

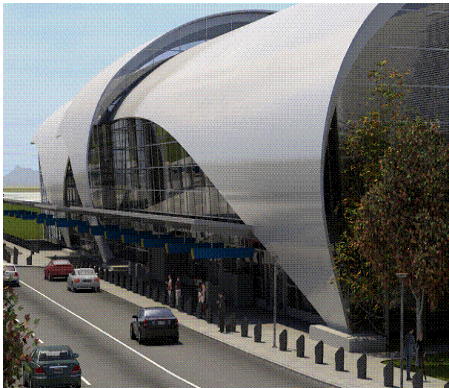
2015-2016

OPERATING BUDGET

**TRANSPORTATION
AND
AVIATION
SERVICES
CSA**

**TRANSPORTATION AND AVIATION
SERVICES CSA**

Transportation and Aviation Services



***Mission:** To provide the community with safe, secure, and efficient surface and air transportation systems that support San José's livability and economic vitality*

Primary Partners

Airport
Police
Transportation

CSA OUTCOMES

- Provide Safe and Secure Transportation Systems
- Provide Viable Transportation Choices that Promote a Strong Economy
- Travelers Have a Positive, Reliable, and Efficient Experience
- Preserve and Improve Transportation Assets and Facilities
- Provide a Transportation System that Enhances Community Livability

City Service Area
Transportation and Aviation Services
SERVICE DELIVERY FRAMEWORK

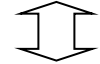
CITY SERVICE AREA
 A cross-departmental collection of core services that form one of the City's 6 key "lines of business"

MISSION STATEMENT
 Why the CSA exists

Transportation & Aviation Services CSA

Mission:

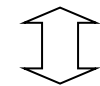
To provide the community with safe, secure, and efficient surface and air transportation systems that support San José's livability and economic vitality



CSA OUTCOMES
 The high level results of service delivery sought by the CSA partners

Outcomes:

- Preserve and Improve Transportation Assets and Facilities
- Provide a Transportation System that Enhances Community Livability
- Provide Safe and Secure Transportation Systems
- Provide Viable Transportation Choices that Promote a Strong Economy
- Travelers Have a Positive, Reliable, and Efficient Experience



PRIMARY PARTNERS
 Departments with Core Services that contribute to achievement of CSA Outcomes

CORE SERVICES
 Primary deliverables of the organization

Airport Department

Core Services:

Airport Business Development

Airport Facilities Maintenance

Airport Operations

Airport Planning and Capital Development

Transportation Department

Core Services:

Parking Services

Pavement Maintenance

Street Landscape Maintenance

Traffic Maintenance

Transportation Operations

Transportation Planning and Project Delivery

Police Department

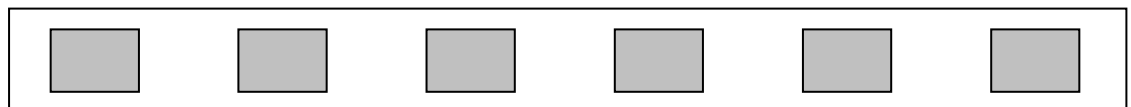
Core Services:

Traffic Safety Services

OPERATIONAL SERVICES
 Elements of Core Services; the "front-line" of service delivery



STRATEGIC SUPPORT
 Organization-wide guidance and support to enable direct service delivery



Transportation and Aviation Services



Expected 2015-2016 Service Delivery

- ❑ Provide a safe transportation system for the traveling public through effective engineering, education, and enforcement.
- ❑ Focus limited available funding for street infrastructure maintenance efforts on facilities having the highest use and economic significance.
- ❑ Build and encourage use of multi-modal transportation options supporting economic development and the Envision San José 2040 General Plan.
- ❑ Operate the Norman Y. Mineta San José International Airport (SJC) in a safe and efficient manner. Maintain and improve security, safety, and regulatory compliance for air service operations.
- ❑ Deliver positive, reliable, and convenient air traveler services and amenities while preserving Airport assets and facilities through cost effective maintenance and operations.
- ❑ Provide Airport services and infrastructure to support and promote a strong economy and enhance community vitality.

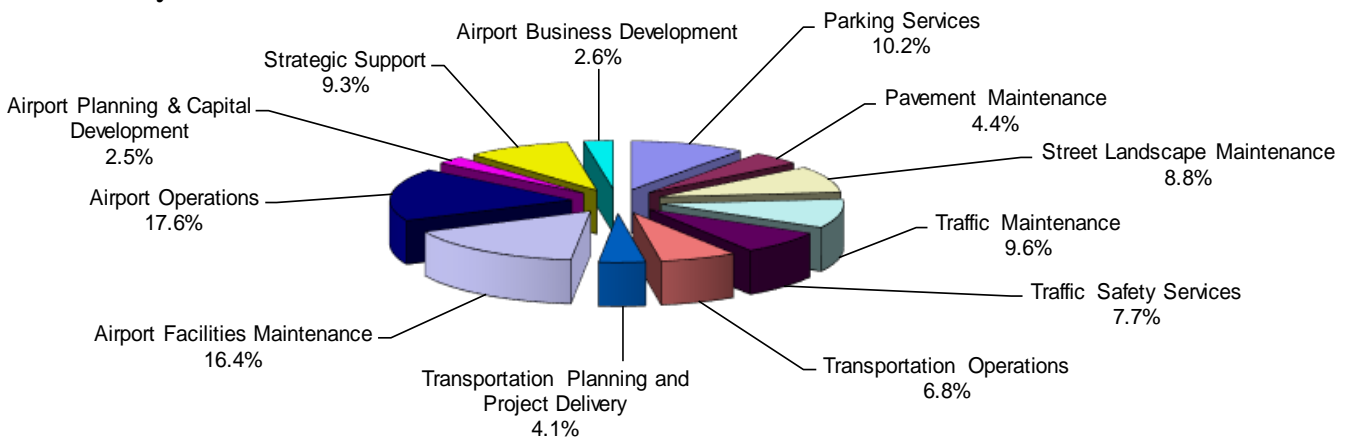
2015-2016 Key Budget Actions

- ❑ Traffic Capital Improvement Program (CIP) includes funding to support traffic safety projects and education, pavement maintenance, neighborhood traffic calming and enhanced congestion management services.
- ❑ In order to support the Envision San José 2040 General Plan, additional staff is included in this budget to support surface transportation multimodal efforts and planning and modeling.
- ❑ Additional funding provides for expanded sidewalk inspections and repair, special assessment district transportation and landscape infrastructure improvements, and limited City tree maintenance.
- ❑ Enhanced business development efforts include launching a multi-faceted marketing campaign focused on promoting SJC as the preferred airport for the upcoming Super Bowl 50 at Levi's Stadium in Santa Clara in February 2016.
- ❑ Competition for air service continues by keeping costs to airlines at competitive levels while offering exceptional service and modern facilities. Energies are focused on engaging airlines to expand air service choices for travelers, including plans to host the 2015 Airport Roundtable Conference, which will attract airline decision makers, route planners, consultants, and staff from other airports, providing the opportunity to showcase SJC and the region.

**City Service Area
Transportation and Aviation Services
BUDGET SUMMARY**

2015-2016 Total Operations by Core Service

CSA Dollars by Core Service \$133,550,557



City Service Area Budget Summary

	2013-2014 Actual 1	2014-2015 Adopted 2	2015-2016 Forecast 3	2015-2016 Adopted 4	% Change (2 to 4)
Dollars by Core Service					
<i>Airport</i>					
Airport Business Development*	\$ 0	\$ 2,822,809	\$ 3,310,656	\$ 3,480,987	23.3%
Airport Facilities Maintenance	18,724,331	21,058,336	21,588,860	21,851,429	3.8%
Airport Operations	20,241,230	23,239,115	23,227,423	23,445,825	0.9%
Airport Planning & Capital Development	2,373,593	2,888,965	3,231,634	3,325,240	15.1%
Strategic Support*	12,470,436	10,572,041	10,491,383	10,547,789	(0.2%)
<i>Police</i>					
Traffic Safety Services	7,251,335	10,326,579	10,315,097	10,315,097	(0.1%)
<i>Transportation</i>					
Parking Services	11,945,848	13,140,582	13,435,883	13,640,959	3.8%
Pavement Maintenance	6,412,678	5,747,915	5,763,065	5,918,167	3.0%
Street Landscape Maintenance	8,478,865	10,297,500	8,973,450	11,784,621	14.4%
Traffic Maintenance	11,165,270	12,586,042	12,579,104	12,781,775	1.6%
Transportation Operations	5,468,451	7,998,558	8,177,587	9,086,587	13.6%
Transportation Planning and Project Delivery	4,850,509	5,356,990	5,115,617	5,531,293	3.3%
Strategic Support	1,119,050	1,633,135	1,791,122	1,840,788	12.7%
Dollars by Core Service Subtotal	\$ 110,501,596	\$ 127,668,567	\$ 128,000,881	\$ 133,550,557	4.6%
Other Programs					
City-Wide Expenses	\$ 5,519,502	\$ 5,903,175	\$ 4,941,000	\$ 5,763,175	(2.4%)
General Fund Capital, Transfers and Reserves	952,160	1,818,521	1,279,433	9,228,433	407.5%
Other Programs Subtotal	\$ 6,471,662	\$ 7,721,696	\$ 6,220,433	\$ 14,991,608	94.1%
CSA Total	\$ 116,973,258	\$ 135,390,263	\$ 134,221,314	\$ 148,542,165	9.7%
Authorized Positions	497.11	515.36	516.36	527.11	2.3%

* The Airport Business Development Core Service was added as part of the 2014-2015 Adopted Budget. Funding for this core service was previously included in the Strategic Support Core Service.

Service Delivery Accomplishments

Air Transportation

- Hainan Airlines began its new nonstop service, using the Boeing 787 Dreamliner aircraft, between SJC and Beijing International Airport in China on June 15, 2015. This marks the second addition of new international service to Asia, after All Nippon Airways started direct service to Tokyo in January 2013. The direct flight provides customers with the choice to fly to and from San José with five flights per week. This is the first-ever nonstop service between SJC and China with economic impact for the San José region estimated at \$105 million annually.
- Domestically, Southwest Airlines launched new daily nonstop service from SJC to Dallas Love Field Airport in April 2015.
- A variety of customer service upgrades to enhance the passenger experience at SJC were recently completed including the refurbishment of the Blue Dot meet and greet area, modification of power chairs, updates of roadway signage, addition of Global Entry kiosks to expedite customs processing of arriving international passengers, and the completion of the Power Suite, a new 2,500 square-foot hold room featuring workstations with built-in power outlets.
- Completion of the Northeast Parcel projects include a fuel truck maintenance facility, a shuttle bus staging, storage, and support facility, and an air cargo employee parking lot. These facilities provide efficient and consolidated accommodations for service providers to conduct business and support operations of SJC.
- San José Police Department's (SJPD) "Air 2" helicopter and support personnel returned to SJC from their previous base at Moffett Field in Mountain View. The Air 2 Unit provides aerial support for ground units within SJPD and other Santa Clara County law enforcement agencies. This relocation provides improved response time and efficient integration of SJPD personnel as well as increased police presence which adds another layer of on-airport security.



Surface Transportation

- Safety continues to be the highest priority for this CSA. The Department of Transportation (DOT) budget includes a vast array of traffic safety programs and projects. Projects currently underway include: Street Smart traffic safety education programs for children, parents, and seniors; development of enhanced crosswalks with safety treatments; installation of radar speed feedback signs; Americans with Disabilities Act (ADA) ramps, signal detection repair and installations, as well as new or upgraded signalized intersections.



City Service Area
Transportation and Aviation Services
OVERVIEW

Service Delivery Accomplishments

Surface Transportation

- The 2014-2015 Pavement Program totaling over \$57.0 million is a combination of funds from the City, county, State, and federal sources targeted to improve and maintain San José’s streets. A significant portion of work associated with this program takes place in the summer months. For 2015, the program includes surface seal treatment of 44 miles of arterial roads and resurfacing treatment of 23 miles of arterial roads. A total of 8,949 potholes were filled as part of ongoing maintenance during the year.
- DOT made significant strides in responding to streetlight outages associated with copper wire theft. Crews assigned to replace stolen streetlight wire were expanded and mechanical deterrents were installed in key locations to minimize the re-occurrence of wire theft.
- Completion of the Transportation Management Center (TMC) facility together with the Traffic Light Synchronization Project (TLSP) provides major technical improvements to San José’s traffic signal system. TMC is a state-of-the art facility enabling traffic operations to actively monitor and manage traffic flow conditions along major commute corridors. The system is instrumental in allowing staff to facilitate a positive travel experience for those coming to enjoy events at the SAP Center and AVAYA soccer stadium.
- Infrastructure maintenance accomplishments also include the repair of 1,400 traffic control signs; 5.4 million square feet of roadway markings; response to an estimated 18,098 streetlight repair requests; 571 street tree emergencies; and the completion of 7,493 sidewalk repairs valued at over \$3.4 million.
- The conversion of 19,000 “yellow” Low Pressure Sodium streetlights to adaptive “smart” LED streetlights was the largest conversion project ever launched in the U.S. The Smart streetlights cast a brighter and more evenly-distributed light to enhance nighttime visibility and neighborhood safety. The new lights require less energy and maintenance, while providing enhanced monitoring and control opportunities.
- The Parking Incentive Program continues to support the vitality and retention of businesses in Downtown San José with free and discounted monthly parking. “Smart Meter” technology was supplemented with the introduction of a mobile payment application expanding payment options at 1,200 new parking meters.
- San José’s multi-modal programs expanded in 2014-2015 with the installation of 13.6 miles of new bikeways and enhanced safety elements applied to seven miles of existing bikeways. The Walk n’ Roll traffic safety education program serving 39 elementary and middle schools encouraged walking and biking as a way to reduce greenhouse gas emissions, ease traffic congestion, and create safer environments in school zones. The Bay Area Bike Share program was initiated in 2014, allowing access to 150 public bikes from 16 stations in the Downtown area to provide an easy, convenient and affordable transportation options.



Service Delivery Environment

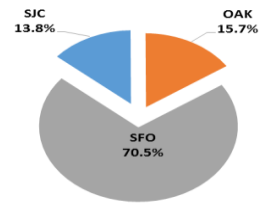
Air Transportation

- Norman Y. Mineta San José International Airport’s (SJC) close proximity to San Francisco (SFO) and Oakland (OAK) International airports influences our service environment. Whereas SJC’s terminals and roadway systems provide very convenient and technologically advanced facilities with the best on-time performance of the three Bay Area airports, San Francisco’s global reputation and highly competitive air carrier market has led to 70% of Bay Area passengers flying to and from SFO.

	SJC	OAK	SFO
Domestic Destinations*	27	40	69
International Destinations*	4	7	37
Operating Airlines*	11	11	40
Total Passengers CY 2014	9,385,212	10,336,788	47,155,100
Total Operations CY 2014	124,138	203,694	431,633

*Source: Diio Mi, June 2015

**Bay Area Market Share
June 2015**



- In 2014-2015, SJC’s passenger traffic was up by 5.4% as compared to 2013-2014, while SFO’s passenger traffic increased by 4.4%, and OAK’s traffic increased by 8.7%. Silicon Valley continues to be one of the nation’s most dynamic economic regions, anchored by Fortune 500 firms, robust leading-edge companies, and professional sports complexes. With this business base driving travelers to and from nearly 750 places around the world, SJC is experiencing continued trends of single digit growth, even as the airline industry limits expansion of overall available seat capacity.
- Financial sustainability is a prevalent topic at SJC, as well as in the aviation industry, as airlines and partners continue to evolve in a volatile environment. This volatility in the industry can be attributed to the following: fluctuations in fuel prices; airline mergers to maintain viability in a competitive market; and the federal government’s budget challenges, which impact agencies such as the U.S. Customs and Border Protection, Federal Aviation Administration (FAA), and Transportation Security Administration (TSA).

- Expeditious passenger processing is a critical service in the aviation environment and pursuing all available options is essential. In August 2014, two Global Entry kiosks were added to SJC’s International Arrivals facility for arriving international passengers. The Global Entry program expedites processing of members through federal customs inspection. Providing technology-driven trusted traveler programs will help expedite international arrivals and reduce wait times for all arriving passengers. SJC is committed to looking at all available alternatives to reduce wait times and increase safe, efficient passenger processing.



- Infrastructure investment to rehabilitate existing assets, accommodate growth in passenger and cargo activity, and enhance safety, security, and efficiency of the facilities is critical to maintain competitiveness and continued contribution to the economic development of the region. It is crucial that the federal government funds these essential investments through the Airport Improvement Program (AIP) as well as provides advancement to the Passenger Facility Charge (PFC) program. These programs will allow SJC to address urgent infrastructure challenges, fulfill federal mandates, and meet passenger expectations in a timely and cost effective manner that benefits the entire industry.

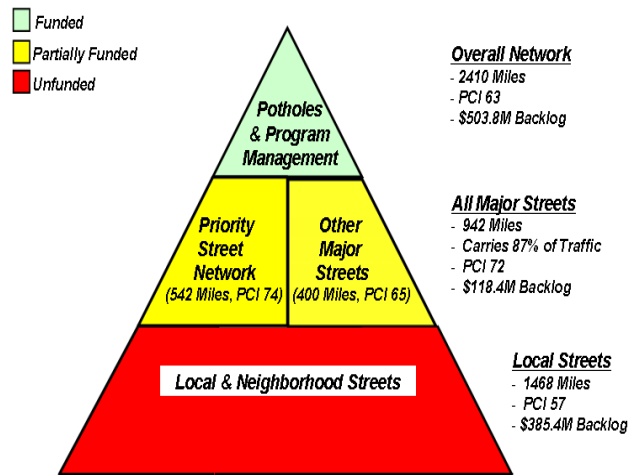
City Service Area
Transportation and Aviation Services
OVERVIEW

Service Delivery Environment

Surface Transportation

- Overall, the City’s transportation system remains one of the safest in the country, however even one traffic fatality is unacceptable. During 2014-2015, San José experienced an increase in bicyclist and pedestrian fatalities. San José’s updated transportation safety strategy, referred to as Vision Zero San José, serves as a street safety plan that strives for the elimination of all traffic fatalities as soon as possible. Program effectiveness comes from a “safety first” collaboration between all partners: government regulators, officials, and policy makers; enforcement agencies, roadway and vehicle designers; and managers, educators, community advocates and the public. The program encourages safety improvements through data analytics, better street design, targeted enforcement, collaborative education, policy review, and deployment of crash avoidance technologies. Funding for safety programs will continue to be the number one priority for the CSA.
- Traffic congestion grows with improvement in the economy. One response to this demand is increased investment in and encouragement of the use of multimodal infrastructure and services. Funding of \$58.0 million is included in the 2015-2016 Traffic Capital Budget for safety and efficiency and local multi-modal transportation options, facilities, and programs.
- San José’s street system is currently rated overall in “fair” condition with a Pavement Condition Index (PCI) rating of 63. Insufficient funding for pavement maintenance results in the backlog of deferred pavement maintenance growing from \$250 million in 2010 to \$504 million in 2015. Based on projected funding levels, the street system will be in “poor” condition with a PCI rating of 57 by 2020 with a backlog of deferred maintenance estimated at over \$1.0 billion.

- Funding for pavement maintenance will be decreasing from \$57.0 million in 2014-2015 to approximately \$24.0 million in 2015-2016 and further declines to \$13.1 million in the out years of the 2016-2020 Adopted Traffic CIP as a result of the decline in State Gas Tax revenues, and from the cessation of one-time funding from the federal government and from the spike of Construction Excise Tax receipts in 2013-2014. Resources are well below the projected 10-year annual need of \$104 million to maintain pavement in overall “good” condition. Four categories of pavement maintenance and the associated funding requirements are identified in the graph to the right. In sequential priority order, the first category covers city-wide pothole repairs and basic management of the pavement system at a cost of \$5.5 million annually. The second category is the 542-mile Priority Street Network funded in 2015-2016. The remaining 1,868 miles of roadway will receive limited pavement maintenance funding. City Council has directed staff to pursue new local, regional, State, and federal funding sources through potential ballot initiatives and or legislative actions that would provide ongoing pavement maintenance funding.



PCI = Pavement Condition Index Ratings: Good (100 to 70); Fair (69 to 50); Poor (under 50)

Service Delivery Environment

Surface Transportation

- The backlog of one-time deferred transportation maintenance needs is currently estimated at \$647 million, including the \$504 million associated with pavement. Other infrastructure maintenance needs include signs and markings, sidewalks, gutters, curbs and ramps, street trees, streetlights, signal detection loops, and maintenance vehicles and equipment.

CSA Priorities/Key Services

The Transportation and Aviation Services (TAS) CSA's highest priority services are those that support the safety of the traveling public followed by those that support mobility and asset condition. This prioritization aligns with the fundamental elements of the CSA's Desired Outcomes.

The Airport has identified seven strategic priorities for 2015-2016 and eight Strategic Principles for Competitiveness to ensure the efficient and effective operations of the Airport.

2015-2016 Priorities:

- Maintain and Improve Security and Safety.
- Retain, Expand, and Grow Air Service and Passengers.
- Achieve Financial Sustainability.
- Recruit, Develop, and Retain Staff to Achieve Organizational Sustainability.
- Improve Organizational and Operational Efficiency.
- Preserve Infrastructure and Focus on Essential Projects.
- Strategically Plan for the Airport's Future.

Strategic Principles:

- The Airport must always put operational safety and security first.
- The Airport needs to remain fully functional in its core areas, including operations, maintenance, planning and capital development, information technology, finance and administration, and business development.
- The Airport will seek opportunities to continue to be cost-competitive for airlines and reduce costs allocated to airlines through greater efficiencies and innovative service delivery.
- The Airport will continue to provide a convenient customer experience to remain competitive and provide an exceptional product for both passengers and airlines.
- The Airport will continue to aggressively seek to increase air service in partnership with the community to gain more routes, frequencies, and carriers that meet the needs of Silicon Valley businesses and residents. This requires active marketing to airlines and the development of more effective community and business engagement to help achieve this goal.
- The Airport will continue to seek opportunities to increase revenues and maintain cost controls.

CSA Priorities/Key Services

- The Airport will work in partnership with carriers to minimize obstacles to doing business at the Airport. *Business goes where it is welcome and stays where it is appreciated.* In that regard, the airlines' perspective, ideas, and suggestions for improvement are essential to the Airport's success.
- The Airport must take the long-term view on costs and opportunities. Policy changes and investments may take time to realize benefits, and short-term solutions to long-term challenges may be counterproductive to long-term competitiveness.

The Department of Transportation's key services are consistent with the priorities identified below.

- Traffic Safety – Provide the safest large city transportation system in the nation, including: enforcement, crash investigations, education, and traffic control.
- Traffic Maintenance – Provide well-maintained and effective traffic signals, signs, and roadway markings which are critical to ensuring traveler safety.
- Transportation Operations – Evaluate residential and school traffic concerns, as well as study traffic conditions and accident data to enhance traffic safety and mitigate negative traffic impacts. Monitor and upgrade systems on major commute corridors; while improving traffic flow.
- Parking Operations – Provide well maintained and operated parking facilities, support economic development and viability of the Downtown, and encourage compliance with posted parking regulations.
- Transportation Planning – Develop local and regional facilities for travel by pedestrians, bicyclists, people in wheelchairs, vehicles, and transit.
- Pavement Maintenance – Timely and proper maintenance extends the useful life of a street and defers rehabilitation, which can be five times more costly than maintenance. Travel on smooth streets also improves fuel efficiency and reduces vehicle maintenance, while severely deteriorated streets can make traveling less safe.
- Street Landscape Maintenance – Maintain street landscaping, rights-of-way, street trees, and special landscapes, as well as provide Downtown cleaning, support safe and aesthetically pleasing streetscapes.

Budget Dollars at Work: Performance Goals

The TAS CSA facilitates the movement of people and goods in a manner that both strengthens the economy and enhances the quality of life for San José residents. TAS is responsible for a wide range of services, operations, and infrastructure that support other City Service Areas, chiefly Community and Economic Development and Public Safety.

OUTCOME 1: PROVIDE SAFE AND SECURE TRANSPORTATION SYSTEMS

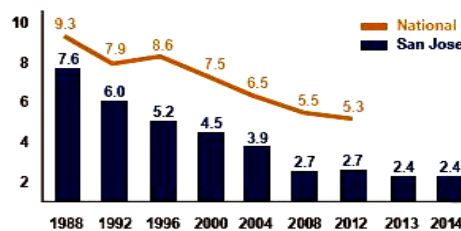
Strategic Goals	CSA Performance Measures	2013-2014 Actual	2014-2015 Target	2014-2015 Estimated	2015-2016 Target	5-Year Goal
Improve Surface Transportation System Safety	1. % of residents rating traffic conditions as safe while:					
	Driving	82%	83%	76%	83%	83%
	Bicycling	44%	60%	39%	60%	60%
	Walking	79%	81%	66%	81%	81%
	2. # of injury crashes per 1,000 population	2.7	2.6	2.4*	2.3	2.2
	3. # of pedestrian and bicycle-related injury crashes per 1,000 population	0.65	0.66	0.56*	0.55	0.50
Achieve Safe and Secure Air Transportation System and Infrastructure	1. Pass Annual Federal Aviation Regulation FAR 139 inspection with no discrepancies identified	100%	100%	0%	100%	100%

Changes to Performance Measures from 2014-2015 Adopted Budget: No

* Estimated based on crash analysis through mid-November 2014.

- ✓ The City’s updated transportation safety strategy, Vision Zero San José, provides the City’s commitment to prioritize street safety and ensure all road users – pedestrians, bicyclists, drivers, and transit participants are safe. The safety first focus is delivered through a blend of technology, policy development, and stakeholder partnerships.
- ✓ The San José surface transportation injury crash rate is estimated to be 2.4 occurrences per 1,000 residents in calendar year 2014, well below the national average of 5.3 occurrences per 1,000 residents. Although San José has experienced a growing number of traffic fatalities in 2015, ongoing support for safety measures and programs contribute to San José being one of the safest big cities in the nation from a transportation perspective.
- ✓ Approximately 25,000 children are expected to receive walking and biking traffic safety education in 2015-2016. The Adopted Budget includes the addition of a Transportation Specialist to support a variety of safety programs including the successful Street Smarts education program, the grant funded Walk n’ Roll School Safety program and targeted educational support for communities with new pedestrian-safety enhancements.

San Jose Injury Crashes Rate per 1,000 Residents



Source: National Highway Traffic Safety Administration and City of San Jose data (including City streets, County expressways, and railroad corridors).



City Service Area
Transportation and Aviation Services
OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: PROVIDE SAFE AND SECURE TRANSPORTATION SYSTEMS

- ✓ DOT has an extensive pipeline of safety projects ready to install in the next two years based on grants and previous budget actions. The 2016-2020 Adopted Traffic CIP allocates \$61.5 million towards projects and programs that improve transportation safety and efficiency. The department depends on best practices and analysis of existing conditions to determine the best mix of enhancements to introduce in a given situation. Safety enhancements may include signal modifications, refuge islands, chokers, flashing beacons, and high-visibility signs and markings.
- ✓ Federal Aviation Regulation (FAR) 139 compliance is the Airport's test of conformity with federal aviation regulations. Each year, the FAA performs an extensive review of an airport's compliance with safety and operating criteria with regard to such elements as: infrastructure, maintenance, operations, signage, policies and procedures, reporting, training, and response capability. The most recent inspection was held in January 2015. While the FAA noted two minor discrepancies during the inspection, SJC was also recognized for a second year in a row for having zero lighting outages on the airfield and for an improvement in Fire training and record keeping. Measures to remedy the discrepancies are underway and will continue to be closely monitored to prevent reoccurrence. SJC will continue to rely on the exceptional teamwork and cooperation between various partners to provide the community and customers with an Airport that consistently operates in a safe and secure manner.
- ✓ SJC is working with a nonprofit airport safety consortium, National Safe Skies Alliance, to evaluate and identify perimeter security enhancements, and assess perimeter technologies available to airports. Funding of \$9.4 million for airport fencing and security systems is programmed in the 2015-2016 Adopted Capital Budget. Additionally, to accommodate the increasing passenger traffic in 2014-2015, additional SJPD overtime hours were added to provide coverage at terminal screening checkpoints and ensure appropriate safety and security levels for SJC, the passengers, and the community.



City Service Area
Transportation and Aviation Services
OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: PROVIDE SAFE AND SECURE TRANSPORTATION SYSTEMS

- ✓ Maintaining and responding to safety and security issues is critical to Airport operations in order to meet current and future FAA and TSA safety and security mandates. The Airport continues to work with local, regional, and federal agencies to prepare for changing needs and flexible response plans. The Airport's latest Full Scale Emergency Exercise effort took place on March 23, 2015 which involved a simulated aircraft crash. The scenario involved an aircraft hitting and ingesting a flock of birds in both engines. These full scale exercises are not only a federal requirement, but also serve as an opportunity for public safety partners to work together to train and practice response procedures and services.



OUTCOME 2: PROVIDE VIABLE TRANSPORTATION CHOICES THAT PROMOTE A STRONG ECONOMY

Strategic Goals	CSA Performance Measures	2013-2014 Actual	2014-2015 Target	2014-2015 Estimated	2015-2016 Target	5-Year Goal
Facilitate Completion of Planned Local and Regional Transportation System	1. % of planned arterial street system complete	98%	98%	98%	98%	98%
	2. % of planned bikeway network complete	56%	65%	59%	70%	78%
	3. % of residents rating the City service in providing bike lanes and paths as good or better	57%	57%	52%	56%	70%
Expand Use of Alternate Commute Options	1. % of residents rating access to public transit as "easy"	78%	73%	N/A*	78%	78%
	2. % of trips by alternative modes of transportation	NEW	18%	23%	17%	23%
Meet Communities' Needs for Air Service Destinations and Frequencies	1. % of customers reporting satisfaction with availability of flights and destinations that meet their travel needs	89%	90%	N/A*	90%	90%
	2. % of regional air service market	13.9%	14.0%	14.4%	14.4%	15.0%
Cost to Airlines of Operating at the Airport is Competitive with other Airports in the Region	1. Airline cost per enplaned passenger	\$10.98	\$10.50	\$9.61	\$10.90	\$12.00

Changes to Performance Measures from 2014-2015 Adopted Budget: No

* Data for this measure is typically collected through the biennial City-Wide Community Survey. In the most recent survey, this question was removed in an effort to streamline the survey to improve effectiveness and participation. Reevaluation of the entire set of survey questions will be conducted during 2015-2016, in time for the next community survey in fall 2016. As a result, survey questions and corresponding performance measures may be dropped, added or modified. These updates will be reported in the 2016-2017 Proposed Budget.

City Service Area
Transportation and Aviation Services
OVERVIEW

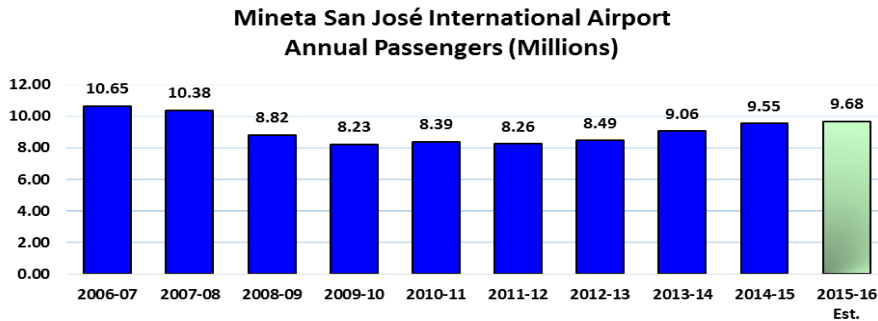
Budget Dollars at Work: Performance Goals

OUTCOME 2: PROVIDE VIABLE TRANSPORTATION CHOICES THAT PROMOTE A STRONG ECONOMY

- ✓ Surface transportation continues to focus on the delivery and implementation of the Envision San José 2040 General Plan. The Plan includes a set of multimodal transportation goals and policies that provide for a transportation network that is safe, efficient, and sustainable. Key elements include: reduce vehicle travel by 50% from the 2008 level of 77.8% by increasing bicycle, pedestrian, and transit use; implementation of the “Complete Streets” policy; and maximization of connectivity to transit services to increase ridership. These programs have been successful in the development of partnerships and receipt of grant funding for multimodal improvements throughout San José. The 2015-2016 Adopted Budget provides for the addition of a limited Transportation Specialist to further support the City’s expanded Bicycle and Pedestrian Program through 2017. The position supports the development of the 70 new bike lanes planned in the next two years and expansion of bike share system from 150 bikes to 1,000 bikes.



- ✓ The 2015-2016 Adopted Operating Budget also includes funding for the addition of an Engineer to support the transportation planning elements of Envision San José 2040 General Plan. The growing demand for transportation planning to achieve mode shift goals, as well as develop Urban Village Plans and area transportation policies seeks to promote and support a strong and sustainable economy.

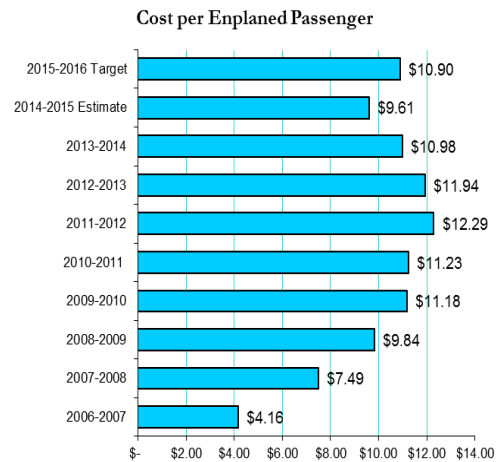


- ✓ Passenger traffic at SJC has increased for 30 consecutive months in comparison to the same month in the prior year. In 2014-2015, the Airport served 9.6 million passengers compared to 9.1 million in 2013-2014. The ongoing upward trend is encouraging and expected to continue into 2015-2016 because of expanded air service choices for travelers and an improving local and global economy. A 2.0% increase in passengers is estimated for 2015-2016 over the 2014-2015 projection (9.49 million passengers). Airlines initiating new flights from SJC in 2015 include Hainan Airlines and Southwest Airlines. The trend is positive, but SJC still trails the pre-recession number of passengers and operations. SJC continues to engage in air service development, effectively communicating with passengers, the public, and the media as well as developing sources of non-airline revenue, including concessions revenue, lease revenue, and parking revenue.

Budget Dollars at Work: Performance Goals

OUTCOME 2: PROVIDE VIABLE TRANSPORTATION CHOICES THAT PROMOTE A STRONG ECONOMY

✓ Airlines use “Cost per Enplaned Passenger” (CPE) as an indicator for their decision about where to locate air service. CPE represents the total costs of airport operations that are allocated to airlines and are charged to them in landing fees, rents, or other specific charges, divided by the total number of passengers boarding planes at SJC. The Airport has estimated the airline CPE of \$9.61 for 2014-2015, a 12.5% decrease from the 2013-2014 CPE of \$10.98. The 2015-2016 CPE target is \$10.90, which remains consistent with the City Council’s direction to keep the CPE below \$12.00 for the term of the airline agreement. Average terminal rental rates for 2015-2016 increased from \$147.68 to \$162.74 per square foot. The 2015-2016 landing fee increased from \$2.09 to \$2.13 per 1,000 lbs.



✓ Super Bowl 50, to be held at Levi’s Stadium in Santa Clara in February 2016, is a once-in-a-lifetime opportunity to showcase SJC as a key gateway to Silicon Valley. The event is expected to bring national media attention to San José and Silicon Valley, over \$300 million in local economic impact, and over 125,000 out-of-state travelers to the Bay Area, creating major passenger traffic at SJC. With three international airports in the area, SJC will launch a multi-faceted marketing campaign to target passengers and build awareness of SJC and its close proximity to the City of Santa Clara. It is important that SJC is able to expand their marketing to attract travelers to choose SJC over competing airports.

City Service Area
Transportation and Aviation Services
OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 3: TRAVELERS HAVE A POSITIVE, RELIABLE, AND EFFICIENT EXPERIENCE

Strategic Goals	CSA Performance Measures	2013-2014 Actual	2014-2015 Target	2014-2015 Estimated	2015-2016 Target	5-Year Goal
Passengers Have a Positive Experience When Using the Airport	1. % of customers reporting satisfaction with the quality and variety of airport shops and restaurants	87%	85%	N/A*	85%	85%
Improve Traffic Flow on Major Streets	1. % of residents rating commute traffic flow on city streets as "acceptable" or better	63%	60%	54%	60%	60%
	2. % of City intersections at Council-adopted level of service	98%	98%	98%	98%	98%
Facilitate Efficient Operations of the Regional Freeway System	1. % of residents rating commute traffic flow on freeways and expressways as "acceptable" or better	43%	40%	37%	40%	40%
	2. % of freeways operating below 35 mph during peak hours	34%	35%	34%	35%	35%
Enhance Access to Major Activity Centers and Events	1. % of customers rating access to major activity centers as "easy"					
	Downtown	85%	79%	N/A*	79%	79%
	Airport	87%	79%	N/A*	79%	79%
	SAP Center at San José	77%	72%	N/A*	72%	72%
	Regional Shopping Centers	91%	89%	N/A*	89%	89%

Changes to Performance Measures from 2014-2015 Adopted Budget: No

* Data for this measure is typically collected through the biennial City-Wide Community Survey. In the most recent survey, this question was removed in an effort to streamline the survey to improve effectiveness and participation. Reevaluation of the entire set of survey questions will be conducted during 2015-2016, in time for the next community survey in fall 2016. As a result, survey questions and corresponding performance measures may be dropped, added or modified. These updates will be reported in the 2016-2017 Proposed Budget.

- ✓ With more international flights at SJC, a Dufry duty free shop in the international departures area opened in August 2015. An approximately 1,200 square-foot store, located between gates 14 and 15, provides a luxury shopping experience for a wide range of travelers. International passengers will enjoy tax and duty-free shopping, while domestic passengers will have access to all the same brands with taxes payable. Featured items include high-end merchandise, top-selling cosmetics and fragrances, premium-brand wines and spirits, and tobacco products.



- ✓ SJC initiated participation in Airports Council International's World Airport Service Quality (ASQ) program which consists of quarterly surveys of passengers on key aspects of the airport including thoroughness of security, courtesy of airport staff, cleanliness of the terminal, and quality of restaurant facilities. Results are consolidated and tabulated with over 200 domestic and international airports for development of benchmarking reports and performance comparisons. SJC expects the survey results will help identify key areas to concentrate efforts on enhancing and improving the passenger experience at SJC.

Budget Dollars at Work: Performance Goals

OUTCOME 3: TRAVELERS HAVE A POSITIVE, RELIABLE, AND EFFICIENT EXPERIENCE

- ✓ Food, beverage, and retail concessionaires are implementing mid-term refurbishments to maintain airport terminal facilities in first class condition. The refurbishments may include repairing, redecorating, replacing of concepts, or other strategies to refresh the site and offerings after five-years of operation. New concessions available in Terminal A include Red Mango frozen yogurt, Einstein Brothers Bagels, Sip Savvy Wine, Starbucks, Access Point, and the most recent addition, First Class Deli. Additional changes in Terminal B include full implementation of the Flames Eatery and Bar which replaced Ruby Tuesday, creation of a flagship Hudson store, and installation of the very first airport location of Menchie's Frozen Yogurt.



- ✓ The parking program is another focus area for SJC to enhance the traveler's experience, make transactions easier for customers, and optimize revenues. Parking locator signs in the public parking lots enable guests to scan or text a code and in return receive a text message reminding them where they parked their car. In addition, the transition to automated pay stations and exit lanes provides convenience and efficiency for customers and provides an alternative to pulling a parking ticket. Parking rate promotions during holiday periods increased occupancy of the Terminal A garage thereby boosting parking revenue for those peak periods.

- ✓ The Transportation Management Center (TMC) serves as a powerful tool to improve traffic efficiency and manage special events. The TMC enables staff to actively monitor traffic flow conditions, respond to traffic signal malfunctions and report operational inefficiencies to provide safe and efficient travel for all roadway users. Available third party congestion software applications and travel data will be secured in the coming year and used to prioritize travel corridors for review and proactive retiming work. The resulting product will be an interactive tool enabling staff to map and locate roadway projects and activities that impact roadway capacity, and pin point where traffic mitigation may be necessary to minimize travel delays. In addition, scheduled technology enhancements will allow more efficient video distribution among transportation partner agencies and video sharing within the City. DOT will continue to work with the private sector to leverage available technology tools and software applications to enhance travel efficiency and safety and support mode choice options.



City Service Area
Transportation and Aviation Services
OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 3: TRAVELERS HAVE A POSITIVE, RELIABLE, AND EFFICIENT EXPERIENCE

- ✓ In support of Envision San José 2040 General Plan, transportation corridor management is enhanced by the addition of a Traffic Engineer to focus on traffic management activities in key commute corridors. The position will allow for the proactive retiming of signals through data collection, development and maintenance of traffic simulation models and plans, evaluation of corridor performance, and coordination of equipment repair.
- ✓ Staffing to implement Intelligent Transportation Systems (ITS) strategies is enhanced in 2015-2016 with the addition of an Engineer to support the One Bay Area Grant (OBAG) funded Smart Intersection Project. The Project seeks to upgrade 35 signalized intersections to reduce traffic congestion. The position will also provide support for signal design, construction, and system performance to make the most of the City's investments.

OUTCOME 4: PRESERVE AND IMPROVE TRANSPORTATION ASSETS AND FACILITIES

Strategic Goals	CSA Performance Measures	2013-2014 Actual	2014-2015 Target	2014-2015 Estimated	2015-2016 Target	5-Year Goal
Maintain Pavement Surfaces in Good Condition	1. % of residents rating "neighborhood" streets in "acceptable" or better condition	55%	55%	49%	55%	50%
	2. % of streets rated in "good" or better condition (70 or greater on a 1-100 scale)					
	Major Streets	NEW	67%	60%	59%	55%
	Local/Residential Streets	NEW	24%	27%	25%	19%
	3. City average Pavement Condition Index (PCI) rating (Metropolitan Transportation Commission recommended condition level is 75)	62	62	63	63	55
Maintain Traffic Devices in Good Condition	1. % of traffic signals, signs, and markings in "good" or better condition (visible and functioning properly)	49%	70%	54%	63%	72%
Preserve and Enhance Neighborhood Streetscape	1. % of residents rating streetscapes in "good" or better condition (includes: sidewalks, street lights, landscaping, and trees)	60%	60%	54%	60%	65%
	2. % of residents rating adequacy of street lighting as "good" or better	59%	59%	58%	59%	60%

Changes to Performance Measures from 2014-2015 Adopted Budget: No

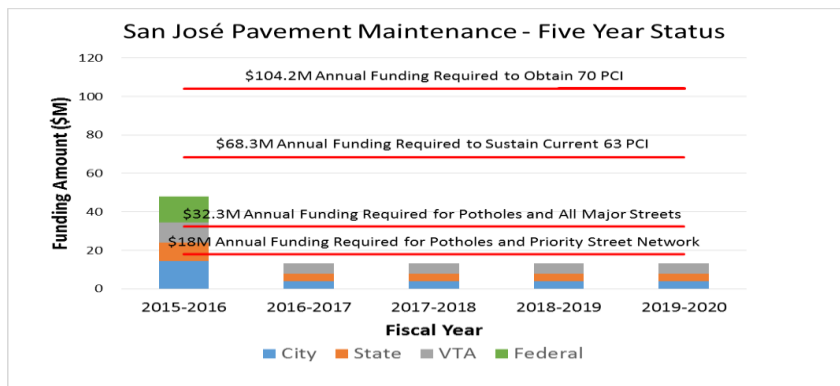
Budget Dollars at Work: Performance Goals

OUTCOME 4: PRESERVE AND IMPROVE TRANSPORTATION ASSETS AND FACILITIES

- ✓ In 2015-2016, DOT expects to preventively maintain 923 traffic signals, replace 5,600 traffic signs, repair 17,000 streetlights, and proactively repaint 1.39 million square feet of roadway markings. Two hundred and forty acres of general benefit landscape and 329 acres of special district landscape will also be maintained by City staff and contractual services. In addition, 10,000 pothole requests, 1,000 larger scheduled corrective pavement repairs, 800 emergency street tree responses, and 7,500 sidewalk repairs are anticipated to be completed.
- ✓ The addition of two Associate Construction Inspectors will support the increased number of sidewalk repairs and continue to expand efforts to provide inspection and repair services that will lead to improved sidewalk infrastructure condition. The increased workload will generate additional permit fee revenue, offsetting the cost of the new staff.
- ✓ The February 2015 Pavement Maintenance Status and Funding Strategy Report and the City's Audit of Street Pavement Maintenance identified that street conditions are deteriorating quickly as a result of insufficient funding. State Gas Tax Funds are anticipated to decrease by \$28.1 million (from \$43.75 million to \$15.65 million) over the next five years due to decreased fuel sales and the 2010 Excise Tax Swap. The new State fuel tax rate calculation from the Excise Tax Swap takes effect July 1, 2015, and will result in a 6 cent per gallon reduction (from \$0.18 to \$0.12) to the variable fuel tax composite rate, a negative true-up for prior year over-collection of gas tax as well as a downward trend in taxable sales of gasoline. The Mayor's June Budget Message for Fiscal Year 2015-2016 allocated \$8.0 million in additional pavement funding to address maintenance of the 542 miles of Priority Street Network. To address the continued pavement maintenance funding shortfall, staff is pursuing various revenue strategies including: a City Sales Tax ballot and street repair bond measure, Santa Clara Valley Transportation Authority (VTA) transportation sales tax measure, and State funding increases (e.g. gas tax, vehicle license fees, etc.).



- ✓ The illustration on the right reflects the City's sizeable shortfall in Pavement Program funding over the next five years. The average annual resource allocation for pavement maintenance is only \$20.1 million, allowing for only partial funding of the Priority Street Network. To fully fund pothole maintenance and the Priority Street Network, \$18.0 million is required annually and \$32.3 million is required to fund pothole maintenance, Priority Street Network and other Major Streets.



An additional \$90.5 million per year for ten years is needed to fully fund maintenance on all streets and to have a street system in an overall “good” condition with a PCI rating of 70.

City Service Area
Transportation and Aviation Services
OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 4: PRESERVE AND IMPROVE TRANSPORTATION ASSETS AND FACILITIES

- ✓ The 2015-2016 Adopted Operating Budget provides additional staffing and funding for Maintenance Assessment Districts. Special funds available from ongoing revenue streams and reserves have been allocated for: median island renovations, conversions to low maintenance landscape upgrades, existing tree and plant care, painting, vegetation, and ground cover replacement. Special funds provide for additional positions to address needs such as asset and data management and enable completion of renovations in these special districts.
- ✓ Several airfield projects are essential to preserve and improve the SJC's infrastructure and maintain compliance with FAA regulations. The continuation of the Runway Pavement Rehabilitation project to reconstruct Runway 30R at Taxiway J intersection and replace deficient concrete pavement is programmed in the 2015-2016 Adopted Capital Budget. This project will increase passenger comfort during takeoff. Additionally, the Taxiway A/B Part 139 Separation project continues to provide striping, signage, edge lighting, and runway guard lights to preclude aircraft movement between Taxiways A and B. These projects are important to maintain safe airfield operations and are contingent upon grant funding from the FAA AIP.
- ✓ The last major upgrade to the SJC's terminal facilities concluded over five years ago and the assets require additional maintenance to continue operating at peak efficiency levels. The Airport Facilities Maintenance staff continues to excel in introducing cost containment measures and asset preservation activities. Projects included are implementation of building automation controls and replacement of packaged units providing heating and cooling in conditioned spaces, refurbishment of Central Plant systems to continue efficient operation of chillers, condensers, boilers, and other environmental control equipment, installation of heat tracer wires in existing grease lines to facilitate effective draining to the external grease interceptors, mechanical upgrades and servicing of Terminal A elevators and escalators, and restoration of Jet Bridges including flooring and other components worn out from normal wear and tear.
- ✓ The spring completion of the Federal Inspection Facility (FIS) Sterile Corridor Extension project at Terminal B between gates 17 and 18 resulted in two additional gates that can accept international arrivals. This configuration will better accommodate simultaneous international flights arriving into San José. Additionally, SJC created the Power Suite, a new hold room with seating for 150 people in comfortable seats and workstations with built-in power outlets. A similar transformation occurred by gate 9 in Terminal A, where a vacant concession space was modified to hold room space modeled after the Power Suite. Additional facility improvements under development for 2015-2016 include enhancement to the FIS Baggage Carousel to extend the length of the existing carousel and add a second carousel to create capacity for multiple concurrent flights.





Budget Dollars at Work: Performance Goals

OUTCOME 5: PROVIDE A TRANSPORTATION SYSTEM THAT ENHANCES COMMUNITY LIVABILITY

Strategic Goals	CSA Performance Measures	2013-2014 Actual	2014-2015 Target	2014-2015 Estimated	2015-2016 Target	5-Year Goal
Provide Neighborhood-Friendly Traffic Operations	1. % of residents rating traffic impacts in their neighborhood as "acceptable" or better	83%	83%	N/A*	83%	85%

Changes to Performance Measures from 2014-2015 Adopted Budget: No

* Data for this measure is typically collected through the biennial City-Wide Community Survey. In the most recent survey, this question was removed in an effort to streamline the survey to improve effectiveness and participation. Reevaluation of the entire set of survey questions will be conducted during 2015-2016, in time for the next community survey in fall 2016. As a result, survey questions and corresponding performance measures may be dropped, added or modified. These updates will be reported in the 2016-2017 Proposed Budget.

- ✓ The 2016-2020 CIP funded Pedestrian Safety and Traffic Signal Safety Improvement Programs focus on developing and implementing pedestrian crossing improvements on major roads as well as the construction and modifications of traffic signals at higher incident locations. Performance of traffic control and operational improvements on arterial roadways and the evaluation and implementation of neighborhood safety improvements such as guardrails, median island refuge islands, flashing beacons, high visibility signs and markings, and ADA accessible curbs are also programmed.
- ✓ The City’s Walk n’ Roll program continues to work with elementary schools to encourage more walking and biking to school and to provide pedestrian and bicyclist safety education through interactive assemblies and bike “rodeos.” 
- ✓ By the end of 2016, the City expects its transportation network to include 305 miles of bikeway, with a significant share of that network being enhanced facilities. San José has maximized the impact of its investment in bikeways through close coordination with the annual Pavement Maintenance Program. In the coming year DOT plans to install nearly 40 miles of new bikeways and enhance more than 20 miles of existing bikeways. Roughly 60% of these new or enhanced miles of bikeway are part of the Pavement Maintenance Program, with bikeway treatments paid for by grant funds, while other projects are grant and/or development-fee funded. 
- ✓ DOT will continue to seek partnership and innovations that enhance the community livability. The “Walk San José” wayfinding effort launched in April 2015 is a prime example of a low cost enhancement partnership. The program provides residents and visitors with data to help them leave their car and take a walk, such as signage with choice downtown destinations providing distances in walking minutes and arrow directions. Temporary staffing approved in the 2015-2016 Budget process will allow DOT to develop a pilot Residential Parking Permit Program in collaboration with District 1 Council Office, seeking to address and minimize the impact of higher density housing on neighborhood street parking.
- ✓ Staff from the Department of Transportation, Police Department, and Office of Economic Development are collaborating to create a new model to implement street closures during special events. The new deployment model utilizes equipment and increased use of Parking and Traffic Compliance Officers for traffic management during outdoor special events, resulting in cost savings to event organizers.

City Service Area
Transportation and Aviation Services
OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 5: PROVIDE A TRANSPORTATION SYSTEM THAT ENHANCES COMMUNITY LIVABILITY

- ✓ SJC has a number of programs in place to mitigate impacts on the community, including programs to protect wildlife, air quality, clean energy use initiatives such as the solar energy system built to support rental car/public parking garage services, use of compressed natural gas shuttles, and recycling programs. Since 1998, in partnership with the Santa Clara Valley Transportation Authority (VTA), SJC has provided free public transit passes to SJC tenants and department employees and free transportation connecting terminals and parking lots with Caltrain/VTA stations through the VTA Flyer. The Eco Pass program is well received and utilized by staff throughout SJC. In 2014, this program transitioned into using clipper cards, which are all-in-one transit cards that keep track of any passes including Muni, BART, AC Transit, VTA, SamTrans, and Caltrain making transferring to other public transit systems more convenient.
- ✓ In 2014, the Monterey-Salinas Transit began a daily express bus service from Fort Hunter Liggett in Monterey to and from SJC. The route provides a transportation option for people from the Salinas Valley to get to San José, and also acts as a military commuter service and is funded by the federal government and the U.S. Army at Fort Liggett. The service is expected to reduce transportation costs for soldiers flying in and out of SJC as well as encouraging the use of public transportation.



City Service Area
Transportation and Aviation Services
ADOPTED BUDGET CHANGES

Adopted Changes	Positions	All Funds (\$)	General Fund (\$)
AIRPORT DEPARTMENT			
• Airport Department Salary Program		872,238	0
• Super Bowl Event Preparation		111,000	0
• Airport Contracts Administration Staffing	0.00	19,443	0
• 2015 Airport Roundtable Conference		10,000	0
• Airport Information Technology Staffing Realignment	(1.00)	(211,367)	0
<i>Subtotal</i>	(1.00)	801,314	0
POLICE DEPARTMENT			
• NONE			
<i>Subtotal</i>	0.00	0	0
TRANSPORTATION DEPARTMENT			
• Maintenance Assessment Districts and Community Facilities Districts Renovation Projects	2.00	2,071,198	0
• Transportation Department Salary Program		1,169,298	532,678
• Sidewalk Inspection Program	2.00	251,066	251,066
• Residential Parking Permit Program	1.00	195,000	195,000
• Neighborhood Traffic Calming Staffing	1.00	183,755	0
• City Tree Maintenance		100,000	100,000
• Transportation Safety Education Staffing	1.00	95,859	0
• Intelligent Transportation Systems Maintenance and Operations Project Delivery Staffing	1.00	88,886	0
• Traffic Flow Management and Signal Retiming Staffing	1.00	88,886	0
• Transportation Planning and Modeling Staffing	1.00	88,884	0
• Bicycle and Pedestrian Program Staffing	1.00	87,790	0
• Bioretention Facility Maintenance		85,000	0
• Geographic Information Systems Management Staffing	0.75	61,740	0
• New Transportation Infrastructure Maintenance and Operations		51,000	51,000
• Our City Forest Volunteer Program Manager		50,000	50,000
• Single Family Garbage Billing Program Model Change: Illegal Dumping Response	0.00	0	108,906
• Rebudget: Capitol Expressway Plant Establishment		80,000	80,000
<i>Subtotal</i>	11.75	4,748,362	1,368,650
<i>Subtotal Departments</i>	10.75	5,549,676	1,368,650
CITY-WIDE EXPENSES			
• Sidewalk Repairs		500,000	500,000
• Rebudget: Vehicle Detection Sensors		170,000	170,000
• Rebudget: Contractual Street Tree Planting		107,175	107,175
• Rebudget: Parking Citations Processing		45,000	45,000

City Service Area
Transportation and Aviation Services
ADOPTED BUDGET CHANGES

Adopted Changes	Positions	All Funds (\$)	General Fund (\$)
GENERAL FUND CAPITAL, TRANSFERS AND RESERVES			
• Capital Contribution: Pavement Maintenance Program		8,000,000	8,000,000
• Earmarked Reserves: New Traffic Infrastructure Assets		(51,000)	(51,000)
Maintenance and Operations Reserve Elimination			
<i>Subtotal Other Changes</i>	0.00	8,771,175	8,771,175
<hr/>			
Total Adopted Budget Changes	10.75	14,320,851	10,139,825