

Airport Department

Kimberly J. Becker, Director of Aviation

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To meet the air transportation needs of Silicon Valley residents and businesses in a safe, efficient, and cost-effective manner

City Service Area

Transportation and Aviation Services

Core Services

Airport Business Development

Provide Airport customers with a wide variety of quality choices for traveler services; attract new air service and airlines to provide business and leisure travelers with options; identify and develop sources of non-airline revenue; communicate effectively with passengers, the public, and the media

Airport Facilities Maintenance

Maintenance of all Airport facilities including public spaces, oversight of airfield lighting and maintenance, building automation controls, electrical and mechanical systems, baggage handling systems, central plant, grounds and landscaping; custodial services and Capital asset replacement program

Airport Operations

Day-to-day management and oversight of the Airport to ensure safe and efficient operations such as operation of the airfield, general aviation facilities, emergency planning and coordination, Airport Operations Center, badging and security coordination, parking facilities, shuttle operations, ground transportation, roadway/curbside enforcement programs, and Automatic Vehicle Identification system





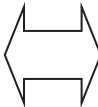
Airport Planning and Capital Development

Implement the Capital Improvement Program; plan and coordinate construction activities at the Airport, compliance with applicable federal, State, and local regulations and environmental requirements; coordinate with the Federal Aviation Administration, regional transportation planning agencies, and providers

Strategic Support: Human Resources, Financial Management, Property Management, Information Technology, and Training

Airport Department

Service Delivery Framework

Core Service		Key Operational Services
<p>Airport Business Development: <i>Provide Airport customers with a wide variety of quality choices for traveler services; attract new air service and airlines to provide business and leisure travelers with options; identify and develop sources of non-airline revenue; communicate effectively with passengers, the public, and the media</i></p>		<ul style="list-style-type: none"> • Public Information • Community Outreach • Air Service Development • Media Relations • Customer Service
<p>Airport Facilities Maintenance: <i>Maintenance of all Airport facilities including public spaces, oversight of airfield lighting and maintenance, building automation controls, electrical and mechanical systems, baggage handling systems, central plant, grounds and landscaping; custodial services and Capital asset replacement program</i></p>		<ul style="list-style-type: none"> • Airfield Maintenance • Roadway and Parking Maintenance Services • Building Services • Auxiliary Facilities
<p>Airport Operations: <i>Day-to-day management and oversight of the Airport to ensure safe and efficient operations such as operation of the airfield, general aviation facilities, emergency planning and coordination, Airport Operations Center, badging and security coordination, parking facilities, shuttle operations, ground transportation, roadway/curbside enforcement programs, and Automatic Vehicle Identification system</i></p>		<ul style="list-style-type: none"> • Airport Access • Compressed Natural Gas Station • Parking Operations • Shuttle Bus Management • Ground Transportation Operators • Terminal Operations • Security Operations • Safety Management • Airport Noise Management • Traffic Control and Curb Enforcement
<p>Airport Planning and Capital Development: <i>Implement the Capital Improvement Program; plan and coordinate construction activities at the Airport, compliance with applicable federal, State, and local regulations and environmental requirements; coordinate with the Federal Aviation Administration, regional transportation planning agencies, and providers</i></p>		<ul style="list-style-type: none"> • Airport Facility and Infrastructure Planning • Planning and Development Services for Terminals, Airfield, and Auxiliary Buildings • Airport Air, Land, and Water Management • Regulatory Compliance • Green Initiatives
<p>Strategic Support: <i>Human Resources, Financial Management, Property Management, Information Technology, and Training</i></p>		<ul style="list-style-type: none"> • Information Technology • Employee Resources and Training • Financial Management • Property/Tenant Management

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Department Budget Summary

Expected 2016-2017 Service Delivery

- Operate Norman Y. Mineta San José International Airport (SJC) efficiently while meeting all regulatory requirements for security and safety.
- Retain and grow passenger levels; develop and support air service to meet the needs of the Silicon Valley market in order to promote a strong economy and enhance community vitality.
- Deliver competitive, comfortable, convenient, reliable, and efficient services and amenities.
- Operate the Airport as a good neighbor and ensure environmental stewardship of resources.
- Continue to provide efficient and safe services for passengers, airlines, and tenants; regulatory compliance; priority maintenance and operations; and cost-effective operation of the Airport's shared-use model.

2016-2017 Key Budget Actions

- SJC will continue to compete for air service by keeping costs to airlines at competitive levels while offering exceptional service, modern facilities, and support in launching new routes. The 2016-2017 Proposed Operating Airport Budget successfully balances costs and service delivery.
- Efforts to retain and increase passenger levels will continue with enhancements and more choices in concessions and ground transportation. One-time funding of \$100,000 is proposed to fund a Concession Plan Consultant to provide recommendations based on latest industry trends and develop a new ten-year concession plan. Existing ongoing funding will support the full variety of choices in ground transportation services and effectively and efficiently track trips to pick up passengers through innovative technology.
- One-time funding of \$25,000 for project management training will provide staff development opportunities and operational efficiencies related to capital project delivery in the Airport environment. A focus on planning, scheduling, monitoring, cost, customer service, and quality control will enhance projects with critical timing issues and tenant-led construction.

Operating Funds Managed

- | | |
|--|---|
| <input type="checkbox"/> Airport Customer Facility and Transportation Fee Fund | <input type="checkbox"/> Airport Maintenance and Operation Fund |
| <input type="checkbox"/> Airport Fiscal Agent Fund | <input type="checkbox"/> Airport Revenue Fund |
| | <input type="checkbox"/> Airport Surplus Revenue Fund |

Airport Department

Department Budget Summary

	2014-2015 Actual 1	2015-2016 Adopted 2	2016-2017 Forecast 3	2016-2017 Proposed 4	% Change (2 to 4)
Dollars by Core Service					
Airport Business Development	\$ 2,655,156	\$ 3,480,987	\$ 3,168,121	\$ 3,168,121	(9.0%)
Airport Facilities Maintenance	19,679,628	21,851,429	22,331,454	22,344,454	2.3%
Airport Operations	20,746,395	23,445,825	23,622,303	23,622,303	0.8%
Airport Planning & Capital Dev	2,691,580	3,325,240	3,226,576	3,251,576	(2.2%)
Strategic Support	10,211,011	10,547,789	10,764,752	10,864,752	3.0%
Total	\$ 55,983,770	\$ 62,651,270	\$ 63,113,206	\$ 63,251,206	1.0%
Dollars by Category					
Personal Services					
Salaries/Benefits	\$ 23,594,567	\$ 27,527,863	\$ 27,211,840	\$ 27,211,840	(1.1%)
Overtime	347,324	339,959	339,959	339,959	0.0%
Subtotal	\$ 23,941,891	\$ 27,867,822	\$ 27,551,799	\$ 27,551,799	(1.1%)
Non-Personal/Equipment					
Total	\$ 55,983,770	\$ 62,651,270	\$ 63,113,206	\$ 63,251,206	1.0%
Dollars by Fund					
Airport Cust Fac/Trans Fee	\$ 2,087,145	\$ 2,153,654	\$ 2,185,554	\$ 2,185,554	1.5%
Airport Maint & Oper	53,896,625	60,497,616	60,927,652	61,065,652	0.9%
Total	\$ 55,983,770	\$ 62,651,270	\$ 63,113,206	\$ 63,251,206	1.0%
Authorized Positions by Core Service					
Airport Business Development	9.00	9.00	9.00	9.00	0.0%
Airport Facilities Maintenance	61.00	61.00	61.00	61.00	0.0%
Airport Operations	51.00	51.00	50.00	50.00	(2.0%)
Airport Planning & Capital Dev	19.00	19.00	19.00	19.00	0.0%
Strategic Support	47.00	47.00	48.00	48.00	2.1%
Total	187.00	187.00	187.00	187.00	0.0%

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Budget Reconciliation

(2015-2016 Adopted to 2016-2017 Proposed)

	<u>Positions</u>	<u>All Funds (\$)</u>
Prior Year Budget (2015-2016):	187.00	62,651,270
Base Adjustments		
One-Time Prior Year Expenditures Deleted		
● Super Bowl 50 Event Preparation		(111,000)
● 2015 Airport Roundtable Conference		(10,000)
One-time Prior Year Expenditures Subtotal:	0.00	(121,000)
Technical Adjustments to Costs of Ongoing Activities		
● Salary/benefit changes and the following position reallocations:		260,350
- 1.0 Air Conditioning Mechanic to 1.0 Senior Air Conditioning Mechanic		
- 1.0 CADD Technician to 1.0 Senior Engineering Technician		
- 1.0 Contract Compliance Coordinator to 1.0 Senior Analyst		
- 1.0 Facility Repair Worker to 1.0 Maintenance Worker II		
- 2.0 Network Technician I/II to 2.0 Network Technician I/II/III		
- 1.0 Program Manager II to 1.0 Principal Property Manager		
- 1.0 Senior Account Clerk to 1.0 Accounting Technician		
- 1.0 Senior Geographic Syst Spec to 1.0 Planner II		
● Vacancy factor		(583,373)
● Parking Operator agreement		195,557
● Airport Concessions Disadvantaged Business Enterprise consultant agreement		117,000
● Shuttle bus management and maintenance		107,395
● Contractual services contracts		94,059
● Custodial services agreement		93,128
● Baggage systems maintenance agreement and facilities supplies		91,693
● International Smarte Carte services		63,000
● Runway and fire alarm maintenance agreements		(109,321)
● Letter Of Credit fees		(81,524)
● Business Development contracts and supplies		(49,410)
● Information Technology services contracts		(32,308)
● Changes in gas, electricity and other utility costs		367,690
● Changes in vehicle maintenance and operations costs		68,000
● Changes in taxes and insurance costs		(26,000)
● Professional development program		7,000
Technical Adjustments Subtotal:	0.00	582,936
2016-2017 Forecast Base Budget:	187.00	63,113,206
Budget Proposals Recommended		
1. Airport Concession Plan Consultant		100,000
2. Planning and Development Training		25,000
3. Enterprise Asset Management Team Support and Portable Generators Replacement		13,000
Total Budget Proposals Recommended	0.00	138,000
2016-2017 Proposed Budget Total	187.00	63,251,206

Airport Department

Budget Changes By Department

Proposed Budget Changes	Positions	All Funds (\$)
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1. Airport Concession Plan Consultant **100,000**

Transportation and Aviation Services CSA
Strategic Support

This action adds one-time consultant services funding to provide recommendations on Airport concession models to support development of the 2020 Airport Concessions RFP and contract. Airport Concession programs (Food and Beverage, News, Gift, and Advertising) currently provide over \$16.3 million annually in non-airline Airport revenue. Airport concession business is dynamic and seeks to serve both short-term (immediate) and long-term (ten years from now) customers' desires. Experts that have worked with numerous concession programs around the country can provide best practices and knowledge of industry trends to support the development of a future concessions plan to meet City's goals to optimize sales, revenues, facility use, and customer service. (Ongoing costs: \$0)

2. Planning and Development Training **25,000**

Transportation and Aviation Services CSA
Airport Planning and Capital Development

This action provides one-time funding of \$25,000 for Project Management training for Airport Planning and Capital Development staff and Public Works partners. The Airport has a significant number of capital improvement projects with critical timing issues (e.g. projects funded by bond proceeds must be completed by June 2017), and several key staff members are either new to the Airport or serving in new roles, so it is important for project managers, engineers, and technicians to be trained on current technology, skills, and practices related to capital project delivery in the Airport environment. The recommended training will help staff to implement well-defined, efficient processes for stakeholders involved in capital project delivery with a focus on project planning, budgeting, scheduling, execution, monitoring, customer service, and cost and quality control. (Ongoing costs: \$0)

Airport Department

Budget Changes By Department




Proposed Budget Changes	Positions	All Funds (\$)
3. Enterprise Asset Management Team Support and Portable Generators Replacement		13,000
<i>Transportation and Aviation Services CSA Airport Facilities Maintenance</i>		
<p>This action increases the Airport Department's non-personal/equipment funding for vehicle maintenance and operations related to the Enterprise Asset Management (EAM) Team Support and Portable Generators Replacement proposals, as described in the Public Works Department section of this book. The EAM Team Support proposal reallocates funding for 1.0 Network Engineer position and 2.0 Information Systems Analyst positions between the Vehicle Maintenance and Operations Fund and various capital funds and adds 1.0 Senior Systems Applications Programmer (SSAP) in the Vehicle Maintenance and Operations Fund to better align and augment the Department's Technology Services Section EAM team. The added position will provide crucial support and ensure continuity of service from the EAM team to the Fleet and Facilities Maintenance Divisions of the Public Works Department. In addition, one-time funding is included for the replacement of four portable generators that are non-compliant with emission standards and are more than fifteen years old. (Ongoing savings: \$3,300)</p>		
2016-2017 Proposed Budget Changes Total	0.00	138,000

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Performance Summary

Airport Business Development

Performance Measures

	2014-2015 Actual	2015-2016 Target	2015-2016 Estimated	2016-2017 Target
 Air service market share	13.9%	14.4%	13.8%	14.5%
 % of customers reporting satisfaction with availability of flights and destinations that meet their travel needs	N/A*	90%	N/A**	90%
 % of residents reporting satisfaction with the quality and variety of Airport shops and restaurants	N/A*	85%	N/A**	85%

* Data for this measure is not available since the question to collect the data was removed from the biennial City-Wide Community Survey. Survey questions were removed in an effort to streamline the survey to improve effectiveness and participation. A reevaluation of the entire set of survey questions will be conducted, and any corresponding performance measure changes will be reported in the 2017-2018 Proposed Budget.

** Data for this measure is collected through the biennial City-Wide Community Survey. The next community survey will be conducted in fall 2016, and those results will be reported in the 2017-2018 Proposed Budget.

Activity and Workload Highlights


	2014-2015 Actual	2015-2016 Forecast	2015-2016 Estimated	2016-2017 Forecast
Total regional air service market (passengers)	68.6M	67.0M	73.1M	75.0M
Total number of annual Airport passengers	9.6M	9.68M	10.0M	10.2M

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Performance Summary

Airport Facilities Maintenance

Performance Measures

	2014-2015 Actual	2015-2016 Target	2015-2016 Estimated	2016-2017 Target
 % of residents rating the physical condition of the Airport as good or excellent	N/A*	90%	N/A**	90%

* Data for this measure is not available since the question to collect the data was removed from the biennial City-Wide Community Survey. Survey questions were removed in an effort to streamline the survey to improve effectiveness and participation. A reevaluation of the entire set of survey questions will be conducted, and any corresponding performance measure changes will be reported in the 2017-2018 Proposed Budget.

** Data for this measure is collected through the biennial City-Wide Community Survey. The next community survey will be conducted in fall 2016, and those results will be reported in the 2017-2018 Proposed Budget.

Activity and Workload Highlights

	2014-2015 Actual	2015-2016 Forecast	2015-2016 Estimated	2016-2017 Forecast
Total number of facilities maintenance work orders completed	29,332	37,000	30,500	35,000
Number of hours spent addressing Federal Aviation Regulation Part 139 (FAR 139) issue work orders	166	70*	43*	58


* Data for this measure is collected through the Airport's Computerized Maintenance Management System (CMMS). In 2014-2015, the process for classifying FAR 139 issue work orders was changed in the CMMS, resulting in a lower than anticipated number of hours spent addressing FAR 139 issue work orders. Airport is currently evaluating the usefulness of this measure with the new process.

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Performance Summary

Airport Operations

Performance Measures

	2014-2015 Actual	2015-2016 Target	2015-2016 Estimated	2016-2017 Target
 % of on-time flights	80.45%	85.00%	81.87%	85.00%

Activity and Workload Highlights

	2014-2015 Actual	2015-2016 Forecast	2015-2016 Estimated	2016-2017 Forecast
Total number of annual operations (take offs and landings)	127,417	128,324	131,878	134,878
Total number of environmental noise complaints	2,978	2,800	8,000*	8,200
Total number of non-compliant curfew intrusions	25	30	25	30


* Noise complaints have increased from prior years because the Federal Aviation Administration has implemented new flight paths resulting in planes flying over new areas whose residents previously heard little to no aircraft noise. While the great majority of the aircraft using the new arrival path are bound for SFO, SJC-bound arriving aircraft also contribute to the increased noise.

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Performance Summary

Airport Planning and Capital Development

Performance Measures

	2014-2015 Actual	2015-2016 Target	2015-2016 Estimated	2016-2017 Target
*  % of capital projects contingent upon grant funding	18.2%*	57.5%	44.2%*	65.2%

* Actual and Estimated values for this measure include rebudgeted capital funds, while the target does not, resulting in a significant difference in the value of annual capital projects. The increased reliance on grant funding for capital project delivery shown in 2016-2017 is necessary as the Airport completes capital projects with unspent bond proceeds.

Activity and Workload Highlights

	2014-2015 Actual	2015-2016 Forecast	2015-2016 Estimated	2016-2017 Forecast
Airport Capital Program				
- Construction Projects	\$7.44M	\$47.9M*	\$52.3M*	\$14.4M
- Non-Construction Projects	\$0.54M	\$1.8M	\$5.3M	\$0.6M
Percent of Airport locations that received fewer than three discrepancies in the County of Santa Clara Hazardous Materials Inspection	N/A**	95%	N/A**	95%

* The increase in total cost of Airport Construction Projects recognizes eligible projects funded with unspent 2007 Terminal Area Improvement Program (TAIP) bond proceeds which are required to be completed prior to reaching the ten year call date. The Airport targeted high impact projects with completion dates by summer 2017 to make the best use of the funds.

** There was no County inspection in 2014-2015 and no inspections have occurred yet in 2015-2016.

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Performance Summary

Strategic Support

Performance Measures

	2014-2015 Actual	2015-2016 Target	2015-2016 Estimated	2016-2017 Target
\$ Airline cost per enplaned passenger*	\$9.60	\$10.90	\$10.85	\$10.90
\$ Food and beverage sales per enplaned passenger*	\$6.31	\$6.43	\$6.78	\$6.76
\$ Retail sales per enplaned passenger*	\$2.97	\$3.14	\$2.84	\$2.83
\$ Parking revenue per enplaned passenger*	\$5.84	\$5.82	\$5.98	\$5.91
\$ Rental car gross revenue per enplaned passenger*	\$31.36	\$31.39	\$30.87	\$30.87

* Enplaned passengers are those passengers boarding an aircraft in scheduled service, including originating, stop-over, or connecting service.

Activity and Workload Highlights

	2014-2015 Actual	2015-2016 Forecast	2015-2016 Estimated	2016-2017 Forecast
Total airline cost	\$46.2M	\$56.3M	\$53.3M	\$56.3M

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Departmental Position Detail

Position	2015-2016 Adopted	2016-2017 Proposed	Change
Accountant II	1.00	1.00	-
Accounting Technician	2.00	3.00	1.00
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Air Conditioning Mechanic	4.00	3.00	(1.00)
Air Service Development Manager	1.00	1.00	-
Airport Equipment Mechanic	6.00	6.00	-
Airport Maintenance Supervisor	4.00	4.00	-
Airport Operations Manager I/II	4.00	4.00	-
Airport Operations Superintendent I/II	5.00	5.00	-
Airport Operations Supervisor I/II/III	14.00	14.00	-
Analyst II	6.00	6.00	-
Assistant Director of Aviation	1.00	1.00	-
Assistant to the Director	1.00	1.00	-
Associate Architect/Landscape Architect	1.00	1.00	-
Associate Engineer	1.00	1.00	-
Associate Engineering Technician	1.00	1.00	-
Building Management Administrator	1.00	1.00	-
CADD Technician	2.00	1.00	(1.00)
Contract Compliance Coordinator	1.00	0.00	(1.00)
Deputy Director	5.00	5.00	-
Director of Aviation	1.00	1.00	-
Division Manager	1.00	1.00	-
Electrician	4.00	4.00	-
Engineer II	1.00	1.00	-
Environmental Services Specialist	1.00	1.00	-
Facility Repair Worker	3.00	2.00	(1.00)
Geographic Systems Specialist II	1.00	1.00	-
Information Systems Analyst	1.00	1.00	-
Maintenance Contract Supervisor	1.00	1.00	-
Maintenance Supervisor	1.00	1.00	-
Maintenance Worker I	12.00	12.00	-
Maintenance Worker II	8.00	9.00	1.00
Network Engineer	2.00	2.00	-
Network Technician I/II	2.00	0.00	(2.00)
Network Technician I/II/III	0.00	2.00	2.00
Office Specialist I/II	4.00	4.00	-
Painter	3.00	3.00	-
Planner I/II/III	0.00	1.00	1.00
Planner IV	1.00	1.00	-
Principal Accountant	1.00	1.00	-
Principal Property Manager	0.00	1.00	1.00
Program Manager I	2.00	2.00	-
Program Manager II	4.00	3.00	(1.00)
Property Manager II	4.00	4.00	-
Public Information Representative I/II	1.00	1.00	-
Public Information Manager	1.00	1.00	-
Senior Account Clerk	5.00	4.00	(1.00)
Senior Accountant	4.00	4.00	-

Airport Department

Departmental Position Detail

Position	2015-2016 Adopted	2016-2017 Proposed	Change
Senior Architect/Landscape Architect	1.00	1.00	-
Senior Air Conditioning Mechanic	0.00	1.00	1.00
Senior Airport Equipment Mechanic	1.00	1.00	-
Senior Airport Operations Specialist I/II/III	21.00	21.00	-
Senior Analyst	6.00	7.00	1.00
Senior Electrician	2.00	2.00	-
Senior Electronic Systems Technician	1.00	1.00	-
Senior Engineer	2.00	2.00	-
Senior Engineering Technician	3.00	4.00	1.00
Senior Geographic Systems Specialist	1.00	0.00	(1.00)
Senior Maintenance Worker	3.00	3.00	-
Senior Office Specialist	1.00	1.00	-
Senior Property Manager II	1.00	1.00	-
Senior Systems Applications Programmer	1.00	1.00	-
Sign Shop Technician	1.00	1.00	-
Staff Specialist	7.00	7.00	-
Supervising Applications Analyst	1.00	1.00	-
Supervisor, Trades	1.00	1.00	-
Warehouse Supervisor	1.00	1.00	-
Total Positions	187.00	187.00	0.00