

ITEM #: 37
DATE: 03-10-26
DEPT: ADMIN

COUNCIL ACTION FORM

SUBJECT: DETERMINATION OF NON-RESPONSIBLE CONTRACTOR FOR THE PURPOSE OF BIDDING ON CITY PROJECTS

BACKGROUND:

Chapter 26 of Iowa Code outlines the requirements for bidding on construction contracts undertaken by the City. According to Section 26.9, the City is obligated to award a contract for a public improvement to the lowest responsive, responsible bidder.

SCHAIKER PLAZA CONCRETE WORK

In 2022, the City awarded a contract for the construction of the Steven L. Schaiker Plaza, located across the street from City Hall. The awarded contractor retained a sub-contractor to handle the construction of the ice-making components of the plaza. This sub-contractor subsequently retained a concrete contractor, Jordison Construction, Inc., Urbandale, Iowa, to install the concrete for the ice ribbon, a major feature of the plaza.

The ice ribbon work involved the placement of concrete over refrigerant piping, wire mesh, and insulation. The concrete was placed on December 15, 2023, and in February 2024, there were apparent defects with the work. Reports documenting the pour, provided by the City's consultant, also indicated several deviations occurred during the pour from the agreed-upon installation practices and tolerances. The work performed by Jordison Construction, in the view of the City and our outside concrete expert, resulted in an unsafe, unacceptable concrete surface.

On February 27, 2026, the City reached a settlement with the prime contractor on the Plaza project to remove and replace the defective work. However, as a result of the original, deficient work performed by Jordison, the City has expended an inordinate amount of time during the past two years working to remediate the unacceptable concrete surface. The completion of the plaza project has been delayed denying the public the use of this space for several years.

Further, the City has had to expend additional funds to retain outside legal services and concrete diagnostic consultants to address the concrete pour. As of February 10, 2026, the costs billed for these services have totaled \$156,040.56, of which \$74,234.51 is for professional concrete expert services.

FITCH FAMILY INDOOR AQUATIC CENTER BIDS

Separately, Jordison Construction was a bidder on the Paving & Sidewalk Work bid package for the Fitch Family Indoor Aquatic Center. Jordison's bid, including alternates, was \$280,300, while the second low bid was \$351,588. Following the opening of bids, the City received a letter from Jordison Construction requesting to withdraw its bid (attached). The letter cited that Jordison had "[...] discovered the omission of providing and installing all of the granular paving sub-base beneath the paving and walks. By performing this work at our bid amount, it would

negatively effect [sic] our business."

As a result of the withdrawal of Jordison's bid, the City awarded the bid to the second lowest bidder, at an increased cost of \$71,288.

STAFF ANALYSIS

Based on the issues described above in the City's previous experience with Jordison Construction, City staff does not have confidence that Jordison is capable of providing construction services for the City in a responsible manner in the future.

According to advice from the City Attorney, only the City Council can make a determination as to whether a contractor is non-responsible. If the City Council does make such a determination, then Jordison Construction would be unable to be awarded a contract for a project bid by the City of Ames.

The Purchasing Manager has advised that a period of time be established during which a non-responsible bidder would be unable to be awarded a contract. For comparison purposes, in instances where Iowa State University makes such a declaration, the contractor may not be awarded a bid for a period of at least three years.

After the three-year period, the contractor may then provide information to the City demonstrating the changes it has made to its practices, capabilities, organization, or other pertinent areas in order to prevent problems like those that have resulted in a declaration that they are not responsible. The City Council could at that time determine whether those changes are sufficient to authorize the contractor to be able to be awarded a contract with the City in the future.

ALTERNATIVES:

1. Approve a resolution determining Jordison Construction, Urbandale, Iowa to be a non-responsible bidder for the purpose of bidding on City projects, based on the findings identified above. Jordison would be eligible to return to good standing after three years by providing information to the satisfaction of the City Council that the issues the City has encountered with Jordison will not be repeated.
2. Do not determine that Jordison Construction is non-responsible, and allow Jordison Construction to remain eligible to bid on public improvement contracts for the City of Ames.

CITY MANAGER'S RECOMMENDED ACTION:

The City is dependent on contractors to perform construction work on City infrastructure. State law requires contracts to be awarded to the lowest responsive, responsible bidder.

The City's experience with Jordison Construction placing the concrete at Schainker Plaza has been extremely challenging. The concrete work was deficient and the City has expended considerable time and money pursuing a resolution to work performed by Jordison, delaying the opening of the plaza by several years.

This experience has not proven to be a value to the community taxpayers, and therefore staff believes it is in the City's best interest to take steps to declare Jordison Construction to be a non-responsible bidder. Jordison would be eligible to return to good standing after three years by providing information to the satisfaction of the City Council that the issues the City has encountered with Jordison will not be repeated. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, as described above.

ATTACHMENT(S):

[Jordison_Withdrawal_Letter.pdf](#)