

The mission of the Airport is to connect, serve, and inspire.

AIRPORT

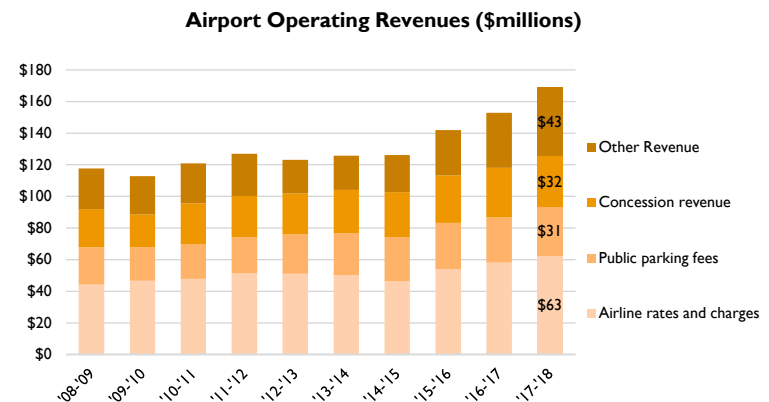
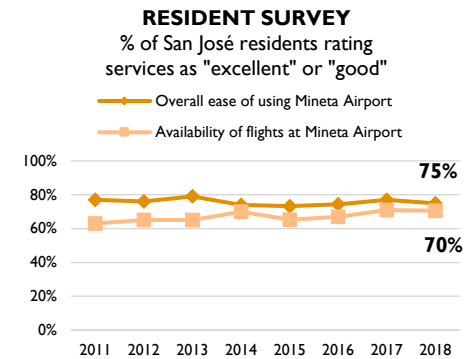
The City operates [Mineta San José International Airport](#), which provides non-stop air service to 42 U.S. destinations, including Newark, Baltimore/Washington, Chicago, New York, and four Hawaiian islands (Hawaii, Kauai, Maui, and Oahu). Additionally, it provides non-stop service to several international locations including Beijing, Cabo San Lucas, Guadalajara, Tokyo, London, Vancouver, Frankfurt, Shanghai, and most recently Morelia and Zacatecas (December 2017) for a total of 53 non-stop destinations served (up from 40 last year).

The Airport had 211 authorized positions in 2017-18. The Airport does not receive General Fund dollars; Airport operational revenues include rents, concession fees, parking, and landing fees. In 2017-18, operating revenues totaled \$168.6 million, the highest total in the past ten years.

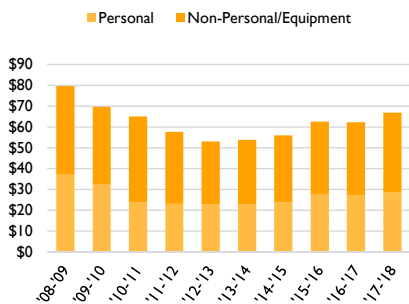
Airport operating expenditures, excluding debt service, totaled \$66.8 million.* As of June 30, 2018, total outstanding debt was \$1.27 billion, and total debt service for the fiscal year was \$104.5 million. Debt service has quadrupled from 10 years ago; this is a result of debt incurred during the Airport's major modernization and renovation that began in 2005.** The bonds issued in 2007 were restructured and refunded in 2017.

*Operating expenditures do not include police and fire services at the Airport, debt service, capital project expenditures or reserves. The cost of police and fire services has increased from \$12.2 last year to \$14.3 million in FY 2017-18.

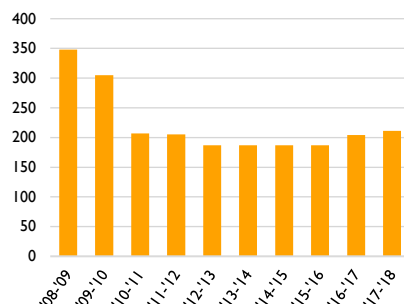
**Total debt service in 2017-18 was partly paid by passenger facility charges (\$24.8 million), customer facility charges (\$18.4 million), and bond reserve fund (\$7.4 million) that were available for payment of debt service; a net debt service of \$53.9 million is paid by Airport operating revenues. See the November 2017 audit — [Airport Financial Projections: Balancing ongoing Debt-Service Obligations with Increasing Operational Needs](#)



Airport Operating Expenditures

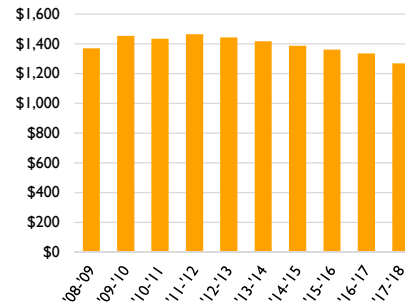


Authorized Positions

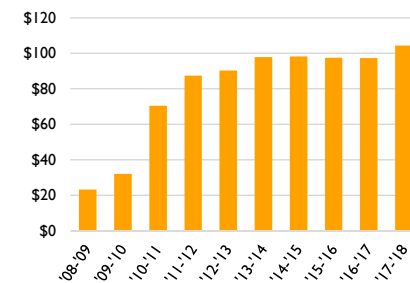


Note: Reductions prior to 2010-11 include outsourcing custodial and curbside management services.

Outstanding Debt (\$millions)



Annual Debt Payments (\$millions)



In 2017-18, the Airport served over 13.5 million airline passengers. There were 128,242 passenger airline takeoffs and landings, or 351 per day. The total number of passengers in the region was greater in 2017-18 than in any of the prior 10 years; the Airport's regional market share was 16 percent

In 2017-18, the airline's cost per enplanement (CPE) was \$9.24, the lowest in the past 10 years. San José airport's CPE continues to be lower than CPE in Oakland (OAK) and San Francisco (SFO).

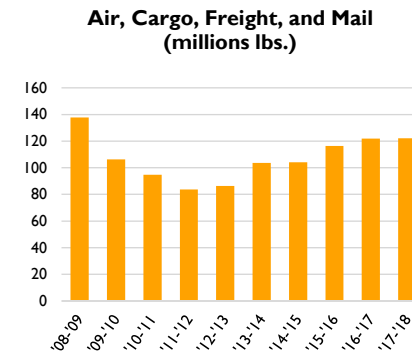
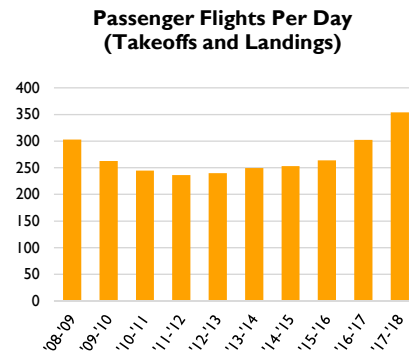
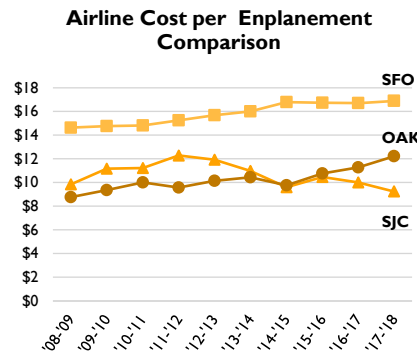
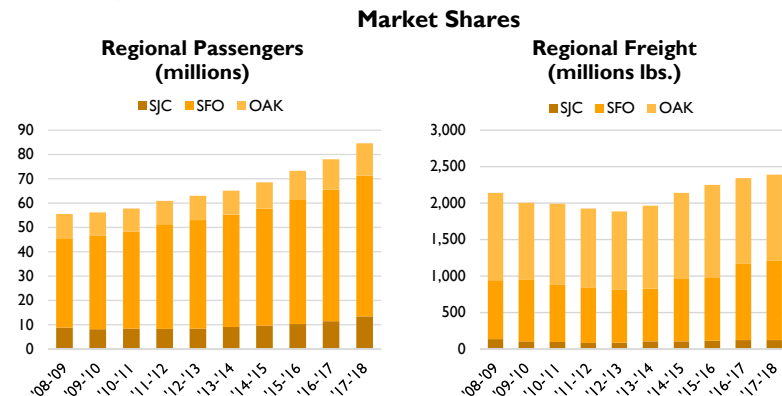
In 2017-18, the Airport handled 122.2 million pounds of cargo, freight, and mail — up from 104 million five years ago. According to the department, San José's noise curfew has limited cargo, freight, and mail capacity.

The Airport received 106,000 noise complaints in 2017-18, 155 of which concerned flights subject to the curfew program between 11:30 pm and 6:30 am. According to the department, noise complaints has increased from 8,000 in 2015-16 primarily due to south flow operations and new air traffic control technology.* Based on community response, the formation of an Ad Hoc Advisory Committee on South Flow Arrivals was approved by City Council on October 3, 2017.

*Due to the influx in noise complaints in last year, the department had to change counting methodology. This resulted in some duplicate entries being counted towards the total noise complaint number. Noise complaints can also come from areas surrounding San José.

Regional Comparisons, 2017-18			
	SJC	OAK	SFO
Passenger Airlines	16	15	62
Destinations	53	63	135
Domestic	42	49	85
International	11	14	50
Passengers (millions)	13.5	13.4	57.8
Passenger Flights/Day	351	293	1,260
On-Time Arrival	82%	81%	74%

Sources: Oakland International Airport Airline Information and staff; Comparative Traffic Report FY 17-18 and SFO Fact Sheet FY 17-18; Airline On-Time Statistics U.S. Bureau of Transportation Statistics.



Note: The CPE (industry standard) is based on rates and charges paid by airlines divided by the number of boarded passengers.

