



Memorandum

TO: TRANSPORTATION AND
ENVIRONMENT
COMMITTEE

FROM: Mukesh (Mookie) Patel

SUBJECT: Airport Asset Preservation
and Expansion Status
Report

DATE: November 10, 2025

Approved

Date:

11/19/2025

RECOMMENDATION

Accept the status report on the Airport's efforts to preserve current assets and enable future expansion efforts.

BACKGROUND

Post-pandemic recovery has been slow for San José Mineta International Airport (SJC). While SJC is monitoring and evaluating passenger traffic and revenue, plans for expansion and associated enabling projects have been deferred until such time that is determined viable to proceed with the execution of the master plan program based on a multi-year sustained passenger growth.

While SJC is evaluating the master plan execution timeline, the focus is now on preservation of terminal facilities infrastructure and other critical assets, which includes exploring ways to enhance existing asset conditions, elevate the passenger experience, and modernize operations. This effort also includes identifying near and long-term facility and infrastructure needs and developing a comprehensive investment plan with good-better-best options, as detailed below:

- Plan A (Good): This plan focuses on resilience and asset preservation of core infrastructure that require repair to work normally and keep the airport operating smoothly.
- Plan B (Better): This plan includes cosmetic enhancements and upgrades to more efficient systems and infrastructure.
- Plan C (Best): This plan will include design recommendations from a passenger experience perspective, incorporating the latest and most advanced features available.

ANALYSIS

The asset preservation plan has been broken into two phases:

Phase 1 - Develop a comprehensive investment plan to address immediate core infrastructure needs – Plan A (completed)

Phase 2 - Explore ways to enhance asset conditions, modernize operations, and elevate passenger experience – Plan B and Plan C (future planned)

The first phase (Phase 1) assessed the current state of terminal facilities and system forecasted remaining useful life (RUL) and identified key short-term investments for continuous operation of airport services. A Facility Condition Assessment (FCA) confirmed existing assets through field assessments, documentation review (including the existing capital projects list and maintenance schedules), and staff interviews. Resulting recommendations focus on core infrastructure system repairs and replacements required to maintain operations (Plan A).

Phase 1 also included a high-level evaluation of five focus areas that would be incorporated into the future Phase 2 investment planning options. These focus areas are:

- Energy
- Central Utility Plant
- Underground Utilities
- Technology
- Strategic Asset Management

A second phase (Phase 2) will be addressed in a future service order and will explore further investment opportunities to enhance operational performance and the passenger experience, incorporating Plan B and Plan C.

For SJC facilities, \$3.1 million in current deficiencies were identified. In addition, projected capital renewal forecast needs over the next 10 years totaled \$169.0 million. Combining current deficiencies with the next 10 years of forecasted capital renewal needs, SJC can anticipate \$172.1 million in facility-related needs. Current deficiencies, defined as safety-related and immediate repair needs greater than \$10,000 were identified to be addressed within the first year.

SJC has developed a five-year comprehensive investment plan to address the deficiencies identified in the Asset Preservation Report and will start execution of these projects in FY 2026 and FY 2027.

SJC will continue the feasibility of Phase 2 of the Asset Preservation Plan, which will include exploring investment opportunities to enhance the operational performance of systems infrastructure.

Staff recommends the approval of the Airport Asset Preservation and Expansion Status Report.

COORDINATION

No other City Departments have been consulted for the preparation of this memo.

/s/
Mukesh (Mookie) Patel
Director, Airport

The principal author of this memorandum is Fai Ali, Deputy Director, Planning and Development, Department of Aviation. For questions, please contact at email fali@sjc.org or (408) 392-3680.

ATTACHMENT

Attachment A: SJC Asset Management Study Facility Condition Assessment