

AIRPORT COMMISSION  
CITY AND COUNTY OF SAN FRANCISCO  
RESOLUTION NO. 24-0126

**APPROVAL OF THE SECTION 559 REIMBURSABLE SERVICES AGREEMENT  
WITH U.S. CUSTOMS AND BORDER PROTECTION**

- WHEREAS, on January 3, 2013, the United States of America implemented the Section 559 Reimbursable Services Program (Program) to enhance security and service levels at airports and ports through expanded staffing by U.S. Customs and Border Protection (CBP); and
- WHEREAS, on August 19, 2014, by Resolution No. 14-0167, the Airport Commission (Commission) authorized the Airport Director to enter into a Section 559 Reimbursable Services Agreement with CBP (Agreement) to implement the Program at San Francisco International Airport (Airport) by authorizing reimbursement of as-needed overtime pay for CBP staff providing Federal Inspection Services at the International Terminal; and
- WHEREAS, as the Agreement had no definite term, no specified funding, and is terminable by either party upon 60 days' notice, the approval provided for a five-year funding period, with a projected cost not to exceed amount of \$1.48 million for FY 2014/15 and Staff returning to the Commission annually for each fiscal year's funding; and
- WHEREAS, on June 4, 2019, by Resolution No. 19-0146, the Commission approved an additional four-year funding period for the Agreement with additional funding of up to \$4.5 million for the corresponding period, which period expired on December 31, 2023; and
- WHEREAS, since the start of the Agreement to date, reimbursements to CBP have totaled approximately \$5.7 million; and
- WHEREAS, Staff sees a continued need for the Program due to anticipated increases in international flight activity for the busy summer travel season, and anticipates that the required funding for the Agreement for FY 24/25 will total approximately \$750,000; and
- WHEREAS, the Agreement is not being modified, but Staff is now seeking renewed approval for the Agreement given its indefinite term, with the Agreement remaining in effect until terminated by either party with 60 days' written notice; and

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WHEREAS, Staff will seek approval for the funding of the reimbursements to CBP under the Agreement as part of the Airport's annual budget approval process going forward; and

WHEREAS, at the time of the initial approval in 2014 and at the renewed approval in 2019, Airport staff, in consultation with the City Attorney's Office, structured the Commission approvals of the Agreement as approvals of separate four and five-year authorization periods, not anticipating that the term of the Agreement would exceed 10 years, and considered the Agreement to be under the thresholds which would require Board of Supervisors' (Board) approval under Section 9.118 of the Charter of the City and County of San Francisco (Charter); and

WHEREAS, as the Agreement has no defined term, and now that the Agreement is anticipated to exceed 10 years in duration later this year, the City Attorney's Office advised Staff that to resolve any uncertainty about whether Board approval is required due to the indefinite term, the safest course is to seek retroactive Board approval under Charter Section 9.118 of the Agreement back to 2014; now, therefore, be it

RESOLVED, this Commission hereby approves the Section 559 Reimbursable Services Agreement Contract No. 50020 with U.S. Customs and Border Control for an indefinite term, terminable upon either party by 60 days' written notice, and directs the Commission Secretary to request retroactive approval of the agreement from the Board of Supervisors under Section 9.118 of the Charter of the City and County of San Francisco.

Page 2 of 2

*I hereby certify that the foregoing resolution was adopted by the Airport Commission  
at its meeting of*

JUN 4 2024

  
Secretary