses the Airport for actual direct costs of law enforcement support, not to exceed the current hourly rate of \$26.01, which has been reduced from \$29.39 since October 1, 2011. The average hourly overtime rate of police officers assigned at the airport security passenger-screening locations is approximately \$78.

Contingent upon supplemental funding being available, additional consideration may be given to airports with costs in excess of the not to exceed hourly rate of \$26.01. For this reason, staff intends to submit a grant application based on the actual average overtime pay of police officers assigned at the Airport in order to maximize grant funding. Currently, the Airport is providing approximately 1,200 hours per month of LEO time to support the security passenger-screening locations and these are all done on overtime hours. The estimated cost of this mandated measure is approximately \$1,133,000 per year or approximately \$3,400,000 for the period from October 1, 2012 to September 30, 2015. Any level of federal funding for this mandated security measure would significantly reduce the Airport security costs.

EVALUATION AND FOLLOW-UP

No subsequent Council action on this issue is necessary. Funding to pay for police overtime associated with the mandated requirement is currently budgeted in the Airport Maintenance and Operations Fund and the General Fund. The grant funding, if awarded, will be used to offset the cost of providing mandated security at the security passenger-screening locations at the Airport.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

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Transportation Security Administration Law Enforcement Officer Reimbursement Program Other Transaction Agreement

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This memo will be posted on the City's website for the June 5, 2012 City Council Agenda.

COORDINATION

This memo has been coordinated with the City Attorney's Office, and the City Manager's Budget Office.

COST SUMMARY/IMPLICATIONS

The grant funding, if awarded, will be used to offset the cost of providing mandated security at the security passenger-screening locations at the Airport. The estimated maximum annual reimbursement of \$1,133,000 will reduce Airport operating and maintenance costs.

BUDGET REFERENCE

Funding to pay for police overtime associated with the mandated requirement is currently budgeted in the Airport Maintenance and Operations Fund and the General Fund. An estimated funding of \$375,000 from the TSA has been accounted for in the Airport Revenue Fund in FY 2012-13 Proposed Budget.

CEQA

Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment.

/s/ Kimberly B. Aguirre for
WILLIAM F. SHERRY, A.A.E.
Director of Aviation

Please direct questions to William Sherry, Director of Aviation, at (408) 392-3610.