



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Mukesh (Mookie) Patel  
Jim Shannon

**SUBJECT:** Actions Related to the  
Airside Lighting  
Replacement Project

**DATE:** July 27, 2026

Approved

Date:

8/4/26

**COUNCIL DISTRICT:** Citywide

## **RECOMMENDATION**

- (a) Adopt the following 2026-2027 Appropriation Ordinance and Funding Sources Resolution amendments in the Airport Capital Improvement Fund:
  - (1) Increase the Airside Lighting Replacement appropriation to the Airport Department in the amount of \$2,300,000; and
  - (2) Increase the estimate for Revenue from Federal Government by \$2,300,000.
- (b) Adopt the following 2026-2027 Appropriation Ordinance and Funding Sources Resolution amendments in the Airport Renewal and Replacement Fund:
  - (1) Increase the Airside Lighting Replacement appropriation to the Airport Department in the amount of \$300,000; and
  - (2) Decrease the Ending Fund Balance by \$300,000.

## **SUMMARY AND OUTCOME**

The Airside Lighting Replacement project scope includes replacing the existing pole shafts at 20 pole locations and replacing existing light fixtures with new light-emitting diode (LED) fixtures at 55 poles around the Airport's airside campus. Allocating funding this fiscal year will allow the Airport to award the contract to the lowest bidder and issue the construction Notice to Proceed. The awarded federal funds will be used to pay for approximately 80.59% of the project's eligible expenses, with the Airport providing the local match for the remaining project costs.

## **BACKGROUND**

The Airside Lighting Replacement project involves replacing existing airfield lighting infrastructure at San José Mineta International Airport. The scope of work includes:

- A. Base Bid (Terminal A Gates and Waste Disposal Area): Replace existing pole shafts at 20 pole locations. Replace existing light fixtures with LED light fixtures at 23 pole locations; and install obstruction lights at designated locations.
- B. Additive Alternative No. One (Lot Five and Terminal A/B Courtyard): Replace the existing pole shafts at the Terminal A/B Courtyard and replace existing light fixtures with LED fixtures at seven pole locations.
- C. Additive Alternative No. Two (South Vehicle Service Road and South Cargo): Replace existing light fixtures with LED light fixtures at 13 pole locations.
- D. Additive Alternative No. Three (Terminal B Gates): Replace existing light fixtures with LED light fixtures at 12 pole locations.

The project is to improve existing aircraft lighting levels on the ramp, including along Terminal A and B ramps, particularly at the tail end of the aircraft. Current lighting levels are inadequate; the current 30+ year old poles are rusting, and the metal halide bulbs do not last very long after changing and increasing costs. The high mast lighting replacement project will implement lighting improvements that conform to current Federal Aviation Administration (FAA) and Illuminating Engineering Society recommendations.

Due to the significance of this project, the design and procurement activities of the project were fully funded by the Airport, using funds that were allocated in Fiscal Year 2025-2026. Design commenced on October 7, 2025, and on December 29, 2025, the Airport submitted a 90% design package in support of its FAA Airport Infrastructure Grant application. The project opened four bids on May 28, 2026, and the apparent lowest bidder – Tennyson Electric, LLC – was notified on May 29, 2026, with the intent of award from the City in the amount of \$3,318,750, which is within the delegated contracting award authority of the Public Works Director. In accordance with procurement requirements, the project must be awarded within 180 calendar days of the bid opening date, establishing an award deadline of November 24, 2026. Additionally, the Airport submitted its final FAA grant application package, including bid results, on June 29, 2026. Accordingly, the project schedule has been strategically developed to align with critical FAA funding milestones, grant application requirements, and procurement deadlines.

## **ANALYSIS**

The Airside Lighting Replacement project is a critical investment to maintain and modernize the Airport's lighting infrastructure. The project will replace aging high-mast lighting fixtures and associated equipment that have reached the end of their useful life.

Replacing the existing metal halide with modern, energy-efficient LED lighting systems will improve airfield visibility, enhance safety for aircraft operations and airfield personnel, reduce maintenance requirements, and lower long-term operating costs. Upgrading to LED will provide more consistent lighting levels, cut airport labor costs and waste disposal, and provide improved lighting for safe operations at the gates and on the ramps.

On October 24, 2025, the existing airside high mast lighting poles were assessed in preparation of design documents. The existing high-mast light poles are steel structures that have been in service for many years and are either nearing their service life or facing constant maintenance issues. Over time, the poles have developed surface corrosion and weathering from constant exposure to the airfield environment, which is typical for aging infrastructure of this type.

Existing high-mast light poles consist of various luminaire configurations mounted on steel poles supported by reinforced concrete foundations. Electrical conduits and handholes are present at the base of poles, with circuits routed from nearby electrical panels and metered pedestals. While the electrical distribution systems remain operational, the age of the lighting equipment and fixtures has resulted in reduced reliability and efficiency. Manufacturers are moving to LED technology, making replacement bulbs difficult to acquire. The design intent of this project is to replace the existing high-mast systems with a modern, energy-efficient, and compliant LED lighting system that improves airside visibility, enhances worker and aircraft safety, and reduces long-term airport operating costs.

During the design phase, the Airport requested an additional structural assessment of the existing high mast light poles and light pole foundations in support of the planned replacement of the existing light fixtures. The goal of this assessment was to verify if the proposed fixtures are compatible with the existing poles, if the existing poles should be replaced or re-used, and if the foundations have adequate capacity to safely support the proposed fixtures. The assessment determined that the existing concrete foundations are generally in good condition and can be reused to support the proposed improvements.

The existing appropriated budget was established before completion of the official engineering estimate. After the engineering estimate was finalized, projected construction costs were identified as being higher than the original budget assumptions. Because construction bids were expected shortly thereafter, the budget adjustment was deferred until bid results were received to ensure the funding request reflected actual bid pricing. The bid results confirmed construction costs were higher than the original budget assumptions, resulting in the need for additional project funding.

Appropriating funds at this time is necessary to ensure the Airport can award and execute the contract and issue the Notice to Proceed to start the construction activities.

Additionally, to satisfy federal grant requirements, the remaining 19.41% will be funded through the Airport's Renewal and Replacement Fund (Fund 527).

Recently, the United States Department of Transportation added conditions to federal grants requiring cooperation with immigration enforcement and restricting diversity, equity, and inclusion. Federal courts have since enjoined these conditions, and the FAA has accepted their deletion accordingly. Should the conditions be reinstated, the FAA would require the City to comply in order to continue receiving funding. In that event, the Airport would use Airport funds to complete the project. The project team will continue coordinating with the City Attorney's Office regarding the likelihood and timing of any such change in status.

### **EVALUATION AND FOLLOW-UP**

No additional follow-up action with the City Council is expected at this time.

### **FISCAL IMPACTS**

A total of \$2,600,000 is requested to execute the construction contract and begin the construction phase of the project. The total estimated project cost is \$4.9 million.

Of the total project cost, \$3.4 million for the Airside Lighting Replacement project is eligible for grant funding, and the remaining amount necessary to complete the project is funded through the Airport Renewal and Replacement Fund (Fund 527).

When awarded, the grant will fund 80.59% of the grant eligible project costs from the Airport Capital Improvement Fund (Fund 520), with the remaining amount of grant ineligible project costs funded through the Airport's Renewal and Replacement Fund (Fund 527). If the project does not receive Airport Infrastructure Grant funding, Airport management would evaluate alternative funding strategies and determine an appropriate path forward. Ongoing maintenance and operating costs are minimal and will be absorbed into the Airport's operating budget.

### **TOTAL COST OF PROJECT:**

|                                            |                    |
|--------------------------------------------|--------------------|
| Project Delivery*                          | \$1,210,000        |
| Construction                               | \$3,318,750        |
| Contingency (10%)                          | \$ 331,875         |
| <b>TOTAL PROJECT COSTS</b>                 | <b>\$4,860,625</b> |
| Prior Years' Expenditures and Encumbrances | <b>\$ 352,345</b>  |
| <b>REMAINING PROJECT COSTS</b>             | <b>\$4,508,280</b> |

\* Project delivery includes \$241,464 for design services and bidding and \$968,536 for construction management and inspection services.

The San José Municipal Code requires that capital projects at the Airport be consistent with the adopted Airport Master Plan. The proposed project would be a minor alteration of existing Airport facilities and is therefore consistent with the adopted Airport Master Plan pursuant to San José Municipal Code Section 25.04.210(B)(4).

## **BUDGET REFERENCE**

The table below identifies the funds and appropriations to fund the contract recommended as part of this memorandum and remaining project costs, including project delivery, construction, and contingency costs.

| Fund # | Appn. # | Appropriation Name              | Total Appropriation | Recommended Budget Action | 2026-2027 Proposed Mid-Biennial Capital Budget Page* | Last Budget Action (Date, Ord. No) |
|--------|---------|---------------------------------|---------------------|---------------------------|------------------------------------------------------|------------------------------------|
| 520    | R110    | Revenue from Federal Government | \$30,379,000        | \$2,300,000               | 263                                                  | 6/16/2026 26-205                   |
| 520    | 418S    | Airside Lighting Replacement    | \$1,109,000         | \$2,300,000               | 267                                                  | 6/16/2026 31336                    |
| 527    | 8999    | Ending Fund Balance             | \$11,450,786        | (\$300,000)               | 269                                                  | 6/16/2026 31336                    |
| 527    | 418S    | Airside Lighting Replacement    | \$800,000           | \$300,000                 | 267                                                  | 6/16/2026 31336                    |

*\* The 2026-2027 Proposed Mid-Biennial Capital Budget was approved on June 9, 2026 and adopted on June 16, 2026 by the City Council.*

## **COORDINATION**

This memorandum was coordinated with the City Attorney's Office.

## **PUBLIC OUTREACH**

This memorandum will be posted on the City Council Agenda website for the August 18, 2026 City Council meeting.

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**BOARD, COMMISSION, COMMITTEE RECOMMENDATION AND INPUT**

No board, commission, or committee recommendation or input is associated with this action.

**CEQA**

Determination of Consistency with the Norman Y. Mineta San José International Airport Master Plan Amendment Environmental Impact Report, File No. ER22-279.

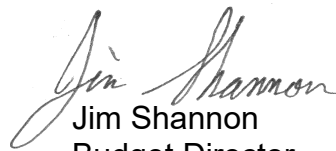
**PUBLIC SUBSIDY REPORTING**

This item does not include a public subsidy as defined in Section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/  
MUKESH (MOOKIE) PATEL  
Director of Aviation

  
JIM SHANNON  
Budget Director

I hereby certify that there will be available for appropriation in the Airport Capital Improvement Fund in the Fiscal Year 2026-2027 moneys in excess of those heretofore appropriated, wherefrom, said excess being at least \$2,300,000.

  
Jim Shannon  
Budget Director

For questions, please contact Matthew Kazmierczak, Division Manager, Airport, at 408-392-4438 or by email at [mkazmierczak@sjc.org](mailto:mkazmierczak@sjc.org).