CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Matt Loesch
Mukesh (Mookie) Patel

SUBJECT: **See Below**

DATE: July 28, 2025

Approved

Date: 8/4/25

COUNCIL DISTRICT: Citywide

SUBJECT: Report on Bids and Award of Contract for the 10582-SJC On-Call General Engineering Construction Contract 25-28 Project

RECOMMENDATION

Report on bids and award of a contract for the 10582 – SJC On-Call General Engineering Construction Contract 25-28 Project for minor capital improvement projects at the San José Mineta International Airport to the lowest responsive, responsible bidder, A. Teichert & Son, Inc. dba Teichert Construction for a maximum not to exceed amount of $3,000,000 for a duration of three years.

SUMMARY AND OUTCOME

Approval of the recommendation will enable the completion of small, unforeseen capital improvement and maintenance projects at the San José Mineta International Airport.

BACKGROUND

The 10582-SJC On-Call General Engineering Construction Contract 25-28 Project was initiated to procure one on-call construction contract in the amount of $3,000,000 for a duration of three years. The Public Works Department, working with the Airport Department, will use this contract to issue task orders for minor construction and maintenance work, including repair and replacement of ramps, roadways, sidewalks, vehicle service road, and paving work at San José Mineta International Airport on an as-needed basis.

ANALYSIS

Bids were opened on July 3, 2025, with the following results that were evaluated on the basis of the lowest percentage overhead and profit markup rate.

Contractor	Overhead and Profit Markup Rate (Percent)
A. Teichert & Son, Inc. dba Teichert Construction (Pleasanton)	7.89
Granite Rock Company (San José) *(non-responsive)*	7.00
O'Grady Paving (Mountain View) *(non-responsive)*	24.90

The bids from Granite Rock Company and O'Grady Paving were deemed non-responsive for failing to properly complete their California Air Resources Board Regulation Compliance form. On July 3, 2025, the City issued a notice of intent to award notifying Granite Rock Company and O'Grady Paving that their bids were non-responsive and stating the City's intent to award the contract to the lowest responsive, responsible bidder, A. Teichert & Son, Inc. dba Teichert Construction. No protests were submitted during the five-day protest period.

A. Teichert & Son, Inc. dba Teichert Construction has prior experience working with the City of San José, including its current on-call contract with the San José Mineta International Airport. Its overhead and profit markup rate of 7.89% is consistent with rates on other recent SJC on-call contracts and staff considers it reasonable for this type of work.

Wage Theft Prevention Policy Check

The Office of Equality Assurance reviewed bidders for compliance with the City's Wage Theft Prevention Policy on July 3, 2025, and again on July 15, 2025. No wage theft issues were identified.

Project Labor Agreement Applicability

The City's Project Labor Agreement is applicable to this project because the Engineer's Estimate is over $1.2 million.

Local and Small Business Analysis

The recommended contractor is not a local or a small business enterprise. Subcontractors will be determined at the time task orders are issued.

EVALUATION AND FOLLOW-UP

Task orders under the 10582-SJC On-Call General Engineering Construction Contract 25-28 will be approved by the Director of Public Works in amounts not exceeding the minor public works threshold of $730,000. No additional follow-up action with the City Council is anticipated at this time.

COST SUMMARY/IMPLICATIONS

No funding is needed to approve the recommendation for contract award associated with this memorandum. Funding sources will be identified prior to the issuance of task orders to the contractor as detailed scopes of work are identified and cost and schedules are negotiated, subject to the appropriation of funds.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office, the City Manager's Budget Office, and the Planning, Building, and Code Enforcement Department.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the August 19, 2025 City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission 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/
MATT LOESCH
Director of Public Works

/s/
MUKESH (MOOKIE) PATEL
Director of Aviation

For questions, please contact Sal Kumar, Deputy Director of Public Works, at sal.kumar@sanjoseca.gov.