



CITY OF MIDWEST CITY SPECIAL COUNCIL AGENDA

City Hall - Midwest City Council Chambers, 100 N. Midwest Boulevard

May 25, 2021 – 5:30 PM

Presiding members: Mayor Matt Dukes

Ward 1 Susan Eads

Ward 2 Pat Byrne

Ward 3 Española Bowen

Ward 4 Sean Reed

Ward 5 Christine Allen

Ward 6 Rick Favors

City Manager Tim Lyon

City Clerk Sara Hancock

City Attorney Don Maisch

A. CALL TO ORDER.

B. DISCUSSION ITEM.

1. Discussion and consideration of (1) participating in the OMAG's training program, (2) renew and adopt a governing body best practice handbook, (3) complete the OMAG Stability Test, (4) review the Declarations and Explanation of Coverage page video in compliance with the Oklahoma Municipal Assurance Group Liability Protection Plan (MLPP), and (5) accepting the resolution as completion of the Recognition Program requirements. (City Manager - T. Lyon)

C. ADJOURNMENT.



City Manager
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MEMORANDUM

TO: Honorable Mayor and Council

FROM: Tim Lyon, Assistant City Manager

DATE: May 25, 2021

RE: Discussion and consideration of (1) participating in the OMAG's training program, (2) renew and adopt a governing body best practice handbook, (3) complete the OMAG Stability Test, (4) review the Declarations and Explanation of Coverage page video in compliance with the Oklahoma Municipal Assurance Group Liability Protection Plan (MLPP), and (5) accepting the resolution as completion of the Recognition Program requirements.

OMAG believes the best run cities and towns have fewer claims and the claims they incur cost less money to resolve. The OMAG Recognition Program seeks to strengthen municipal governance and reduce claims through education and self-assessment. The City of Midwest City is renewing its property insurance and auto liability from OMAG. As a result, our city is eligible for a \$10,000 recognition award after completing the following requirements:

- Each member of the Midwest City Council to participate in an OMAG governing body training program (table of contents of the training is attached).
- The City Council adopts a governing body best practice handbook. (We will need to renew our current handbook.)
- Each member of the Midwest City Council completes the OMAG Stability Test and self-audits its performance.
- The City Council must review the attached Declarations and Explanation of Coverage page for our liability police with OMAG.
- The City Council must approve the resolution confirming its participation.

Training video and testing materials will be supplied to Council Members at the time of the meeting.

If you have any questions about this program, please feel free to contact me at 739-1201.

Tim L. Lyon

Tim Lyon
Assistant City Manager

Attachment (1)

GOVERNANCE GUIDE 2018

Mayor and City Council



Midwest City, Oklahoma
June 2018



Lyle Sumek Associates, Inc.

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Governance Workshop Mayor and City Council Midwest City, Oklahoma

April 2014

AGENDA

1. Council – Manager Form: Working Model

- A. Basic Assumptions/Underlying Principles
- B. City: Working Model
- C. Teamwork: Keys to Success

2. Governance: The Responsibility of Mayor and City Council

- Key Elements/Responsibilities
- Challenges to Effective Governance
- Leadership through Governance

3. Building Our Mayor – City Council Team: Understanding Our Team Styles

- Problem Solving and Decision Making
- Conflict Management and Negotiations
- Keys to Our Team Effectiveness

4. Mayor and City Council: Framework for Effectiveness

- Mayor - City Success Means...
- Community: Desired Image of Mayor – Council
- House Rules: Code of Conduct

5. Council Protocols: Operating Guidelines for Daily Activities

- Discussion: Expectations and Description
- Finalization: Guidelines
- Personal Commitment

6. Roles, Responsibilities and Actions

- Mayor
- Council Members
- City Manager

7. Strategic Planning for Midwest City: Governing with Direction

- Model: Key Elements
- Connecting the “Dots”
- Initial Ideas for Midwest City
- Institutionalizing a Process

8. Wrap Up: Going Forward

SECTION 1

CITY GOVERNMENT COUNCIL – MANAGER FORM: WORKING MODEL

A

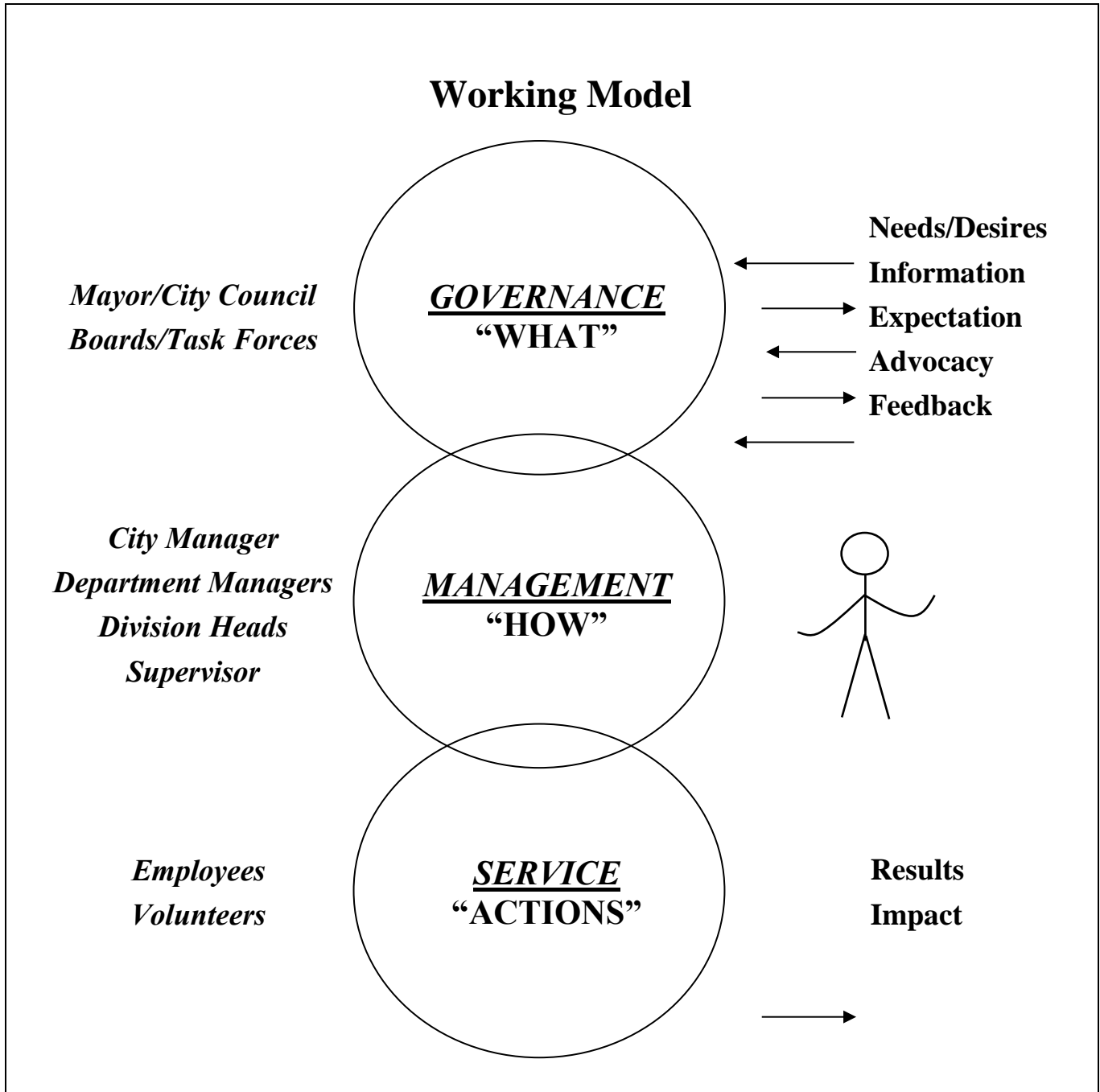
Council – Manager Form: Basic Assumption/Underlying Principles

BASIC PREMISES

- * **Power in the Council: Board of Directors**
- * **Professional Management and Service Delivery**
- * **City Manager as the Chief Executive Officer**
- * **Focus on Community as a Whole**
- * **Council Responsible for Policy**
- * **Minimize Personal Political Influence**
- * **Citizens Involved in Governance**
- * **Nonpartisan**
- * **Competency and Merit**

B

City: Working Model



The City

GOVERNANCE means . . .

- Listening to the citizens
- Anticipating and focusing issues
- Determining vision and values
- Decision making on direction and resources
- Setting the “tone” for the city
- Monitoring staff performance
- Educating the citizenry
- Mobilizing support in the community

MANAGEMENT means . . .

- Analyzing issues
- Developing professional recommendation
- Decision making on programs and resources
- Setting the “tone” for the organization
- Developing programs and systems
- Determine implementation plans and strategies
- Educating and developing employees
- Evaluating and adjusting performance

SERVICE DELIVERY means . . .

- Developing operational plans and tactics
- Organizing the work unit
- Implementing decisions and programs
- Responding to citizen problems
- Maintaining equipment and facilities
- Providing quality services and products
- Developing work units and employees
- Evaluating services and citizen impact

B

Teamwork: Keys to Success

Effective TEAMS Are:

Goals

“Unifying Purpose and Goals”

- Goals – Outcomes
- Work Programs – Game Plan
- Strategy – Action Steps

Roles

“Individual Contribution”

- Valuing Individuality
- Responsibilities Defined
- Practicing Teamwork

Execute

“Produce Results through Actions”

- Analyze —————→ Decide
- Act —————→ Impact
- Evaluate —————→ Adjust

Attitude

“Willingness to Work Together”

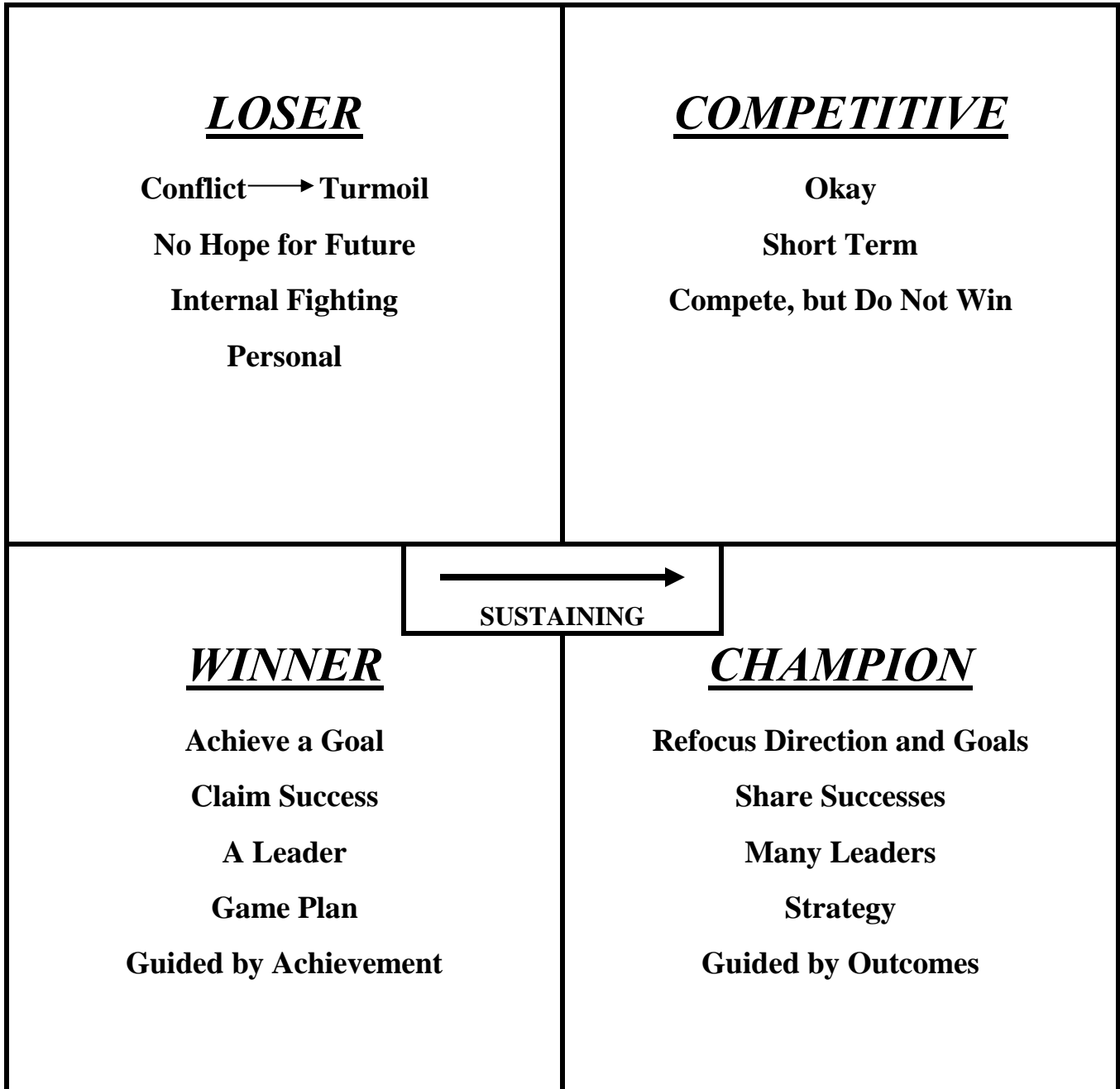
- Respect for Each Other
- Cooperation and Openness
- Celebrating Success: Momentum

Trust

“Commitments Becomes Reality”

- Learning from Setbacks
- Guidelines
- Support Each Other

Winning Teams



Winners Versus True Champions *Comparison*

Winners	Champions
Keep the Focus	Refine Goals
Share Responsibility as Leaders	Look For and Develop Leaders
Use a Game Plan	Prepare for New Challenges
Build Teams	Develop Teams
Listen to Citizens	Reach Out to Citizens
Have Agendas	Take on a New Project
Celebrate Successes	Market Success

Today many cities can be characterized as “Winners.” Few cities can be characterized as “True Champions.” This true model provides insights distinguishing “Winners” from “Champions” and laying a foundation for championship action. The message to Mayors and Councils is to look at: Are we a winning team? What do we need to do to become a champion team? The responsibility is yours as city leaders.

The Champion

Now let's turn to the "True Champion."

The "champion" not only wins for the season, it also wins over time. Champions do not rest on their laurels but accept their victory as a foundation for building a better future. The champion sees a winning season as an opportunity to work harder for our next season in order to sustain excellence over time. "True Champions" have the following seven characteristics.

1. Refine Goals

Champions take the goals from their winning season and refine them for the future. It means evaluating their benchmarks of success and refocusing on new opportunities for the future. For city government, Mayors and Councils define more specific goals that have more focus of purpose. The benchmarks are monitored to evaluate the impact of the actions in achieving the defined goals. With an eye on the horizon, opportunities are anticipated. Champions are always looking at ways of refining their goals.

2. Look for and Develop Future Leaders

Champions are always looking for fellow champions in their community. These are individuals who have the potential for effective contribution and leadership within the city. On championship teams, the leaders look for future leaders. They identify these individuals and encourage them to participate in the process. They serve as a coach and mentor, expanding their knowledge and developing specific skills of leadership. Champions do not see future leaders as a threat, but partners in expanding the city's resources and accomplishments. Champions are always looking for future champions.

3. Prepared for Next Challenge

Championship teams refine the process and continue to have an eye on the horizon. They avoid worrying that 'what ifs' may happen. They focus on what they have an ability to control or influence. Champions continue to give. They spend less time worrying about their setbacks and more on improving the process for the future. In cities, it means that Mayors and City Councils look to their process – how they govern the city; how they relate to the city staff. Champions believe that if the processes are in place, the next challenge can quickly become an opportunity.

4. Develop Teams

Champions continue to learn and to grow. Champions see the importance of taking time for meaningful evaluation. They seek feedback on their performance and listen to others' perspectives. They recognize that championship teams who are not developing, die. When that happens, the team gets in a defensive posture focusing on surviving as a team rather than developing for the future. On championship teams, individuals grow and provide new contributions to the team based upon their own personal growth. A "champion" recognizes that individual growth will enhance team effectiveness for the future and continue pursuit of learning.

In cities, Mayors and City Councils look to developing their team and the city team that they lead. Champions avoid stereotyping individuals on their contributions to the team effort.

5. Reach Out to Citizens

Champions recognize the need to continually go back to their roots – what has made them successful. Champions keep going back to the basics. They avoid the sense of arrogance and complacency by reaching out to their fans. For Mayors and Councils, it means reaching out to the community. They can identify a new group to go visit – a new part of the community to talk to, to look at, to get out of their cars and to walk and to look. Communities are dynamic and championship communities recognize the dynamic nature and respond accordingly. Champions recognize that you may not agree with the other person’s perspective, but for them the perspective is real. A champion builds new fans who can be partners in future success. Therefore, if we are going to continue to be champions we must have an ability to address their perceptions. Champions reach out beyond the political supporter and 'safe' group to their emerging communities.

6. Search for a New Project

Champions always need a new project. New projects bring on a sense of opportunity and a sense of excitement. It is an opportunity to recharge the batteries and renew the team spirit. A new project is one that provides a new challenge for the championship team as a whole and the individual members of the team. In cities, it is a challenge for Mayors and City Councils to find a visible project that can have a timely impact on the community. On a championship team, everyone supports the new project. A word of caution: the new project should not take away from the completion of the old agenda.

7. Market Successes

Championship teams share their successes with their fans. They recognize that “fans” are partners in the success. Championship cities share their successes with their partners who have helped them to achieve their goals, with the interest groups that support the city government, and the citizens to whom there is a sense of stewardship. Mayors and City Councils have been entrusted with significant responsibilities with public resources. The marketing of the success and letting citizens and partners know of the accomplishments will lead stakeholders to feel that they have gotten their money’s worth and that the effort of the city was worthwhile. In today's world, the media coverage of government is predominately ‘negative.’ The failure of government, the imperfection of politicians. Even champions lose games, but they do not let them detract from future success. The importance for marketing is paramount to successful championship cities. Marketing is sharing the good news, helping individuals understand the direction and accomplishments, and mobilizing the support for the team. Success builds a momentum for future “championships.”

Champions continually work to be champions. They do not rest on their laurels, but seek ways of enhancing their performance. Champions get better over time.

Pitfalls for Winners

Arrogance – Feeling that We are Better than Others

Attitude of Complacency

Assuming Goals and Focus

Taking Relationships for Granted

On Top of Big Issues

Worrying about the Crisis

Wrap Up Mentality

Personal Prominence

Pitfalls for Winners

Sowing the Seeds of Failure

After a team wins the Super Bowl, the World Series, the NBA Championship, there is always the potential to get wrapped up in the “winning season.” The winning season then provides significant challenges for leaders who want to be champions.

The pitfalls for “winners” are:

- **Arrogance – A Feeling that We Are Better than Others**
In applying the concept of arrogance to cities, it means that Mayors and City Council lose their feeling for the true, total community. The focus becomes special interest groups that have shared in the success and who have a comfortable relationship with Council. They are predictable and supportive. Input becomes selective, relying on these few, rather than reaching out to others in the communities. The Council gets a feeling that “we know what is best” and begins to view citizen input through a “tinted lens.” Sometimes they retrench into their political shells. The assumption is the citizens will recognize our winning efforts for the community.
- **Attitude on Complacency**
The feeling “we are fine, we are now here” challenges winners. However, as you take the words “now here,” it can easily become “no where.” In cities, complacency occurs when the Council assumes the winning efforts will continue with minimal effort. Less time is spent on issues; less time is spent on process – how we govern our cities. It is assumed that certain issues will be handled in a quick and timely manner. Council members become impatient and minimize critical feedback. Councils worry more about getting out of the meeting in a quick and deliberate manner, rather than whether the issue has been thoroughly discussed and analyzed.
- **Assuming Goals and Focus**
Winners have goals. Winners accomplish goals. Winners get distracted from their goals. They may see no need for a goal-setting workshop and cancel it. The challenge for Mayors and City Councils is to continually review and refine their goals from year to year. This becomes the focus of their energies – focusing on what is more important for the community. As events occur and times change, there is always a need in the city to refine the goals and redirect energies. This keeps the focus on the future rather than becoming consumed with today.
- **Taking Relationships for Granted**
Winners succeed because of the willingness to work together to get and sustain major votes. The working together is based upon the development of positive work relationships over time. It is an understanding and appreciation of individual contributions. It is an understanding of what roles each member plays. It is an understanding of how others will behave and react in different situations. However, as in any relationship, we assume that it will continue with minimal work on our parts. In marriages, this assumption many times leads to divorce. With Mayors and

Councils, it leads to a break down in the governance process and the election at the polls. Winners become challenged by focusing on petty irritants in the relationship. Teamwork gradually begins to disappear. As a result, over time, winners can find a relationship on a dysfunctional slide, which results in increased interpersonal conflict and tension.

- **On Top of Big Issues**

Winner's success comes from getting on top of big issues. In cities, winning Mayors and City Councils have defined future goals and developed an action plan to accomplish those goals. For winners the feeling of success on big issues leads to a feeling of freedom to pursue individual agendas. With Mayors and City Councils the big issues have been addressed, so what is on the next agenda? The next agenda becomes filled with individual action items, most of which are not of major significance. As the individual items begin to consume more and more staff time, the city staff can become confused and question the true direction for the city and the individual motivations of Council Members. The city begins to lose its focus with resources being diverted to these individual agendas and issues.

- **Worrying about the Crisis**

After a winning season, winners begin to worry can we repeat. If the tension builds and concerns about winning become predominant, the goal is winning rather than addressing the issues and being successful. We lose the focus on what brought us the success of winning. We wonder what the next issue on the horizon is that will become our crisis, the next major political challenge for us as city leaders. Like with any team, when any individual players become tense the performance deteriorates. Winners find themselves losing the game and losing on issues. You start to look for crises and, in many cases, begin to generate the crisis. For Mayors and Councils it is an easy issue that can be handled quickly that becomes a major crisis because of over-analysis and over-concern.

- **Wrap Up Mentality**

Winners become challenged by the mentality that all we need to do is sustain our effort for the next season. For cities, it means all we need to do is to complete our projects and wrap up our reports. The wrap up mentality shortens the horizons from focusing on the future to focusing on today. The focus of the goals becomes lost as we wrap up the issues. Life becomes boring because of no future challenges. We get impatient in our desire to wrap up issues in a timely manner. As a result, little problems can become major impediments to future success.

- **Personal Prominence**

With the success of being a winner, individuals gain prominence. Winners let the prominence, at times, go to their heads and forget the team effort that was needed to produce that winning season. Individuals get a glorified sense of their own importance. For Mayors and Councils it is the media focusing on individual contributions and accomplishments, rather than successes of the city. We forget that there is no "I" in "Team." Our focus is on ourselves individually, rather than our city's future. For some Mayors and Councils, personal prominence is perceived as being important for future political success. Individuals begin to claim credit for the policy or action and are less likely to share credit with the team.

- **Getting Away from the Game Plan**

Winners feel they have got a successful game plan. The game plan worked for the last season.

We need to communicate less and spend less time talking with each other. We need to spend less time with the process because the process is embraced. There is no need to fine-tune our game plan. There is no need to understand each other. I already know where they are coming from. In cities, Mayors and Councils take less time in work sessions and in their formal meetings. There is less discussion of individual ideas and perspective on issues. There is less discussion of future horizons. There is growing impatience with drawn out processes and at times with each other. Individuals may self-censor their comments, figuring that others are not interested or think they have heard that once before.

These are the pitfalls that challenge winners and the response to these challenges distinguishes “Winners” from “True Champions.”

12 Points of an Effective Mayor and City Council

1. Focus on and Use Vision, Goals and Priority

- Define the city's preferred future
- Establish outcome-based goals
- Think about value to the community
- Use to allocate resources, to develop plans and policies, to invest in the future

2. Make Timely and Courageous Decisions

- Use vision, goals and priorities to use decisions
- Seek and use input from community and city staff
- Evaluate options through committees and work sessions
- Decide on what is "best for the city"

3 Provide Clear Direction and Expectations

- Obtain clear closure
- Define outcomes, measures of success and time frames
- Delegate assignments to Boards and Councils, and to city staff
- Make sure to summarize and test closure to make sure that everyone has the same understanding

4. Negotiate

- Know your own bottom line
- Look for common ground and areas of agreement first
- Use work session and committees to negotiate
- Win with grace, lose with grace

5. Treat Others with Respect

- Be courteous, polite and trustworthy – avoid personal attacks
- Deliver on your commitments
- Act within your defined roles
- Value the contributions of others

6. Have Open Communications

- Communicate using direct, open messages
- Keep everyone informed and avoid surprises or hidden agendas
- Listen and understand before judging
- Use simple and focused messages that people can remember

7. Monitor Performance

- Obtain regular progress updates/status reports
- Meet quarterly to review and refine direction
- Evaluate the outcome and actions, and make modifications
- Take responsibility for the actions and be accountable for the results.

8. Have a Community Presence

- Be accessible to the citizens and community
- Go into the community beyond your political supporters
- Take time to develop effective working relationships with community partners
- Be a positive advocate for the city

9. Act as a Board of Directors

- Know your community – view it as the “market place”
- Focus on providing policy direction
- Delegate clear responsibility to the city manager as the C.E.O.
- Avoid micromanaging and the daily operations

10. Think Strategically

- Institutionalize the goal setting process
- Identify key partners who can bring resources to the table
- Define alternative routes and steps to destination – the vision
- Keep the “big” picture in mind

11. Align the City Organization

- Appoint individuals to Boards and Councils who share your passion for the city and the vision for the future
- Define the core values to guide “how the city should operate and be managed”
- Employ the “right” city manager for your city
- Hold others accountable for their behaviors, actions and the results

12. Share Success and Celebrate

- Communicate “Our City Success” in terms that the average citizen will understand
- Use celebrations that create a positive memory – value that the city has added to people’s lives
- Recognize others who have contributed to the city’s success
- Remember people want to be associated with “winners”

SECTION 2

GOVERNANCE: THE RESPONSIBILITY OF THE MAYOR AND CITY COUNCIL

A

Governance: Key Elements/Responsibilities

OVERVIEW

- 1. Determine Your Core Businesses**
 - 2. Define Goals for 5 Years**
 - 3. Develop Strategies**
 - 4. Establish Annual Agenda – “To Do” List**
 - 5. Make Policy Decisions**
 - 6. Listen to Community – the Stakeholders**
 - 7. Be an Advocate**
 - 8. Delegate to City Staff**
 - 9. Monitor Performance and Results**
 - 10. Set the “Corporate” Tone**
-
- 11. Hire/Fire Chief Executive Officer**

Responsibility 1

**Determine Our Businesses –
The Responsibility of City Government**

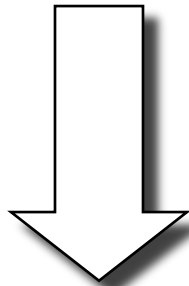
Community Needs

Basic Services/Products

Service Levels

Services that Enhance Quality of Life

Resources to Support Services



**CORE BUSINESSES THAT
HAVE VALUE FOR
STAKEHOLDERS**

Responsibility 2

**Define Goals for 5 Years –
Our City’s Destination**

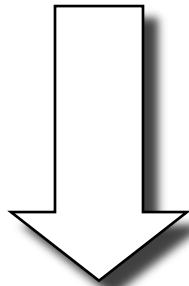
Desire for Your City’s Future

Community Uniqueness

Community Assets: Worth Preserving

Characteristics of Our Community – Today, in the Future

Dreams, Visions, Hopes



**OUTCOME BASED GOALS
THAT CAN GUIDE DECISIONS
AND ACTIONS**

Responsibility 3

**Develop Strategies –
Strategic Investments and Action**

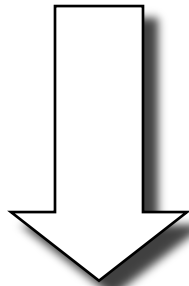
Analysis of Gaps

Forces Shaping the Future – Ability to Influence

Legal Framework and Regulations

Opportunities Today and On the Horizon

Critical Needs – Short-Term



**STRATEGY FOR ACHIEVING
GOALS THAT OUTLINES ACTIONS,
INVESTMENT AND TIMELINE**

Responsibility 4

**Establish Annual Agenda –
“To Do” List of Targeted Actions**

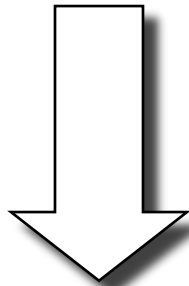
In Progress

Policy Voids and Needs

Major Projects

New Programs

Resources



**AGENDA OF TARGETS FOR
COUNCIL ACTION THAT IS AN
ANNUAL “TO DO” LIST**

Responsibility 5

**Make Policy Decision –
Direction on Key Issues**

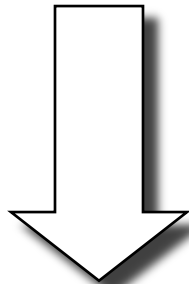
Specific Outcomes and Performance Expectations

Policy Statement/Position

City's Role and Responsibility

Framework for Action

Resources

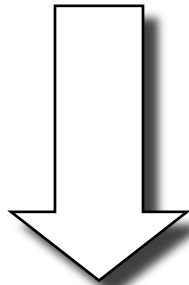


**DECISIONS PROVIDING CLEAR
DIRECTION TO CITY STAFF
AND COMMUNITY**

Responsibility 6

**Listen to Community –
Messages from Stakeholders**

Beyond the Vocal 20% . . .
Desires for the Future
Needs: Short-Term and Long-Term
Concerns
Expectations
Partnering and Involvement



**MESSAGE FOCUSING ON MAJOR
THEMES THAT RELATE TO CITY'S
RESPONSIBILITIES**

Responsibility 7

**Be an Advocate –
Education and Support of Stakeholders**

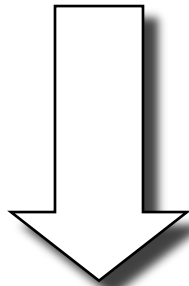
Understanding City Government – “Civics 101”

Responsibilities of Citizenship

Representation of City: Policies and Corporate Body

Cheerleading and Inspiration

Celebration



**REPRESENTING CITY AS ADVOCATE
DIRECTION TO CITY STAFF AND
COMMUNITY STAKEHOLDERS**

Responsibility 8

**Delegate to City Staff –
Clear Directions and Parameters**

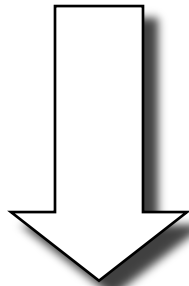
Closure on Issue

Directions

Parameters: Guidelines and Resource

Expectations: Outcomes and Process

Criteria for Measuring Success or Completion



**DELEGATING BY SETTING
DIRECTION AND INSPIRING OTHERS
TO FOLLOW THROUGH**

Responsibility 9

**Monitor Performance and Results –
Clear Feedback to Staff**

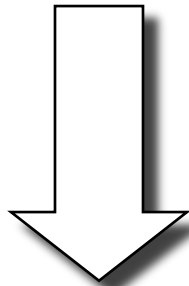
Progress Reports

Adjustments: Direction

Refinement: Actions

Problem Solving

Accountability for Results and Impact



**PERFORMANCE MONITORING THAT
ADJUSTS THE COURSE OF ACTIONS
TO “BEST” ACHIEVE OUR GOALS**

Responsibility 10

**Set the “Corporate Tone” –
Guiding Values and Principles**

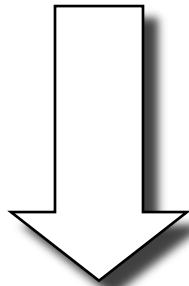
Behavior at Council Table

Comments in the Community

Treatment of City Staff

Respect for Stakeholders

Impact of Process – “How” Things Are Done



**CORPORATE TONE REFLECTS
VALUES THAT GUIDE
ADMINISTRATORS AND EMPLOYEE
ACTIONS ON A DAILY BASIS**

Responsibility 11

**Hire Chief Executive Officer –
City Manager or Administrator**

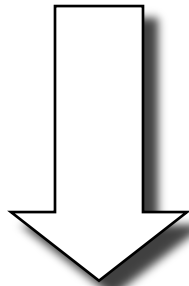
Responsibilities

Selection

Supervision

Feedback

Performance Standards and Evaluation

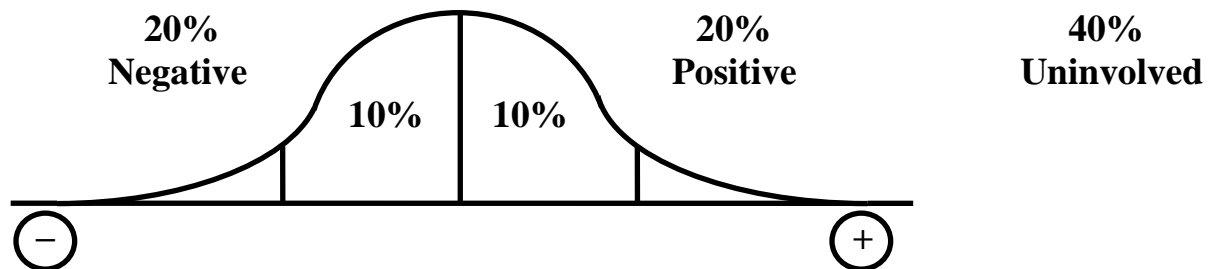


**CITY MANAGER (CEO) THAT “FITS”
OUR COMMUNITY, OUR CITY AND
CAN HELP US ACHIEVE OUR GOALS**

B

Challenges to Effective Governance

Challenge 1 Empower the 80%



Involved citizens within a community can be divided into four groups:

- 20% positive supporters of City government
- 10% learning toward positive attitude
- 10% learning toward negative attitude
- 20% negative toward all actions of government

Uninvolved citizens:

- 40% who knows?

The negative 20% can be characterized as:

- Seldom satisfied with City government response
- Vocal on any issues – always providing an opinion
- Always present monitoring City government activities
- Media darlings – always willing to provide a quote
- Use threats to intimidate Mayor and City Council

Over the past several years increased networking has occurred among the negative 20%, increasing pressure upon Mayor and City Councils. Mayors and City Councils have tried to be responsive and incorporate the negative 20% in community problem solving and listening to their concerns and ideas. The negative 20% have intimidated many Mayors and City Councils and seized control of the agenda, issues, programs, program direction, and decision-making process. Public hearings have become an open hearing for the venting of the negative 20%.

► Impact

- Intimidation by citizens of City government
- Control of City agenda: goals and direction
- Emerging as “Community Leaders”

► Challenge

How to say “NO” and recapture momentum for leading the City

Challenge 2 McGovernment Attitude

Our society has become preoccupied with a “fast food attitude” toward services. This attitude is characterized by:

- Convenient services
- Ease for customer
- Fast and quick response
- Perception of “cheap” product and service
- Others responsible for actions
- Service “my way”
- Impatience with delays or “excuses” of complexity
- Desire for service NOW

These have become the citizen’s standard for judging municipal services.

► Impact

- Citizen’s view of unresponsive government
- Focus on “My” concerns over “Best for Community”
- Lack of understanding of City government and services

► Challenge

How to inform citizens and gain appreciation for City government: our programs and our services

Challenge 3 Agenda of the Unimportant

Within Cities, Mayors and City Councils have desired to increase their responsiveness to citizens. Citizens have increased their requests for City services and responsiveness to individual problems. Mayors and City Councils have created “program creep” by responding to individual issues and creating a program based upon individual requests. Funds or resources are shifted in order to respond to citizens. A City program has begun to evolve. They have spent time on relatively “minor issues” that will have limited long-term impact on the community. City Councils have spent time on “cat” ordinances, analysis of golf balls impacting our windshields, and others. These issues are fun and produce results.

Long-term complex issues or long-term planning efforts are often avoided. It is difficult to see the short-term impact of complex issues and long-term planning. As a result, City Council agendas are filled with issues that may be of less importance on the City’s future.

► Impact

- Focus on individual citizen requests
- Less time on major policy decisions
- City time and energy on relatively unimportant items

► Challenge

How to focus on what is truly important for the future of our community

Challenge 4 Have the Courage to Decide

Today, Mayors and City Councils are concerned about being “perfect.” The fear is that any failure or setback will be represented in the media and lead to costing them their position. Citizens do not expect perfection. They expect honesty. If a mistake is made, they prefer the Council admit the mistake, point out areas of learning, and then move to the future. As elected officials strive for perfection, they delay issues, they recycle issues and they react to issues. The challenge is having the courage to decide. It is like having a young cocker spaniel that needs to have its tail cropped. One approach is to take the cocker spaniel in monthly to reduce the size of the tail in inch increments. After the first inch, the dog is hurting, but heals. After the second inch, the dog is hurting, but remembers. As the dog approaches the veterinarian, it remembers that this is not a pleasant experience and may attack the veterinarian. The learning point is that it may have been best just to reduce the tail in its entirety in one “whack.” The lesson for elected officials is many times they need to exhibit the courage to decide. The realization is that by deciding, the reality was not as bad as what they feared. By delaying issues you allow for others to recycle issues, for the negative 20% to network and mobilize additional opponents. By deciding, you move on to the future.

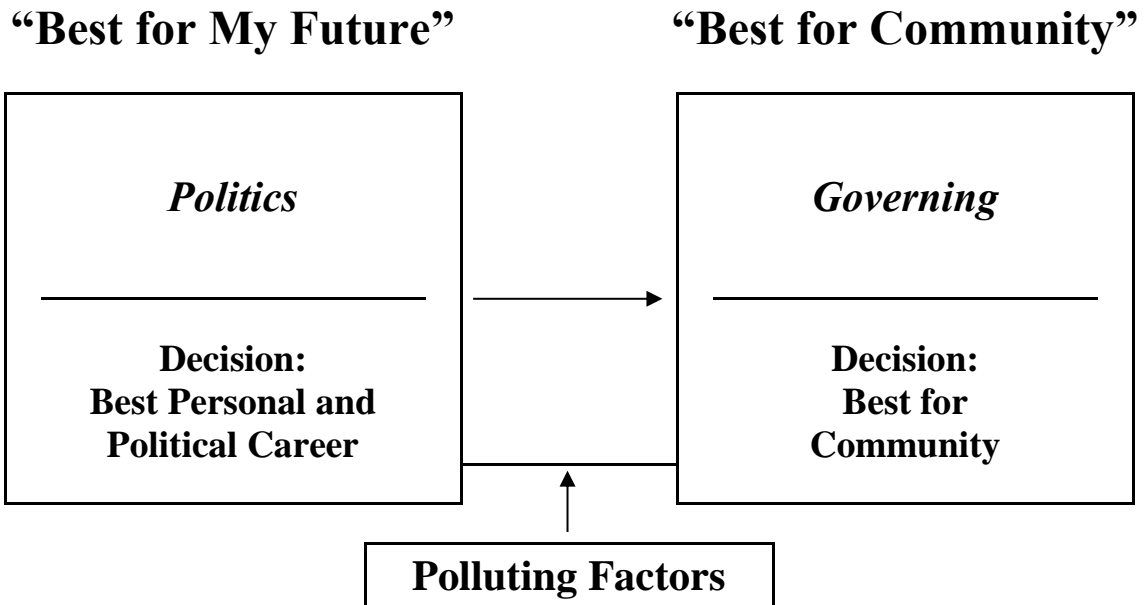
► Impact

- Key issues may die
- No momentum for implementation
- Council becomes beleaguered – frustrated
- Citizens are driven away by indecision
- Special interests understand that they can manipulate by delaying

► Challenge

When you have appropriate citizen involvement and sufficient information, just decide.

Challenge 5 Politics vs. Governance



- Personal
- Petty
- Present
- Politics

Bottom Line: Managers Must Think Political and Act Apolitical

► **Impact**

- Campaign Time Longer
- Increase Politicization of Policy Issues
- Different in Getting Substantive Debates
- Playing to the Audience
- Recycling Issues

► **Challenge**

How do you focus primarily on governing?

Challenge 6 Transforming the City Organization to a Service Business

CITY ORGANIZATION	SERVICE BUSINESS
<p>1. Responsive</p>	<p>Value</p>
<p>2. Professional Driven</p>	<p>Market</p>
<p>3. Special Interest</p>	<p>Customers</p>
<p>4. Monopoly</p>	<p>Competition</p>
<p>5. Expend</p>	<p>Cost Conscious</p>
<p>6. Morale</p>	<p>Performance</p>
<p>7. Adapt</p>	<p>Change</p>
<p>8. Process</p>	<p>Results</p>

Challenge 7 Community-Based Government

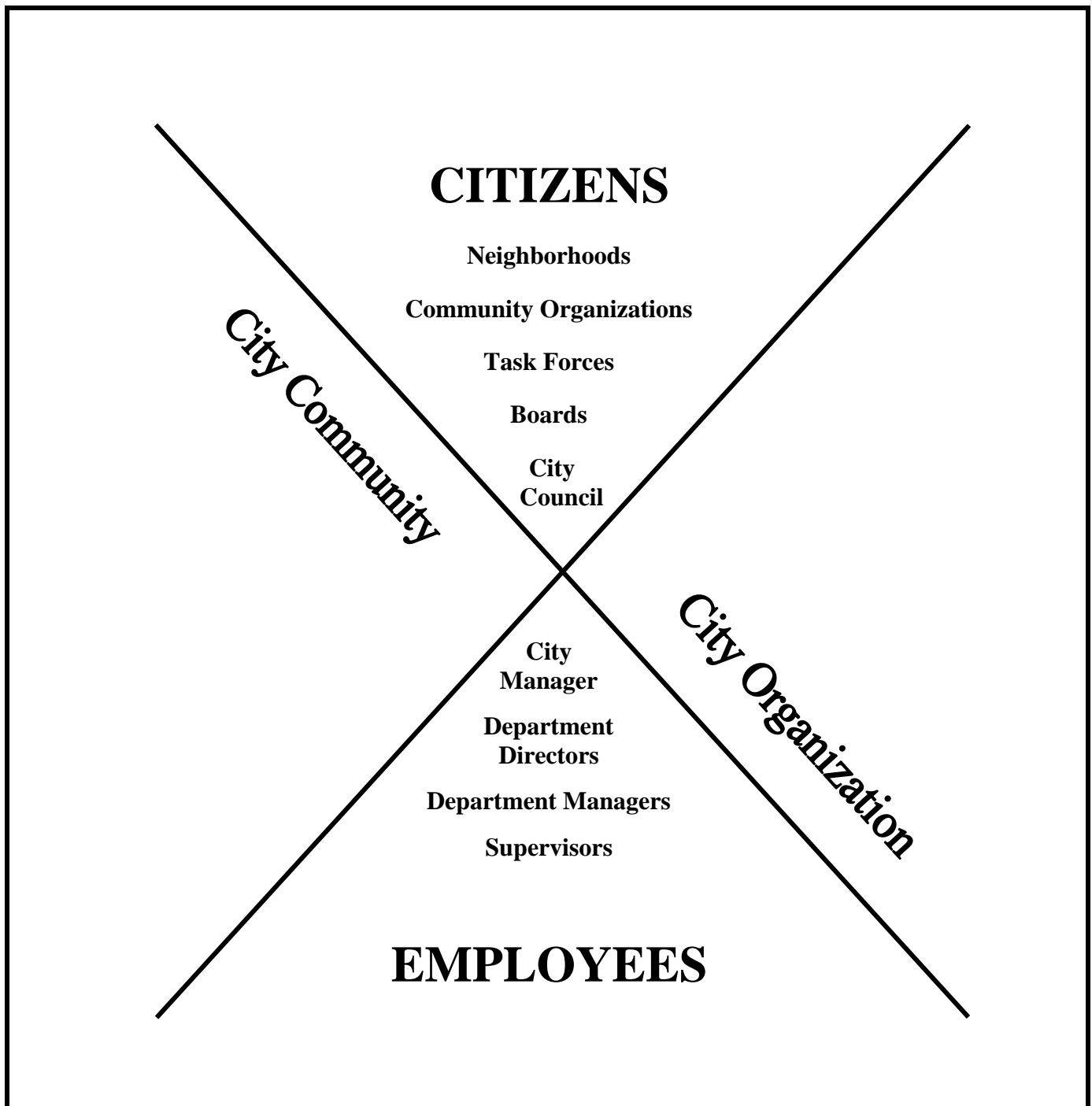
	1950	1960	1970	1980	2000
	<i>PERSONAL</i>		<i>PROFESSIONAL</i>		<i>COMMUNITY</i>
G O V E R N A N C E	<ul style="list-style-type: none"> • Informal power structure (e.g., coffee shop) • Intuition-based decisions • Actions for friends • Desire to keep harmony • React to calls and complaints 		<ul style="list-style-type: none"> • Study/analyze issues • Desire recommendations from staff • Plans development • Great reliance on staff • Rational decisions • Detailed reports prepared 		<ul style="list-style-type: none"> • Value-based decisions • Community involvement • Openness of government • Balance: Personal and professional • Vision – defined community direction • Defined goals: Monitor performance
M A N A G E M E N T	<ul style="list-style-type: none"> • Serve as technician or clerk • Emphasis on record-keeping and administration • Respond to Council directives, citizen requests • Decentralized administrative functions – department autonomy • Reactive • Scapegoat for problems 		<ul style="list-style-type: none"> • Directive – “professionals know best” • Manipulate agenda • Develop rules, policies and procedures • Develop systems • Centralized administrative functions • Cultivate community: Power base 		<ul style="list-style-type: none"> • Recommendations to Council • Lead the organization • Open government • Emphasis on responsibility and accountability • Evaluate system, adjust process • Decentralized administrative functions • Develop organization
S E R V I C E	<ul style="list-style-type: none"> • Desire to survive • Minimal training • Low profile • Act without questioning • Operational simplicity • Minimal rules or guidelines • Emphasis on personal favors 		<ul style="list-style-type: none"> • Desire efficiency • Productivity measures • Maximize resources • Develop and follow operational plan • Technologically complex • Professional certification of proficiency 		<ul style="list-style-type: none"> • Desire for effectiveness • Service definition – goals and level • Customer-oriented • Concern about impact • Feedback on performance

“Take care of the citizens – my friends”

“Rely on the Professionals”

“Working with Our Community”

Community-Based City Government



C

Leadership through Governance

Leaders' Dilemma

by Lyle J. Sumek

DILEMMA: How did we end up **HERE**?

Leaders create **HERE** by their decisions, indecisions, non-decisions or re-decisions.

Leaders are responsible for defining **HERE**, the vehicle to take you to **HERE** and the route to get to **HERE**.

Leaders have a choice: to intentionally create **HERE** or to react to each situation that then defines **HERE**.

Leaders intentionally shape **HERE** through a *Strategic Plan*, which defines **HERE** as a value-based future *vision*, defines the vehicle to take you to **HERE** as the government's *mission* and *services* and the route/map to **HERE** as a *plan for five years* with milestones.

Leaders take the trip/journey to **HERE** through a *Strategic Process*, which is using the *Strategic Plan* to guide daily decisions and actions.

Leaders demonstrate the courage to confront the true realities facing them, and to have candid discussions of options and differences as they define **HERE**.

Leaders use their judgment and make difficult decisions to implement the *Strategic Plan* by setting the direction and policies, by defining expectations, by raising the revenues, by allocating resources to build the road to **HERE**.

Leaders exercise their influence to mobilize community support even in light of personal agendas and strong opposition to **HERE** because it is the right **HERE** for the community.

Leaders encounter the unforeseen during the trip to **HERE** – unanticipated events happen, unintended consequences occur, environments change, and opportunities emerge.

Leaders evaluate the unforeseen and make adjustments to get to **HERE** learning from setbacks and remaining nimble and resilient.

Leaders end up **HERE**: either a great trip with successful outcomes or ask: how did we get **HERE**.

REALITY: Leaders did it themselves and are responsible for **HERE**.

Governance vs. Politics: A Simple View

By Lyle J. Sumek

Governance is serving the community;

Politics is getting elected or re-elected.

Governance is being guided by vision, goals and value to the community;

Politics is being guided by ideology, a cause or philosophical principle.

Governance is shaping the community's future for the long term;

Politics is responding to the moment and current "crisis".

Governance is taking responsibility;

Politics is making promises.

Governance is exercising an ability to influence others;

Politics is the use of personal power.

Governance is finding pragmatic solutions to problems through collaboration;

Politics is starting with solutions in mind.

Governance is being data driven;

Politics is playing to people's emotions.

Governance is negotiating by trading off to find a workable compromise;

Politics is demanding and advocacy to win.

Governance is educating and mobilizing support;

Politics is rallying supporters and creating zealots.

Governance is creating community benefits and value;

Politics is taking personal credit and receiving personal recognition.

TODAY'S CRISIS: Politics trumping Governance

Effective Governance Is Work, But Boring

Twenty Rules for Success

by Lyle J. Sumek

Effective Governance

is developing and maintaining relationship based upon mutual trust and respect,
not developing conditional relationships or relationships based upon convenience.

Effective Governance

is respecting personal responsibilities and their institutional role,
not taking over the responsibilities of others nor telling others how to do their job.

Effective Governance

is working together and collaborating,
not thinking about "I" over "We".

Effective Governance

is a willingness to sacrifice to the greater good,
not focusing on personal gains or protection.

Effective Governance

is communicating in an open and timely manner,
not providing partial information or surprising with last minute information.

Effective Governance

is addressing today's issues with the future in mind,
not reacting to the moment with easy solutions or quick answers.

Effective Governance

is unbiased analysis reports,
not starting with the outcome in mind.

Effective Governance

is speaking to the issue,
not grandstanding or personal attacks.

Effective Governance

is having an open, candid conversation and discussion,
not avoiding real and sensitive topics.

Effective Governance

is listening to understand,
not prejudging based on the individual or jumping to conclusions.

Effective Governance

is negotiating with others,
not demanding or withdrawing.

Effective Governance

is recognizing that it takes a majority to decide,
not one or vocal minority.

Effective Governance

is making a timely closure,
not recycling or delaying to gain advantage.

Effective Governance

is providing clear direction and decision,
not leaving the room with different interpretations.

Effective Governance

is deciding based upon what you believe is "right" for the community,
not deciding for personal or political gains.

Effective Governance

is consistency of process and direction over time,
not making changes reacting to the current moment.

Effective Governance

is supporting and representing the decision to others,
not acting in a manner to undercut the decision.

Effective Governance

is learning from setbacks and failures,
not finding fault or someone to blame.

Effective Governance

is being nimble and willing to change when circumstance change,
not being rigid or denying.

Effective Governance

is maintaining your sense of humor and perspective,
not taking yourself too serious.

BOTTOM-LINE:

Effective Governance is work and pays off for the community, but is viewed by others as boring.

Decisions: The Exercise of Power

by Lyle J. Sumek

Leaders govern by exercising their power to *decide* – make *decisions* that define the community's future

Deciding is using

1. "Best" available data and information
2. Input from others
3. Analysis of options against desired outcomes
4. Common sense

to make a judgment

Decisions

1. Answer questions
2. Settle something in doubt
3. Select a course of action
4. Resolve a dispute and differences
5. Come to closure or conclusion

which are definitive choices.

Effective Use of Power...

links Direction to Outcomes – vision, goals, performance measures;

uses Data and Input – listening and applying;

reflects the Interests of the Community – "best" for all;

provides Clarity of Direction – all leaving with the same expectations and understandings; and

delivers Closure – "final" choice on direction to guide planning and activities.

A ***Decision*** in reality is a series of ***Decisions***. The ***Decision Tree*** is a model with the seed and each branch representing a choice between alternatives with risks, costs, probabilities and results, and requiring a ***Decision*** – the first ***Decision*** shaping future ***Decisions***.

Leaders ***decide*** on ***DECISIONS OF INTEREST AND INVESTIGATION***, ***DECISIONS OF THE COURSE OF ACTIONS*** and ***DECISIONS OF IMPLEMENTATION***.

DECISIONS OF INTEREST AND INVESTIGATION

1. *Decide on Expectations*
2. *Decide on Outcomes*
3. *Decide on Parameters*
4. *Decide on Key Issues*
5. *Decide on Direction on Interest and Investigation*

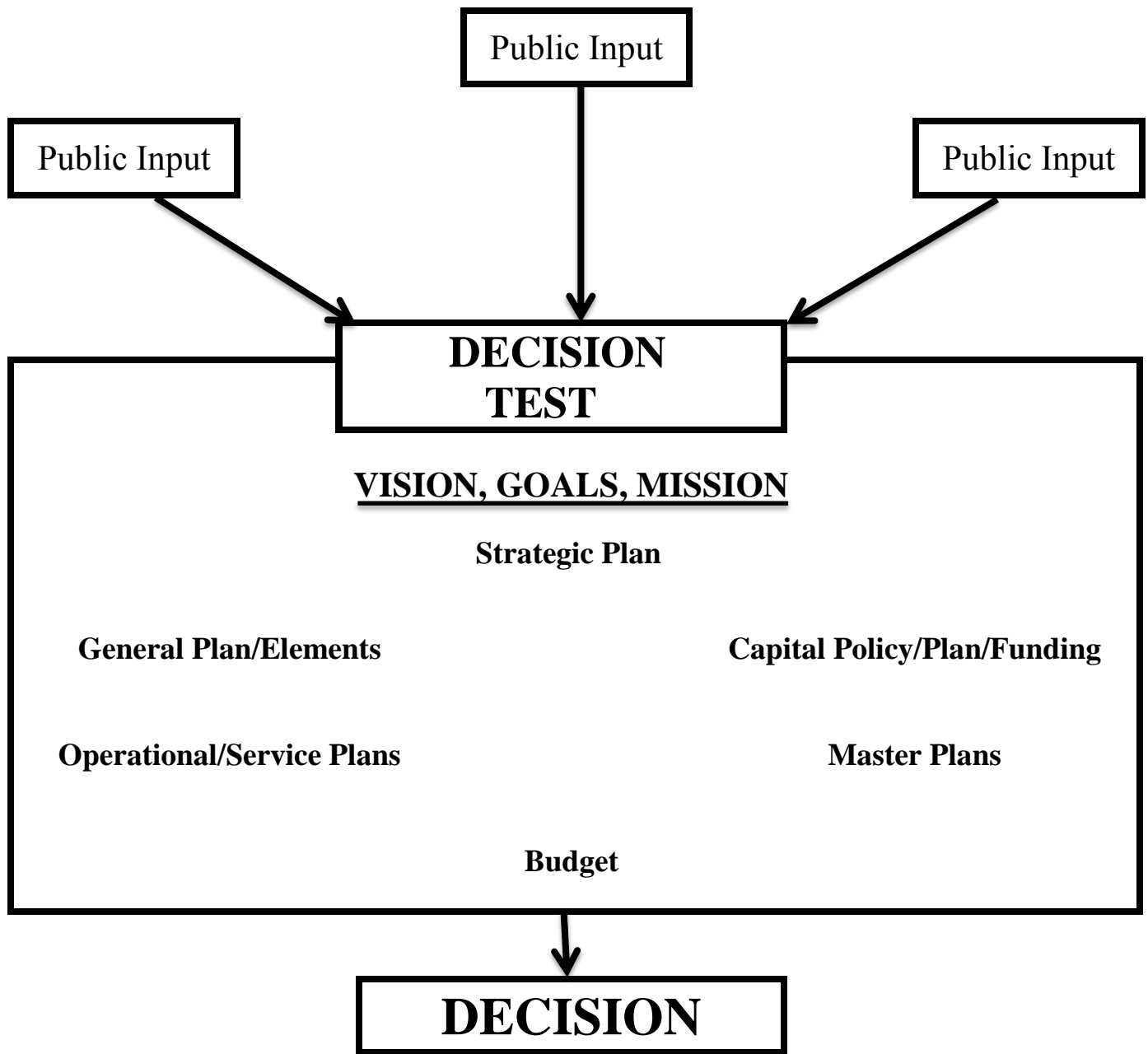
DECISIONS OF THE COURSE OF ACTIONS

1. *Decide on Data Gathering*
2. *Decide on Analysis and Options*
3. *Decide on Negotiations*
4. *Decide on Recommendations*
5. *Decide on Direction on Actions*

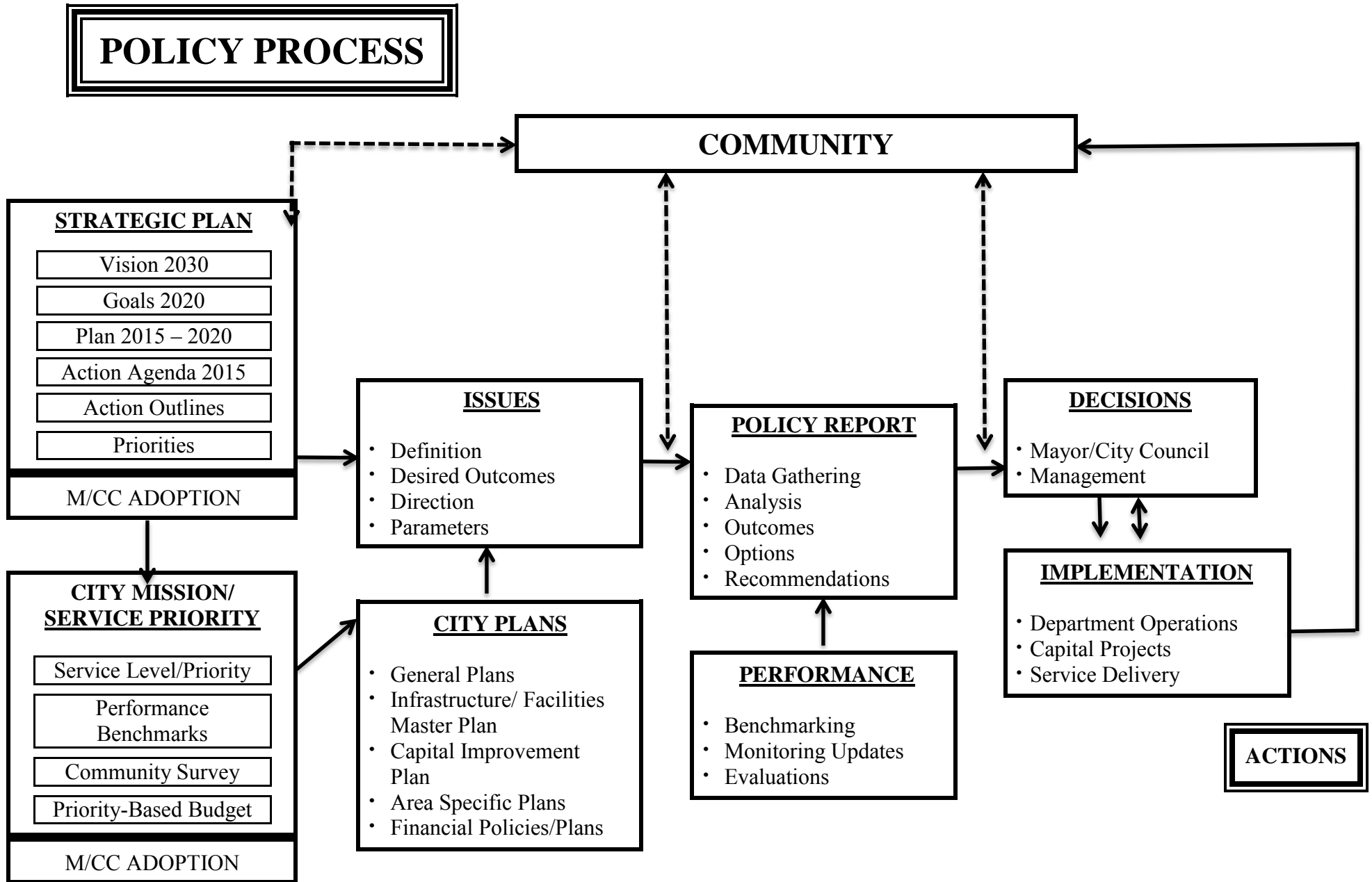
DECISIONS OF IMPLEMENTATION

1. *Decide on Program Development/Project Plans*
2. *Decide on Evaluation and Refinements*
3. *Decide on Resources*
4. *Decide on Operations*
5. *Decide on Direction on Implementation*

BOTTOM-LINE: Every *Decision* is an exercise of power to create our future. Every *Decision* that we make is a difficult choice among options. Every *Decision* has risk, consequences and impacts. Ultimately, we are responsible for every *Decision* that we make.



“Best for the Community using Data and Analysis and Common Sense Judgment”

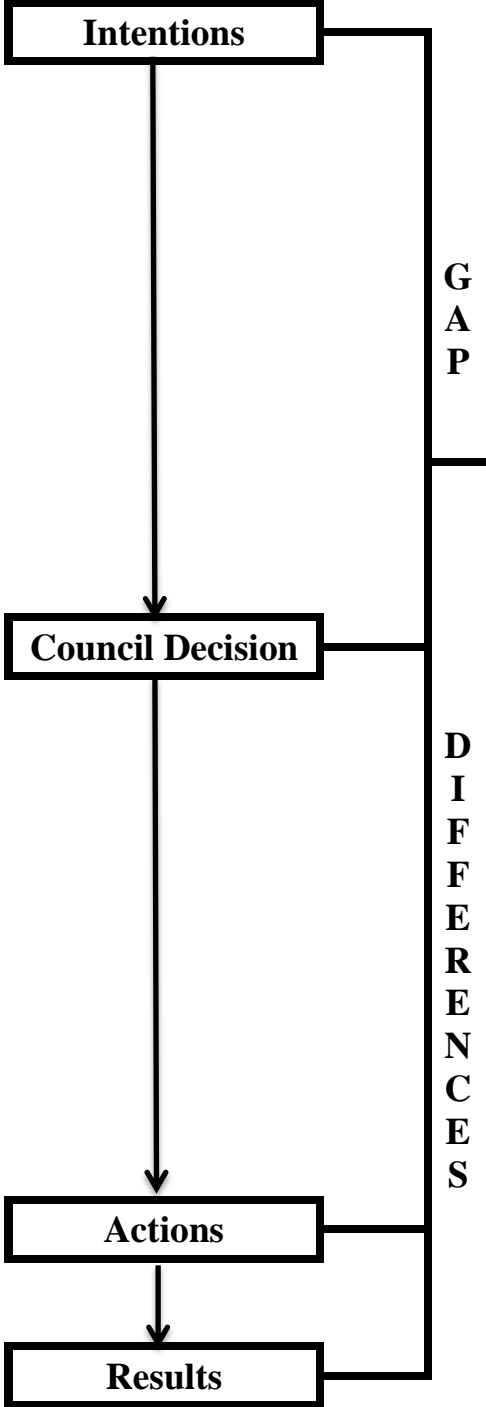


Implementation Gaps

Critical Factors

1. Community Understanding: Issues, Impacts, Consequences
2. Community Input Mechanism Shaping Direction
3. Defined Outcomes
4. Data Analysis and Use
5. Candid Policy Dialog

6. Clarity of Outcomes and Direction
7. Defined Roles and Responsibilities
8. Adequate Resources
9. Activities with Milestones and Time Frame
10. Evaluation and Adjustment: Outcomes, Process



SECTION 3

BUILDING OUR MAYOR – CITY COUNCIL TEAM: UNDERSTANDING OUR TEAM STYLE

A

Problem Solving and Decision Making

In order to govern or manage a team and deal with policy issues, it is critical that managers have effective problem solving and decision making skills. A common assumption is made that individuals have these skills when they assume a position on the team. However, the context of municipal problem solving and decision-making is unique in terms of the forces and pressures, which affect the process.

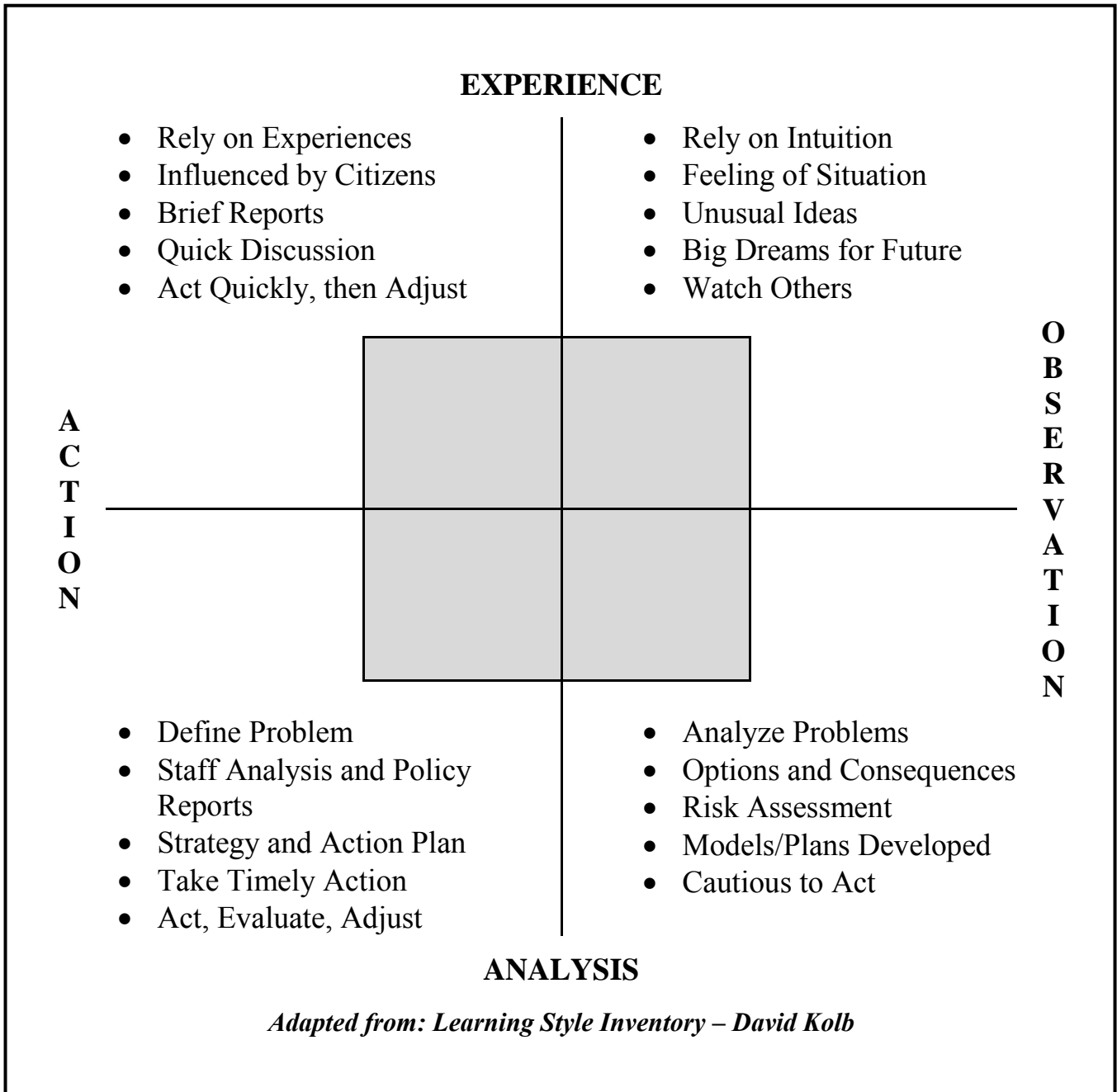
Each person has a unique style in problem solving and decision-making. To gain a perspective on each individual's style, the session participants completed Kolb's Learning Styles Inventory. The purpose of this inventory was to assess the individual styles, their implications for effective problem solving and teamwork, and the strengths and weaknesses associated with each style. It is assumed that there is no one best style, but rather each person has a unique set of strengths and weaknesses.

There are four primary elements in problem solving:

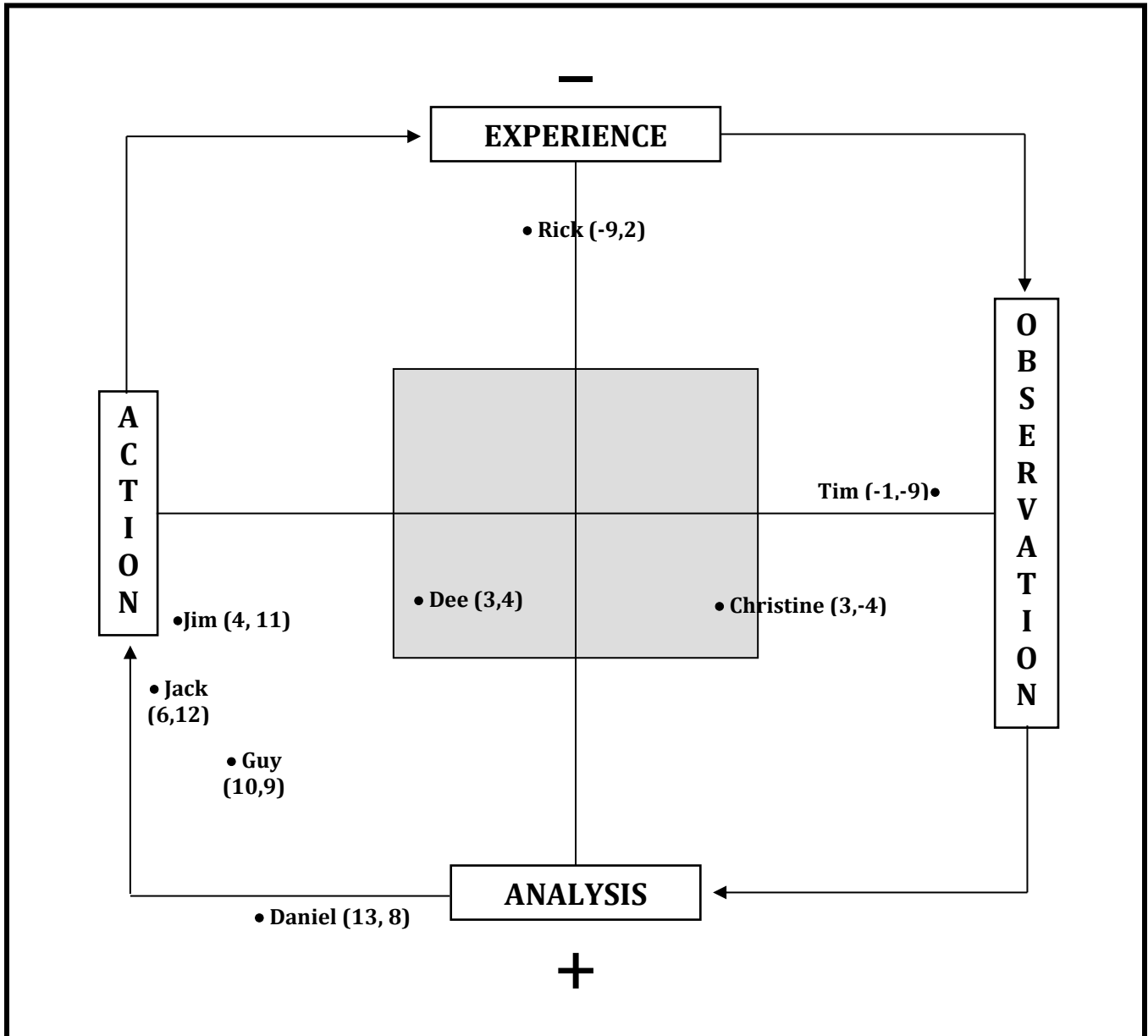
- **Concrete Experiences:** We tend to rely heavily on our concrete experiences until there is a failure. We then recognize that a problem exists. We continue to experience that problem until it reaches a critical level. We may utilize our past experiences to try to alleviate the situation.
- **Reflective Observations:** Once a problem has been identified, we may observe others who have experienced similar problems. The purpose is to learn from others' experiences in handling similar, if not identical, problems. We may also reflect on past experiences or the experiences of others.
- **Abstract Conceptualization:** We may study the problem area through the exploration of alternatives and the identification of which alternative is most likely to solve the problem with minimal risk. Abstract conceptualization involves detailed analysis of the problem, including examination of alternative approaches to problem solving.
- **Active Experimentation:** We experiment with different alternatives to identify the most workable solution. This process involves willingness to adjust to the situation as the alternative is implemented. In addition, securing feedback is necessary to ensure the problem is effectively addressed.

***Two numbers are assigned to each individual. The first number is the degree of relying upon (a) prior experiences and "gut" feeling and (b) analysis and planning. If the number is "negative," the individual relies more on "experiences and feelings"; if the number is "positive" the individual relies more on "analysis and planning." The second number is the degree of relying upon (a) personal reflection and data gathering and (b) action and producing results. If the number is "negative," the individual relies more on "reflections and data gathering." If the number is "positive," the individual relies more on "action and producing results". If both scores are under "5," the individual does not have a dominant style, but rather will adjust their approach to the situation – their prior experience with similar situations, degree of perceived risk, sense of urgency, etc.

Problem Solving and Decision Making



Problem Solving and Decision Making*



* See Bottom of Page 50 for explanation

B

Conflict Resolution and Negotiations

Conflict is an inherent part of being a policy leader or manager within a team. Conflict can be defined as any time one person wants something different from another person.

As part of the activities during the session, the participants completed the Thomas-Kilmann Conflict Mode Instrument. This instrument is designed to assess an individual's behavior in conflict situations. Conflict situations are those in which the concerns of two or more people appear to be incompatible. In such situations, we can describe a person's behavior along two basic dimensions:

1. Assertiveness

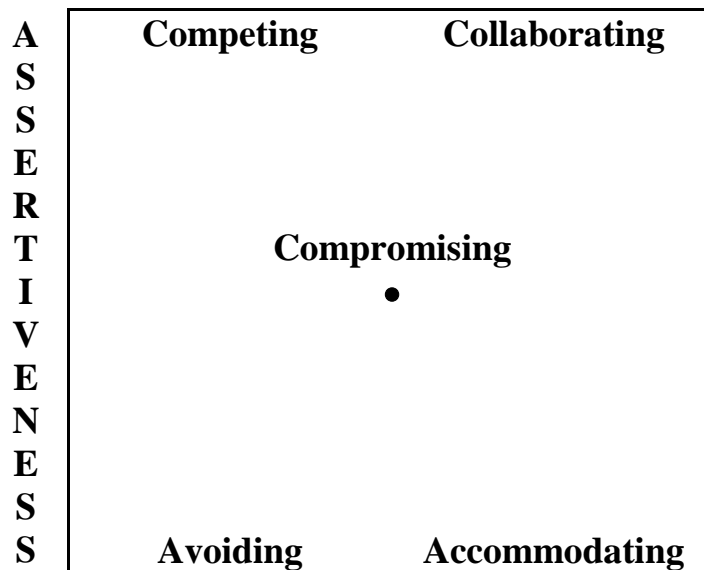
- The extent to which individuals attempt to satisfy their own concerns.

2. Cooperativeness

- The extent to which individuals attempt to satisfy other people's concerns

The two dimensions are best illustrated below:

CONFLICT STYLES



The two basic dimensions (assertiveness and cooperativeness) can be used to define specific methods of dealing with conflict situations. The five “conflict-handling modes” are explained below.

COMPETING is assertive and uncooperative. Individuals pursue their own concerns at other people’s expense. This is a power-oriented mode in which one uses whatever power seems appropriate to win an argument. Competing might mean standing up for rights, defending a position, or simply trying to win.

ACCOMMODATING is unassertive and cooperative, the opposite of competing. Individuals who accommodate neglect their own concerns to satisfy the concerns of others. There is an element of self-sacrifice in this mode. Accommodating might take the form of selfless generosity or charity, obeying another person’s order when one would prefer not to, or yielding to another’s point of view.

AVOIDING is unassertive and uncooperative. The individual does not immediately pursue personal concerns or those of others – the conflict is not addressed. Avoiding might take the form of diplomatically sidestepping an issue, postponing an issue until a better time or simply withdrawing from a threatening situation.

COLLABORATING is both assertive and cooperative, the opposite of avoiding. Collaboration involves working with others to identify the underlying concerns of an issue and finding an alternative, which is acceptable to all. Collaboration might take the form of exploring a disagreement to learn from each other’s insights. The result of the disagreement might be to confront and try to find a creative solution to an interpersonal problem. It might also be to resolve some condition, which would otherwise result in competition for resources.

COMPROMISING is an intermediary behavior and can be both assertive and cooperative. The objective in compromising is to find an expedient, mutually acceptable solution, which partially satisfies both parties. It falls in a middle ground between competing and accommodating. Likewise, it addresses an issue more directly than avoiding, but does not explore it in as much depth as collaborating. Compromising might mean splitting the difference, exchanging concessions, or seeking a quick middle-ground position.

Conflict

A Process to be Managed

Consider These Assumptions:

- Conflict is an inevitable and important human process.
- Conflicts are likely to increase in times of change.
- Conflicts can lead to creative or destructive results.
- Those who understand the processes and dynamics of conflict are better able to manage this important process, increasing the chances of creative outcomes and minimizing destructive results.

In recent years, these considerations have led a growing number of managers and scholars, leaders, and social scientists to study conflict more carefully. The cost of un-managed conflict can be high but the gains from using differences effectively can also be great.

The purpose of this "basic idea" essay is to help you think about conflict in a systematic way to – unpack this important process so its component parts can be better understood.

A Definition

"Conflict" is one of those words that can be used in different ways. We have found the following definition helpful:

Conflict occurs when two or more parties believe that what each wants is incompatible with what the other wants.

The "parties" can be individuals, groups, organizations, or nations. Their wants may range from having an idea accepted to gaining control of a limited resource.

The definition specifies that conflict is a condition that exists when these seemingly incompatible concerns or drives exist. It may be very temporary or of long duration. It may be a condition that results in vigorous activity or an internal ferment that reveals itself only indirectly. Fighting is only one way of dealing with conflict. There are often more productive ways.

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The Positive and Negative Potential of Conflict

Like any other important human process, conflict can produce both desirable and undesirable results. When we asked groups of managers and leaders of organizations to reflect on recent conflicts they had observed and to identify the results, the following common themes emerged:

A Partial List of Positive Results of Conflict:

- People were forced to search for new approaches
- Long-standing problems surfaced and were dealt with
- People were forced to clarify points of view
- The tension of conflict stimulated interest and activity
- People had a chance to test their capabilities
- Better ideas were produced

Properly managed, conflict can help to maintain an organization of vigorous, resilient, and creative people.

A Partial List of Negative Results of Conflict:

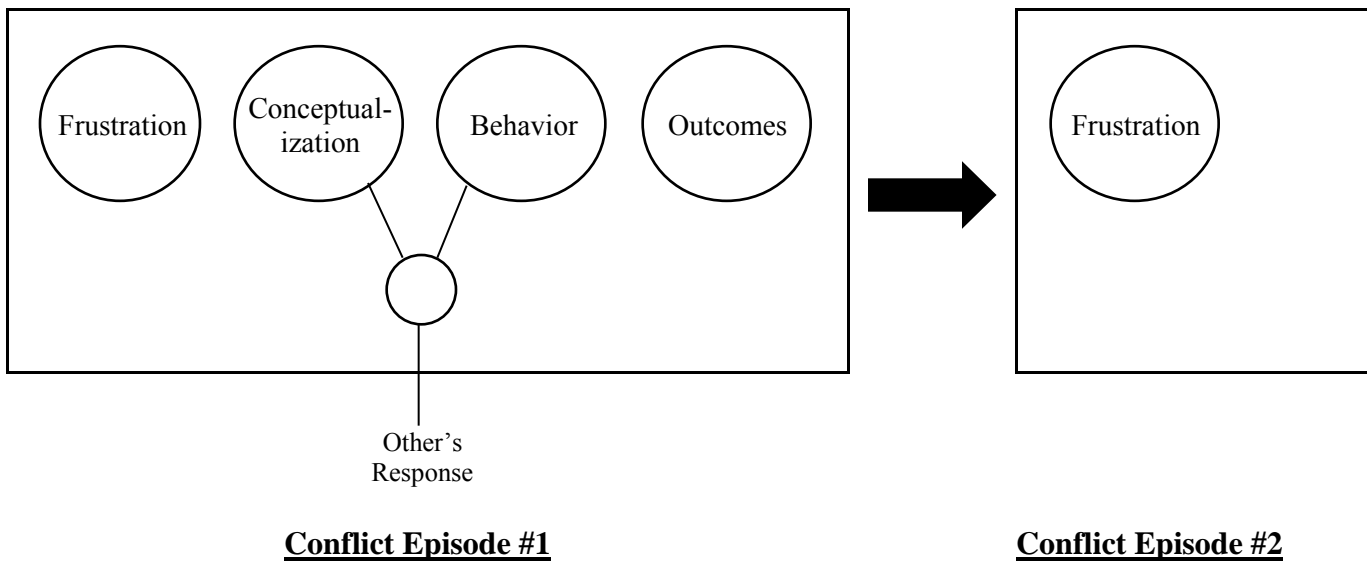
- Some people may feel defeated, demeaned
- The distance between people may be increased
- A climate of distrust, anxiety and suspicion may develop
- Turbulence may cause some good people to leave their jobs
- People or departments that ought to cooperate may become concerned only with their narrow interests
- Various kinds of active or passive resistance may develop where teamwork is needed

The goal of understanding and managing conflict is to reduce the likelihood that such negatives will occur or become excessive.

Unpacking the Conflict Process

Obviously, the positive or negative consequences of a conflict depend upon how well the conflict is managed. In turn, the ability to manage a conflict requires that one understand what goes on during a conflict.

Conflict occurs in episodes. Within any episode there tends to be a common sequence of events, as diagramed on the following page:



Looking at these events:

Frustration:

Occurs when a person or group feels blocked from satisfying a goal-directed activity or concern. The concern may be clear or only vaguely defined; it may be of casual or critical importance. But there is a clear feeling that someone or some group is getting in the way of movement toward a desired objective.

Examples:

- You may frustrate me when you do not agree with my ideas
- You may frustrate me when you prevent me from getting the information, the money or the time I need to accomplish something I want to do
- You may frustrate me when you undermine my power or influence with someone else

Conceptualize:

Involves answering the questions, “What’s going on here?” “Is it good or bad?” “What’s the problem – What issues are at stake?” “What are the causes?” This conceptualization may be almost instantaneous, or it may develop from considerable thought; it may be very sharp and clear, or fairly fuzzy. Regardless of its accuracy or clarity, however, the conceptualization forms the basis of one’s reaction to frustration.

- You may conceptualize a disagreement with another person as being the result of “ignorance” (on his part, of course) or “willful deceit” or you can stereotype: “that kind of person always takes that stand.”
- A labor dispute with management can be conceptualized as “deciding who is really going to run this plant” or “showing workers who can do the most for them” or simply “determining what a fair share of profits is for the workers.”

- A dispute between a marketing department and a production department can be conceptualized as determining whether “customers are more important than a production schedule,” or whether “sales people should be expected to adhere to realistic company policies.”

Obviously, the way the parties define the problem has a great deal of influence over the chances for a constructive outcome and the kinds of feelings that will be mobilized during the confrontation.

Behaviors:

Behaviors and intentions flow out of conceptualization and strategizing and set in motion a pattern of interaction between the parties involved. During this process of action-reaction-reaction, the way each party conceptualizes the conflict may change or may become further entrenched. The longer the pattern continues, of course, the actions of the participants themselves may create new frustrations, reasons for hostility, and continued resistance.

Outcome:

Outcome is defined as the state of affairs that exists at the end of the episode, including decisions or actions taken and the feelings of the parties involved. Residual frustration from conflict episodes can start new conflict episodes. Some people have found it helpful to assess the outcome of a conflict episode along three dimensions:

1. The quality of decision or action that results. (How creative, realistic and practical?)
2. The condition of the conflicting parties at the end of the conflict. (How psychologically and physically healthy; how good do the parties feel about themselves?)
3. The quality of the relationship between the conflicting parties. (How much mutual respect, understanding, willingness to work together versus hostility, determination to hurt, etc.?)

Some Guidelines for Diagnosing a Conflict

The manner in which a conflict is conceptualized is often the key to a group’s ability to manage conflict constructively (i.e. to arrive at positive outcomes). The parties are not likely to reach an outcome which truly resolves the conflict and leaves them satisfied unless they have a clear understanding of the differences between the concerns of the two parties and the sources of those differences. Thus, before responding to a frustrating situation, it is useful to pause and ask two questions:

1. What is the nature of the differences between us?
2. What might be the reasons for our differences?

The Nature of the Differences

People may differ on the following four aspects of an issue:

- We may differ over **FACTS** (the present situation, the present problem, etc.)
- We may differ over **GOALS** (how things ought to be, future conditions we want)
- We may differ over **METHODS** to reach goals (the best, the easiest, the most economical, and the most ethical route to follow)
- We may differ over **VALUES** (the long-range beliefs about the priorities which should be observed in choosing goals and methods)

Differences over facts are usually easier to manage than differences over values, which are the most difficult. The latter come much closer to the fundamental beliefs of the parties and are thus much more threatening. Disagreements that begin over facts sometimes persist until they appear to be conflicts over goals or values and become almost impossible to reconcile.

The implication is that it pays to identify the area of disagreement as quickly as possible. The chances for managing conflict effectively increase if you can say something like: “We seem to agree on what the problem is and what we’d like to achieve, but we disagree over the best way to reach that goal.”

The Reasons for the Differences

As part of the conceptualizing process, it is useful not only to identify the nature of the difference, but to seek the reasons for it as well. Among the most common reasons are these:

Informational – The two parties have been exposed to different information – and thus have arrived at a different understanding of what the problem or issue is and what course of action makes the most sense.

Perceptual – Sometimes people have been exposed to the same data but their past experience causes them to interpret in different ways. Two witnesses may view the same event, but experience it in two different ways, since the past of each causes them to attend to different aspects of the same situation or to arrive at different meaning.

Role – Sometimes the different roles (e.g., boss, mother, volunteer) of people cause them to take different positions. The representatives of labor are expected to look at things differently, advocating different positions and priorities than the representatives of management. The roles of each cause them to attend to different data and to perceive it differently, as well as to advocate different goals and values.

Practical Values of This Analysis

What is the practical value of going through this kind of diagnostic process? Like solving any problem, the conflict problem-solver is likely to do a more effective job if he knows the parameters of the situation with which he is dealing. A key process in conflict is that of influence – the effort of each party to get the other to understand, appreciate, and accept the validity of its own particular points of view or sets of objectives. If parties want to influence each other, obviously it helps if they have a clear picture of where they stand and how they got there.

- If the two parties realize that they have probably been exposed to different data, they may view the job to be done as one of mutual education, rather than conflict. The task is to increase the pool of information to which both are privy.
- If the parties determine that their informational base is very similar but they have just perceived it differently because of differing past experiences, these perceptions need to be reexamined. Then the question becomes: “Why is it that we view the same information in such different ways?”
- If the parties suspect that the principle reason for different views grows out of their different roles, they can often take a less personalized view of the conflict. If each can say, “If I were in his place, I would probably be advocating the same point of view,” they will deal with the other party in a somewhat different and more understanding way. The task then takes on an added dimension, “How can I help a person in that role better understand and appreciate my concern and what does he need from me?” By recognizing the constraints within which the other party must operate, you can be more realistic in knowing what to expect and what posture makes the most sense.

As soon as you are finished, reflect on the key issues, which seem important to you and be prepared to discuss them with the group

C

Keys to Our Team's Effectiveness

Problem Solving and Decision Making

► Characteristics

1. Desire to see tangible and real results
2. Blend of experiences with a quick evaluation of the problem and options for solution
3. Willingness to make timely and difficult decisions
4. Willingness to evaluate and adjust when necessary
5. Experiential and visual learning over passive learning and presentation by others
6. Desire to have thorough discussion – put your idea on the table, no surprises
7. At times, impatience with protracted implementation
8. Frustrated by over analysis or abstract/conceptual planning
9. Once the decision is made, moving on to the next issue or challenge
10. Potential tension: amount of data gathering and planning; degree of risk

► **Keys to Success**

1. Define the problem or issue as a whole Council in a Work Session/Workshop: define the problem, establish parameters for investigation and research, discuss expectations of methodology, etc. (see *WORKSHOP TYPOLOGY: Type 1*)
2. Identify and evaluate “REAL” options for Council consideration and discussion.
3. Go out into the community: on major issue of a physical nature, have the Work Session/Workshop on site; periodically tour the community stopping at selected location, then look, walk and talk.
4. Identify "best practices" or good examples, and evaluate possible application or adaption to Midwest City.
5. Provide to Mayor and City Council brief executive summaries and key policy questions for Mayor and City Council with detailed backup materials.
6. Have candid and open discussions, and at the end summarize/test the Mayor and City Council direction to staff.
7. Engage the community at the right/appropriate time with the purposes to inform and educate, to seek and listen to input, and test the reality in the community.
8. Make a timely decision using data and what is best for the Midwest City community, and explain the decision to the community: the issue, the process and the decision.
9. In six month, evaluate the decision implementation: outcomes, value to the community, achievement of desired outcomes, unintended consequences and learning point; if necessary make adjustments.
10. Provide regular updates to the Mayor and City Council – what has been done, the next steps, key issues needing discussion.
11. Make the time to celebrate – saying "thank you" to others who have contributed, recognizing with the community he success and the value to the Midwest City community.

SECTION 4

MAYOR AND CITY COUNCIL: FRAMEWORK FOR EFFECTIVENESS

A

Mayor and City Council Success and Image

► **Mayor and City Council Success means . . .**

1. Making decisions based upon what is best for the community as a whole
2. Providing a clear direction for the future
3. Finding solutions to problems
4. Making timely decision based upon information and data
5. Providing clear and consistent direction to the City Manager and City Staff
6. Getting things done
7. Acting in a financially responsible manner
8. Use plans to guide decisions
9. Having open and candid communications among Mayor and Councilmembers
10. Having opportunities for informal interaction and team building
11. Working together as a team

***The Mayor and City Councilmembers were asked to individually select the "11" most important characteristics that describe their desired image of what success means in the community and with the outside world.

► **Mayor and City Council Success means . . .**

	PRIORITY	
	Top*	High*
1. Making decisions based upon what is best for the community as a whole	6	-
2. Providing a clear direction for the future	6	-
3. Finding solutions to problems	5	-
4. Making timely decisions based upon information and data	4	-
5. Providing clear and consistent direction to the City Manager and City Staff	4	-
6. Getting things done	4	-
7. Acting in a financially responsible manner	4	-
8. Using plans to guide decisions	-	5
9. Having open and candid communications among Mayor and Councilmembers	3	4
10. Having opportunities for informal interaction and team building	-	4
11. Working together as a team	3	3
12. Looking for options	3	2
13. Soliciting input from others prior to a decision	-	2
14. Support for the city employees	2	1
15. Representing the City in a positive manner	2	1
16. Communicating with community	1	1
17. Focus on common goals and agenda and avoid personal agendas	-	-

* Top = Most Important

* High = Second Level of Importance

► **Mayor and City Council Image means . . .**

1. Being honest and trustworthy
2. Responding to residents and businesses concerns
3. Acting in the best interests of the City and community
4. Listening to the community – open to ideas and feedback
5. Being accessible and visible in the community
6. Delivering upon commitments and promises
7. Advocacy for the Midwest City's community interests

► **Mayor and City Council Image means . . .**

1. Being honest and trustworthy
2. Responding to residents and businesses concerns
3. Acting in the best interests of the City and community
4. Listening to the community- open to ideas and feedback
5. Being accessible and visible in the community
6. Delivering upon commitments and promises
7. Advocacy for the Midwest City's community interests
8. Producing results
9. Being knowledgeable about issues
10. Making timely decisions
11. Speaking with one voice
12. Working as a City Team
13. Creating a great place to live and work
14. Being well informed on city issues and plans
15. Creating destination in the metro area – place to stop
16. Communicating with the public
17. Representing the City in a positive way

PRIORITY
5
5
5
4
4
4
4
3
2
2
2
2
1
0
0
0
0

***The Mayor and City Councilmembers were asked to individually select the "7" most important characteristics that describe their desired image in the community and with the outside world.

B

House Rules Our Code of Conduct and Civility

► Mayor and City Council Code of Conduct and Civility means . . .

1. Treat others with respect
2. Act in a friendly and courteous manner, avoid personal attacks or accusations
3. Represent the City in a positive manner
4. Listen before judging the person or their ideas
5. After the decision, support the Mayor and Council's decisions
6. Show up on time, do your homework before the meeting
7. Focus on what is best for the city, avoid personal agendas
8. Speak in a concise manner, avoid grandstanding
9. Make decisions, and move on to the next issue
10. Maintain your sense of humor
11. Leave meetings as friends
12. Focus on policies, avoid micromanaging daily activities
13. Follow the House Rules and Council Protocols

***The Mayor and City Councilmembers were asked to individually select the "13" most important characteristics that describe their image of what their code of conduct and civility means in the community and with the outside world.

► Mayor and City Council Code of Conduct and Civility means . . .

1. Treat others with respect
2. Act in a friendly and courteous manner, avoid personal attacks or accusations
3. Represent the City in a positive manner
4. Listen before judging the person or their ideas
5. After the decision, support the Mayor and Council's decisions
6. Show up on time, do your homework before the meeting
7. Focus on what is best for the city, avoid personal agendas
8. Speak in a concise manner, avoid grandstanding
9. Leave meetings as friends
10. Focus on policies, avoid micromanaging daily activities
11. Make decisions, and move on to the next issue
12. Follow the House Rules and Council Protocols
13. Maintain your sense of humor

PRIORITY	
Top*	High*
4	2
4	2
4	2
4	1
4	1
3	2
3	1
2	2
0	2
0	1
2	0
1	0
1	0

* Top = Most Important

* High = Second Level of Importance

SECTION 5

COUNCIL PROTOCOLS: DAILY OPERATING GUIDELINES

Mayor and City Council Protocol Operating Guidelines

Protocol 1	Simple Information
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1. Contact the department head or City Manager.
2. Share your request and expectations: method of follow up and time frame.

Protocol 2	Research on a Topic
-------------------	----------------------------

1. Contact the City Manager or Assistant City Managers.
2. Discuss your requests: the topic, information or analysis desired, format of information, need for overall Mayor and Council direction/concurrence, time frame, next steps.
3. On issues requiring significant staff time or a change in priority or direction, the request may be taken to the Mayor and City Council for discussion and/or direction.
4. Information generated from the request may be shared with the entire Mayor and City Council.

Protocol 3	Citizen Service Request
-------------------	--------------------------------

- A. **First Contact with the City**
 1. Listen and take the phone number or email address.
 2. Refer the citizen to the department head or contact the department yourself.
 3. Refer the citizen to the website and let them know the 3-1-1 app will be available soon.
 4. Share your expectations: do you want to hear about City actions before they occur; do you want to hear about City actions after the actions are completed; or take care of the request and I do not need to hear back.
- B. **Upset about the City Response**
 1. Contact the City Manager or Assistant City Managers.
 2. Listen to the citizen without agreeing or confirming – data gathering.
 3. Share your expectations: follow up communication – method and format, time frame
 4. At the discretion of the City Manager, the information regarding this question may be shared with the entire Mayor and City Council.

Protocol 4	Council Agenda
-------------------	-----------------------

- A. **Placing an item on the Agenda**
 - 1. Bring the agenda topic to the City Manager two weeks before the regularly scheduled meeting.
 - 2. Discuss and test the idea with the City Manager.
- B. **Question on an Agenda Item**
 - 1. Contact the City Manager before noon on Monday before the Council meeting.
 - 2. Discuss your question(s).
 - 3. If the time makes it possible, the City Manager will distribute the information to the Mayor and City Council Members
- C. **Citizen Power Point Presentation at Council Meetings**
 - 1. The citizen should submit the power point by noon on Monday.
 - 2. City Manager will review the power point and determine the appropriateness and timing for the Council meeting.

Protocol 5	Urgent Information
-------------------	---------------------------

Criteria

- A. To be in newspaper or on television
- B. Major injury to a City employee
- C. Major or visible public safety event: fire, police call or incidence, utility break, etc.
 - 1. City Manager will send a text message to all.
 - 2. If you have a question, desire more information or have interest in future actions, contact the City Manager.

Protocol 6	Communications: Council and Staff
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- 1. In general, all information goes to all – Mayor and Council Members – at the same time.
- 2. At the discretion of the City Manager, the information may be shared with the appropriate Council Member.

Protocol 7	Employee Contact
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- A. **Employee Initiated**
 - 1. Ask the question: "Have you talked with your supervisor?"
 - 2. Contact the City Manager and share your conversations.
 - 3. Avoid any discussion of labor contracts or negotiations!
[this could be an unfair labor practice]
- B. **Council Initiated**
 - 1. Keep the interaction social.
 - 2. Recognize the person and their performance: say "thank you" or recognize job well done.
 - 3. AVOID any discussion of City policies, management or operational nature

Protocol 8	Email
-------------------	--------------

- 1. Any email – be prepared to read in the headlines or see it on television.
- 2. Avoid “reply all.”
- 3. Use the phone on major, sensitive or controversial issues/topics.
- 4. Make sure the information is in the City's system – makes it easier for open record requests.

Policy Discussion Guide

THINK ABOUT . . .

- Is it Consistent with *OUR VISION*?
- Does it Contribute to Achieving *OUR GOAL*?
- Is it a *RESPONSIBILITY OF THE CITY*?
- Does it *ADD VALUE TO CITIZEN'S LIVES*?
- Is it *BEST FOR OUR CITY*?

(AVOID STARTING WITH SOLUTIONS/ACTIONS)

FOCUS ON . . .

1. Problem(s)
2. Issues/Concerns
3. Outcomes
4. Parameters/Guidelines for Policy Development
5. Expectations

Work Session – Typology

WORK SESSION TYPE I PRE-REPORT	WORK SESSION TYPE II DRAFT REPORTS	WORK SESSION TYPE III BRIEFING
Provide direction and guidance on major issues before staff analysis and report preparation	Refine proposed reports and recommendations prior to formal presentation and action	Brief Mayor and City Council on major issues, upcoming opportunities and operational matters
<p style="text-align: center;"><u>TOPICS:</u></p> <ol style="list-style-type: none"> 1. Define the Problems 2. Identify Issues 3. Establish Parameters and Guidelines 4. Focus on Possible Outcomes 5. Outline Process and Possible Next Steps 6. Decide Whether or Not Worth Pursuing 	<p style="text-align: center;"><u>TOPICS:</u></p> <ol style="list-style-type: none"> 1. Present Background Information 2. Review and Highlights of Analysis and Options 3. Review and Refine Recommendations 4. Finalize Desired Goals and Outcomes 5. Outline Next Steps 	<p style="text-align: center;"><u>TOPICS:</u></p> <ol style="list-style-type: none"> 1. Present Background 2. Discuss Topics 3. Explore City’s Role or Need for Action 4. Focus on Overall Policy Direction and Guidelines

SECTION 6

STRATEGIC PLANNING FOR MIDWEST CITY: GOVERNING WITH DIRECTION

Strategic Planning: Connecting the “Dots”

Strategic planning is not a strategic plan. Strategic planning is developing and institutionalizing a process that connects the "Dots" linking a long term vision and mission of the city with goals for five years and performance expectations to a one year "to do" list for Mayor and City Council, management and the city.

A simple way of conceptualizing this model is to think about taking your city to a trip to the future. One difference is that the city is going on a trip to the future, the question is – who will lead the journey? Will city leaders react to the situation/moment or lead with intention. Strategic planning is a tool for leading to the future. You begin with determining the destination, then selecting the best vehicle for the trip, then making a map to the designation, then fueling the vehicle and selecting the route. Let's begin the journey by defining the "Dots"

CREATING THE "DOTS"

STEP 1: DESTINATION

The destination is the Mayor and City Council's vision for the city's future. Vision is a set of value-based principles that describe the desired future for the city. It is a combination of realism of today, current and untapped assets, and dreams for the future. Each principle is defined by descriptive statements that paint a picture of tomorrow. A true vision is unique for that city, should evoke reactions and feelings, and inspire other community leaders. A city without a true vision is like taking a trip to nowhere.

STEP 2: VEHICLE

The vehicle for the trip to the destination is the city government's mission. The mission is defining the purposes of the city government – why the city should exist and its service responsibilities. Each city government has its own unique mission based upon the state legal framework, the needs of the community and the available resources. The right vehicle is needed if the trip is to be successful.

STEP 3: MAP

The map to the city's destination is a five-year plan. This plan begins by focusing the areas of importance, which become goals. Each goal consists of five-year outcome based objectives, criteria for measuring value to residents, understanding the short/long term challenges and opportunities to achieving the goal, and action ideas for 1-5 years. This plan is the guide to policy development, land use and development planning, master plans for infrastructure and facilities, budget: services and resource allocation, and decision-making. It guides the creation of the city's future.

STEP 4: FUEL

The fuel is the people – the city's managers and employees. The fuel is defined not in octane but in the performance expectations and standards for all city employees. The performance standards are based upon personal values and defined in observable behaviors and actions by managers and employees. Vehicles need the right fuel for a trip to be successful; cities need the right people if they are to be successful in carrying out the mission. The fuel makes the vehicle go, people turn direction and ideas into reality through actions.

STEP 5: ROUTE TO DESTINATION

A map has multiple routes to the destination; a city has many routes to the future. Leaders define the route for the city in the development of an action agenda for the year-an annual work program. The action agenda consists of a policy agenda of the top ten priorities for the Mayor and City Council, a management agenda of the top ten priorities for City management, a management in progress that need full implementation, and major projects that need to complete construction.

The selection of the route provides focus for resources and work activities.

CONNECTING THE "DOTS"

The next step is to take the trip to the future. The decisions and actions by city leaders, managers and employees create the city's future. The "Dots" need to be connected through an ongoing process in order to reach the destination – to realize the vision and to achieve the goals. Let's take the journey by connecting the "Dots".

STEP 6: ITINERARY

The itinerary outlines the daily activities using the map and following the designated route. The itinerary for the city is annual action outlines for each priority and project. The action outline contains: key issues for direction and action, activities, milestones, time frame for completion, key partners and responsible person. Leaders can use the action outlines to guide and monitor work activities and products. When taking a trip, there is always something unexpected. The action outlines need to be modified when anomalies occur. This allows the city to be flexible and resilient in its pursuit of the vision and goals.

STEP 7: TOUR GUIDE

During our trip, everyone has a copy of our Tour Guide. Everyone is expected to know and follow the guide. For the city, it begins with sharing and marketing the strategic plan with the community and with residents through a variety of methods – personal presentations, website, newsletters, etc. It is posting the strategic plan through the city as a daily reminder to all – in departments and in the Council Chambers. Repetition is good, people will remember and use the strategic plan to guide their actions.

STEP 8: TAKING THE TRIP

We take the trip following our map with the designated route and our itinerary. Taking the Trip for the city means using the strategic plan in daily operations, in policy development, and in decision-making.

It is developing and refining organizational processes to maximize capacity by using the strategic plan as a guide. It is managers and employees using it to improve daily work activities. City leaders receive regular performance reports on recent accomplishments, setbacks and obstacles, next steps and areas for adjustment or modification. Taking the trip is an ongoing process if the city is to be successful.

STEP 9: ACHIEVING A MILESTONE AND CELEBRATING

When we have achieved major milestones on our trip or successfully completed activities, we pause and take time to toast and celebrate our success. City leaders and managers need to make the time to recognize the contributions of others who have contributed to the success and to share with residents how the successes have added value to their lives – great convenience, enrichment of lives, protection of property values and neighborhoods. A celebration of the success is a memorable event focusing what we have achieved as a city and energizes us for the next step in our journey to the future.

STEP 10: PREPARING FOR DAY TWO

At the end of the day, we review the past day, look at our map and route, and prepare for the next day. For cities, an annual strategic planning workshop updates the strategic plan and develops a new action agenda for the next year. It is time to prepare a performance report for residents and the community, to discuss individual ideas about the next five years and specifically ideas for actions during the next year, to refine the goals, to have strategic discussions about critical issues and opportunities, and to prepare the action agenda for the next year. We continue to connect the "Dots".

CITIES WITH SUCCESSFUL STORIES

City leaders have connected the "Dots" creating their city's future through bold, courageous decisions and innovative actions. They have stories of success:

ANKENY, Iowa: development of "The District" with park and Police Headquarters, expanded fire service with new station and increased staffing, securing a new interstate interchange at 36th Street and I-35 with future development, upgrade Otter Creek Golf Course with community meeting rooms, developing infrastructure for new schools and new City Center with future City Hall/Library complex.

DUBUQUE, Iowa: has become "Smarter, Sustainable Dubuque" helping residents and businesses to make life choices and saving them money, transformed the Mississippi River front with hotel and convention center and trails, revitalization of Historic Millworks District and Washington Neighborhood attracting IBM into a restored building, developed an "Intercultural Competency Program" increasing the awareness of city employees and the private sector employees to serving an international workforce and diversifying population.

JUPITER, Florida: actively preserving and enhancing "Uniquely Jupiter" through Riverwalk and Jupiter Village developments, attraction of Scripps Clinic and biotech research companies like Max Plank.

NORMAL, Illinois: rebrand "Uptown" with a new Uptown Station consisting of a multimodal transportation center with future high speed rail and City Hall, Marriott Hotel and parking garage, Children's Museum, upgrade and expanded businesses and restaurants, enriched residents lives with a minor league ballpark and new park and trail development, emerging reputation as "EV Town, USA" with the use of electric vehicles see current Mitsubishi television commercial highlighting the Town.

SUGAR LAND, Texas: created Town Center with a New City Hall and Plaza, new Marriott Hotel, headquarters of new businesses and education institutions, variety of quality restaurants and entertainment venues, transforming the old Imperial Sugar Factory area into a minor league base park and mixed used development, developing the Brazos River with University of Houston campus and Time Gate, amphitheater and linear park.

VIRGINIA BEACH, Virginia: revitalize the beachfront with new hotel, boardwalk and community gathering places with events, new streetscapes and upgraded infrastructure, created Town Center with the Sandler Center for the Performing Arts, variety of restaurants, and successful urban living, becoming a "Year-round Resort" with a new, successful Convention Center and world class Virginia Aquarium with eco-tourism opportunities.

WEST SACRAMENTO, California: transformed West Capitol Avenue with City Hall, Library, Community Center and Community College, developed the Sacramento River front with Ralley Field – the premier AAA ballpark, and attracted new retail like IKEA.

WESTMINSTER, Colorado: created new urban developments at The Orchard and Shops at Walnut Creek, acquired the old Westminster Mall and transforming it into a TOD development with a future commuter rail station and mixed used development, secured water for the future.

IMPORTANCE OF STRATEGIC PLANNING

The importance in institutionalizing a strategic planning process for cities can be found in the following:

1. Clear direction and performance standards for managers and employees: they know where we are going and what is expected of them.
2. Financial institutions and bond rating agencies having confidence in the city leadership and decision-making: bond rating, willingness to loan money.
3. Economic expansion and businesses having confidence in the city's future and as a reliable economic partner: willingness to invest in the city.
4. Community organizations having confidence in the city's direction: opportunities to partner with the City: contributing to the community.
5. Citizens having confidence in their city leaders and government's ability to deliver on their promises, respond to changing needs, add value in their daily lives.

KEYS TO A SUCCESSFUL TRIP/JOURNEY

City leaders can take the city to the future by demonstrating the following:

- 1) **DISCIPLINE** to follow and use the strategic planning process in light of pressure to go a different direction;
- 2) **ADVOCACY** to be a cheerleader for the vision and goals, project optimism about the future, get residents excited about the city's future;
- 3) **RESPONSIBLE CHOICES** to make timely decision based upon the vision, goals, plan and the best available data;
- 4) **ACCOUNTABILITY** to take responsibility for actions and results.

City leaders who connect the " Dots" create a better future guided by their vision and goals while others will be guided by political pressure and the moment.

STRATEGIC FRAMEWORK

VISION 2030

“Desired Destination for Midwest City”

PLAN 2020

“Map to Midwest City’s Destination”

EXECUTION

“Route for Next Year”

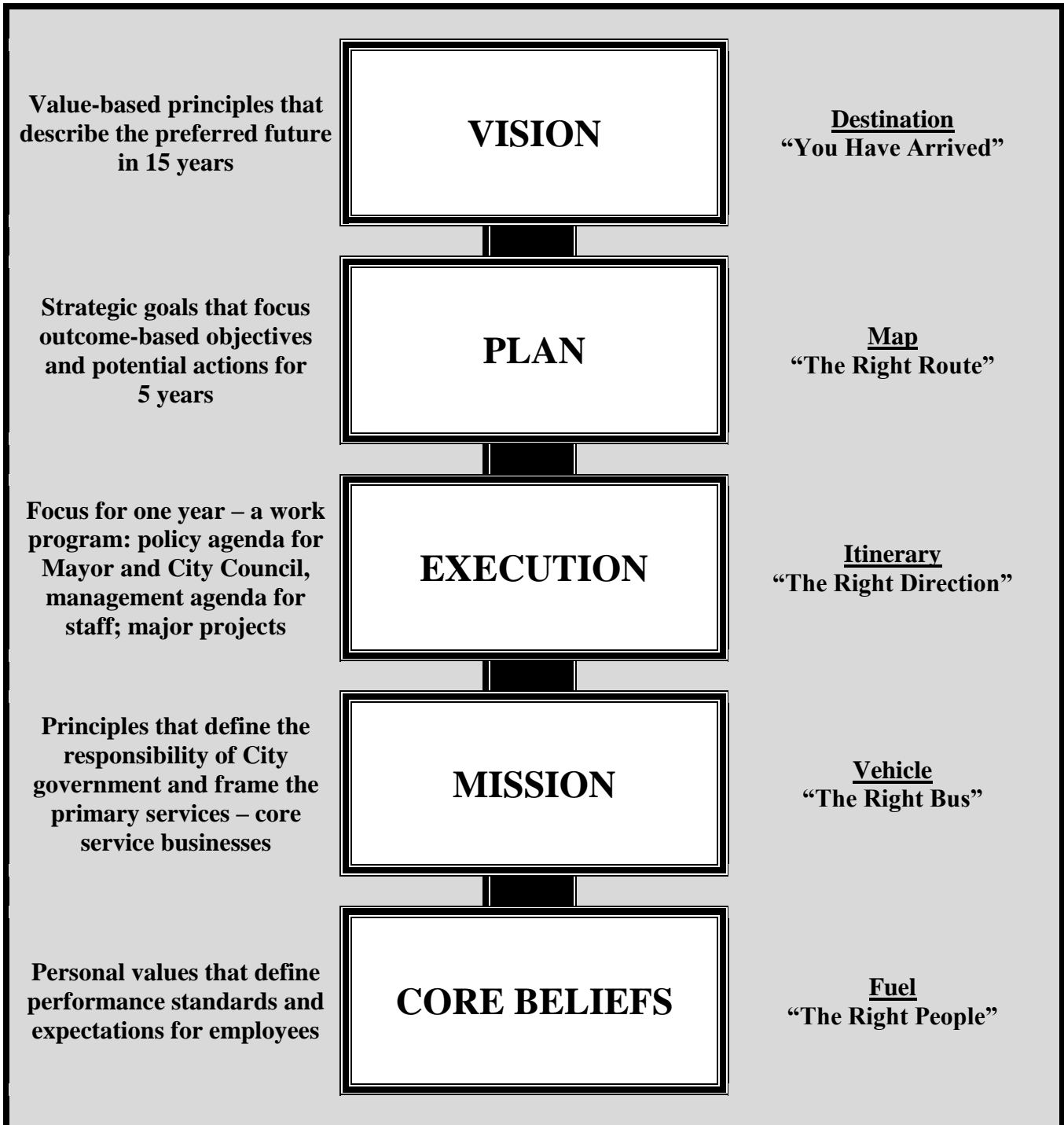
MISSION

“Responsibilities of Midwest City Government”

BELIEFS

“How Midwest City Government Should Operate”

STRATEGIC PLANNING MODEL



Seven Keys to Success

- **Vision and Plan “Tell a Story”**
- **Creating a Corporate Culture**
- **Aligning Practices, Processes and Operations**
- **The Right People**
- **Performance Responsibility and Accountability**
- **Rewarding Performance and Celebrating Successes**
- **Learning and Building Capacity for the Future**

Formulas for Strategic Planning

P	≠	F	
Past		Future	

<i>FOCUS ON THE FUTURE</i>			

W₁	+	W₂	=	0
Why		What If	Lead to	Nothing

<i>FOCUS ON WHAT → HOW</i>				

S	=	R	-	E
Satisfaction		Reality	Compared To	Expectation

<i>BUILD MOMENTUM THROUGH LITTLE SUCCESSES</i>				

MR	=	R	a₁	F₁
			a₂	F₂
		...		
Maximum Result		Ready	Aim	Fire
			<evaluate>	
			Aim	Fire

<i>HAVE AN END IN MIND – TAKE DECISIVE ACTION</i>				

Leaders Make Responsible Choices

Leaders create the future by making choices. The choices are guided by their vision – a description of their desired future and their goals, which are desired outcomes in five years.

Choices are made when they make decisions on policy direction, service priority and service level, and allocation of resources.

Responsible choices involves:

- Using the vision and goals
- Thinking about potential unintended consequence
- Having a candid discussion
- Making a judgment
- Taking responsibility

Paint a Picture, Tell a Story – Capture Your Residents

Every city struggles with how to get their message to their residents.

WORLD OF INSTANT

Today's reality is that we live in a world of instant – instant communications, instant results. A text message is sent; the sender wants an instant reply. If you do not respond immediately within minutes or seconds, you are seen as unresponsive. You are in a meeting, a workshop or just working on a task, you feel obligated to "double task" by writing a response on your cell phone or iPad. You have no time to think about the message, your response or to consider the context of the original message or the potential consequences of your reply. Everyone has hit the "send" key, and only at later time reread our communication – saying "oh no," I should not have sent it or I did not really mean to send that message. It is too late; the damage is done. With open records today, you need to be prepared to read it in the paper or see it on television. The message was not what was intended.

Many cities have ventured into the social media using Facebook and Twitter or the use of a blast list. We are inundated with constant communications receiving hundreds of "communications" each day. We look at who is the sender or what is the headline – the topic and then make a quick decision on which key to hit: delete or open. If the message does hit us instantly, the message may get lost in the world of delete. If it is opened, we have a second chance to make another quick decision – is this message worth reading making the judgment based upon the length or complexity of the messages. We delete or continue on but at any point hit delete.

The anti-government, the negative 5-20%, the CAVE people (Citizens Against Virtually Everything) are putting the message out in whatever means possible. Their messages concentrate on how "bad" local government is: wasteful spending, destroying personal rights, reducing property values, filling their own pockets through acts of corruption, controlling their daily lives, over taxing for the services received and the overall trust or lack of confidence in city leadership or management. The bottom-line is their messages contain miss or incomplete messages, personal accusations about city officials and in some cases lies. Their message is sensational and in some cases extreme, but does capture the attention of the residents and media. The media loves them giving them more time than the city. They focus on the negative message and see little value or a receptive audience with a positive message.

The instant word is out there on the streets. However, it is unfortunately not the true message that the city wants to get out to the community or the world. The consequences of these negative and misleading messages are: they can drive economic development opportunities away from the city, they can discourage residents from becoming engaged in governance, from running for Mayor or City Council, applying for an opening on a board or commission, or participating in a town hall meeting or talking at a public hearing. They do not want to be associated with the city. The dilemma for cities is how do we capture the residents and get a more accurate message to the "world."

Cities need to "PAINT A PICTURE" or "TELL A STORY" that will capture the attention of the residents.

PAINT A PICTURE

Let's begin by sharing a personal experience. In 2010, I was at the ICMA conference in San Jose. After the conference, we were to meet with friends and enjoy San Francisco before flying home. They picked us up at the airport and instantly asked: "What do you want to do?" After a moment of silence, they suggested the Art Museum, which had a traveling collection of French artists and they had tickets. Not having a better suggestion, we said that is fine. The most important thing for us was to catch up with friends and the activity did not matter. We entered the museum and went down a long hallway to this exhibit. After we gave the docent our tickets, we looked at painting after painting. For me, they were "ok" and getting through the exhibit as quickly as possible was my goal. We turned the corner and entered the area with Van Gogh. I saw the painting "Starry Nights," which I have seen on posters and book covers. I looked at it and got captured. The lights were bright and the painting was vivid. Five minutes later, I found myself still staring at the painting continuing to discover nuances. Two years later, we are still talking about the picture. Not everything in the city can be a "Starry Nights," but cities can paint a picture that people will remember and talk about.

PAINT A PICTURE is creating an image in an individual's mind that becomes a memory or is unique or distinctive. Several days after seeing the picture, it is remembered, shared with others and discussed.

An example is the Town of Normal and their picture is "EV Town, USA". During a goal setting and strategic planning workshop, the Mayor and City Council set as a priority to become EV (electric vehicle) city working with their major employer Mitsubishi. They bought vehicles, installed charging stations, and let residents and employees take a demo vehicle for use during the weekend. They painted a picture with a television ad for Mitsubishi showing the vehicle and showcasing Normal as EV Town USA. Residents are talking about EV and other cities are looking to Normal as a model because of this picture.

TELL A STORY

Again, let me begin by sharing a personal experience. On the death of Steve Jobs and having many Apple products, I was intrigued to learn more about him so I downloaded his biography on my Kindle. I started reading the book and found it fascinating. I am not sure that I gained any insights, but the story was compelling and have discussed the book with others. Steve Jobs may have been the Thomas Edison of our time, but not a model for leadership or management in the 21st century.

TELL A STORY is creating a story about the city – a story that is interesting and readable and a story that the average citizens can relate to their lives. Great prophets use stories to teach a lesson because people would remember them and tell others the story.

An example is the City of Dubuque and their story of "Smarter, Sustainable Dubuque." Six years ago in a goal setting and strategic planning workshop, the Mayor and City Council set as a priority to pursue becoming a sustainable city. Dubuque was successful in attaching a new employer who also shared this goal – IBM. Today the goal is a smarter, sustainable city. The city is telling the story in words and presentations how they are making this a reality. The story focuses not in the city or IBM, but on helping residents to make smart choice in their personal lives that save the money and conserves natural resources. This is a story that residents can relate to and use.

LESSONS FOR OTHER CITIES

Cities need to look for ways to paint a picture – a visual image or to tell a story-a tale of personal interest or relevance. In celebrating a city achievement, do not just cut the ribbon but take the extra steps. For example, a dedication of a Wastewater plant have a ceremonial commode and first flush and distribute a Sludge Bar – Hersey actually makes a sludge bar of chocolate. Residents will take home a memory and tell friends.

Lessons are:

1. Define message – make it personal: neighbors, friends, partners, not stakeholders, citizens.
2. Relate the message to residents' lives: daily experience; value in daily living; enrich their lives, personal interest.
3. Create a unique mental image that is striking and memorable.
4. Remember the message in two days: ask yourself, am I likely to remember this.
5. Make the message simple and short: keep their attention; make it easy to understand.
6. Send the message: physically paint a picture, concept or idea to tell a story.

Leaders get their message out by painting a picture or telling a story.

Midwest City Strategic Framework: 2015 – 2020 – 2030

MIDWEST CITY VISION 2030

Guiding Principles

Safest City in Oklahoma

Community for Families

Choice of Quality Housing

Great Place to Live and Have Fun/Enjoy Life

Easy Mobility and Connection to the Metro Area

Strong Retail Centers Serving Midwest City and the Surrounding Area

GOALS FOR 2020

Financially Sound City

Top Quality Customer Service

Revitalized Commercial/Retail Centers

Upgraded, More Livable Neighborhoods and Housing Stock

ACTION IDEAS FOR 2014 – 2015

1. School Boundaries: Direction
2. Housing Condition Assessment and Upgrade Plan
3. Annexation – East: Directions, Actions
4. Economic Development Director: Position
5. Management/Workforce Succession Planning and Process
6. Hospital: Direction
7. Mall Upgrade or _____: Plan and City Actions
8. Vacant Building Inventory and Plan: Development
9. Storm Water Management and Drainage: Direction and Funding
10. Sewer Plant: Direction
11. Retail Attraction/Retention/Growth Strategy
12. Health Benefits: Evaluation, Direction and Funding
13. Recreation Center/Cost Recovery: Direction
14. Capital Improvement Program: Development And Funding Mechanism
15. Strategic Plan: Development and Institutionalization
16. City Hall: Evaluation, Direction and Plan
17. Community Center: Evaluation, Direction and Plan
18. Public Communication Strategy: Upgrade and Action Plan
19. Automated Meter Reading Program: Completion
20. Crime Reduction Plan: Development and Actions

A

Mayor and City Council Success and Image

► Mayor and City Council Success means . . .

1. Making decisions based upon what is best for the community as a whole.
2. Proving Clear direction for the future.
3. Finding solutions to problems.
4. Making Timely decision based upon information and data.
5. Providing clear and consistent direction to the City Manager and City Staff.
6. Getting things done.
7. Acting in a financially responsible manner.
8. Use as plans to guide decisions.
9. Having open and candid communications among Mayor and Councilmember.
10. Having opportunities for informal interaction and team building.
11. Working together as a team.

***The Mayor and City Councilmembers were asked to individually select the "11" most important characteristics that describe their desired image of what success means in the community and with the outside world.

► Mayor and City Council Image means . . .

1. Being honest and trustworthy.
2. Responding to residents and businesses concerns.
3. Acting in the best interests of the City and community.
4. Listening to the community – open to ideas and feedback.
5. Being accessible and visible in the community.
6. Delivering upon commitments and promises.
7. Advocacy for the Midwest City's community interests.

***The Mayor and City Councilmembers were asked to individually select the "7" most important characteristics that describe their desired image in the community and with the outside world.

B

House Rules Our Code of Conduct and Civility

► Mayor and City Council Code of Conduct and Civility means . . .

1. Treat others with respect.
2. Act in a friendly and courteous manner, avoid personal attacks or accusations.
3. Represent the City in a positive manner.
4. Listen before judging the person or their ideas.
5. After the decision, support the Mayor and Council's decisions.
6. Show up on time, do your homework before the meeting.
7. Focus on what is best for the city, avoid personal agendas.
8. Speak in a concise manner, avoid grandstanding.

***The Mayor and City Councilmembers were asked to individually select the "8" most important characteristics that describe their image of what their code of conduct and civility means in the community and with the outside world.

Mayor and City Council Protocol Operating Guidelines

Protocol 1	Simple Information
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1. **Contact the department head or City Manager.**
2. Share your request and expectation: method of follow up and time frame.

Protocol 2	Research on a Topic
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1. **Contact the City Manager or Assistant City Managers.**
2. Discuss your requests: the topic, information or analysis desired, format of information, need for overall Mayor and Council direction/concurrence, time frame, next steps.
3. On issues requiring significant staff time or a change in priority or direction, the request may be taken to the Mayor and City Council for discussion and/or direction.
4. Information generated from the request may be shared with the entire Mayor and City Council.

Protocol 3	Citizen Service Request
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- A. **First Contact with the City**
 1. **Listen and take the phone number or email address.**
 2. Refer the citizen to the department head or contact the department yourself.
 3. Refer the citizen to the website and let them know the 3-1-1 app will be available soon.
 4. Share your expectations: do you want to hear about City actions before they occur; do you want to hear about City actions after the actions are completed; or take care of the request and I do not need to hear back.
- B. **Upset about the City Response**
 1. **Contact the City Manager or Assistant City Managers.**
 2. Listen to the citizen without agreeing or confirming – data gathering.
 3. Share your expectations: follow up communication – method and format, time frame.
 4. At the discretion of the City Manager, the information regarding this question may be shared with the entire Mayor and City Council.

Protocol 4	Council Agenda
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- A. **Placing an item on the Agenda**
 - 1. Bring the agenda topic to the City Manager **two weeks** before the regularly scheduled meeting.
 - 2. Discuss and test the idea with the City Manager.
- B. **Question on an Agenda Item**
 - 1. Contact the City Manager **before noon** on Monday before the Council meeting.
 - 2. Discuss your question(s).
 - 3. If the time makes it possible, the City Manager will distribute the information to the Mayor and City Council Members.
- C. **Citizen Power Point Presentation at Council Meetings**
 - 1. The citizen should submit the power point by **noon on Monday**.
 - 2. City Manager will review the power point and determine the appropriateness and timing for the Council meeting.

Protocol 5	Urgent Information
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Criteria

- A. To be in newspaper or on television.
- B. Major injury to a City employee.
- C. Major or visible public safety event: fire, police call or incidence, utility break, etc.
 - 1. City Manager will send a text message to all.
 - 2. If you have a question, desire more information or have interest in future actions, contact the City Manager.

Protocol 6	Communications: Council and Staff
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- 1. In general, all information goes to all – Mayor and Council Members – at the same time.
- 2. At the discretion of the City Manager, the information may be shared with the appropriate Council Member.

Protocol 7	Employee Contact
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- A. **Employee Initiated**
 - 1. **Ask the question:** "Have you talked with your supervisor?"
 - 2. Contact the City Manager and share your conversations.
 - 3. Avoid any discussion of labor contracts or negotiations!
[this could be an unfair labor practice]
- B. **Council Initiated**
 - 1. **Keep the interaction social.**
 - 2. Recognize the person and their performance: say "thank you" or recognize job well done.
 - 3. AVOID any discussion of City policies, management or operational nature.

Protocol 8	Email
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- 1. **Any email** – be prepared to read in the headlines or see it on television.
- 2. Avoid "reply all."
- 3. Use the phone on major, sensitive or controversial issues/topics.
- 4. Make sure the information is in the City's system – makes it easier for open record requests.

Problem Solving and Decision Making

► Characteristics

1. Desire to see tangible and real results.
2. Blend of experience with a quick evaluation of the problem and options for solution.
3. Willingness to make timely and difficult decisions.
4. Willingness to evaluate and adjust when necessary.
5. Experiential and visual learning over passive and presentation by others.
6. Desire to have thorough discussion – put your idea on the table, no surprises.
7. At times impatience with protracted implementation.
8. Frustrated by over analysis or abstract/conceptual planning.
9. Once the decision is made, moving on to the next issue or challenge.
10. Potential tension: amount of data gathering and planning; degree of risk.

► **Keys to Success**

1. Define the problem or issue as a whole Council in a Work Session/Workshop: define the problem, establish parameters for investigation and research, discuss expectations of methodology, etc. (see *WORKSHOP TYPOLOGY: Type 1*)
2. Identify and evaluate “REAL” options for Council consideration and discussion.
3. Go out into the community: on major issue of a physical nature, have the Work Session/Workshop on site; periodically tour the community stopping at selected location, then look, walk and talk.
4. Identify "best practices" or good examples, and evaluate possible application or adaption to Midwest City.
5. Provide to Mayor and City Council brief executive summaries and key policy questions for Mayor and City Council with detailed backup materials.
6. Have candid and open discussions, and at the end summarize/test the Mayor and City Council direction to staff.
7. Engage the community at the right/appropriate time with the purposes to inform and educate, to seek and listen to input, and test the reality in the community.
8. Make a timely decision using data and what is best for the Midwest City community, and explain the decision to the community: the issue, the process and the decision.
9. In six month, evaluate the decision implementation: outcomes, value to the community, achievement of desired outcomes, unintended consequences and learning point; if necessary make adjustments.
10. Provide regular updates to the Mayor and City Council – what has been done, the next steps, key issues needing discussion.
11. Make the time to celebrate – saying "thank you" to others who have contributed, recognizing with the community he success and the value to the Midwest City community.

RESOLUTION NO. ____

A RESOLUTION AUTHORIZING PARTICIPATION IN THE OMAG
RECOGNITION PROGRAM

WHEREAS the City of Midwest City believes the best run municipalities have fewer liability claims and the claims they have place fewer demands on municipal resources; and

WHEREAS: City of Midwest City participates in the Municipal Liability Protection Plan provided by OMAG (the Oklahoma Municipal Assurance Group); and

WHEREAS, OMAG is the City of Midwest City's provider of insurance and risk management solutions; and

WHEREAS, OMAG has established a program to recognize member municipalities which have committed themselves to obtaining training above and beyond the legally required training and which have taken certain actions which show that the member is committed to operating under certain best practice recommendations; and

WHEREAS, during the current fiscal year:

- Each member of the governing body received, either in person or by distance learning, the training required for participation in the OMAG recognition program; and
- The governing body has adopted a governing body handbook or, if a handbook had previously been adopted, the body has reviewed and updated the handbook to reflect the best practice recommendations from OMAG; and
- Each member of the governing body completed the OMAG recommended Stability Test and the results of the test were reviewed by the governing body to self-audit its performance; and
- The governing body reviewed the Declarations and Explanation of Coverage page for its liability policy with OMAG; and

WHEREAS, due to the above actions by the governing body and its members, the City of Midwest City is now eligible to participate in the OMAG Recognition program.

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF MIDWEST CITY COUNCIL THAT THE CITY OF MIDWEST CITY REQUESTS THAT IT BE CONSIDERED FOR PARTICIPATION IN THE OMAG RECOGNITION PROGRAM OF 2021.

ADOPTED by the City of Midwest City Council of the City of Midwest City on this 25 day of May, 2021, after full compliance with the Oklahoma Open Meeting Act.

ATTEST:

MAYOR

CITY CLERK



CITY OF MIDWEST CITY COUNCIL AGENDA

City Hall - Midwest City Council Chambers, 100 N. Midwest Boulevard

May 25, 2021 – 6:00 PM

Presiding members: Mayor Matt Dukes

Ward 1 Susan Eads

Ward 4 Sean Reed

City Manager Tim Lyon

Ward 2 Pat Byrne

Ward 5 Christine Allen

City Clerk Sara Hancock

Ward 3 Española Bowen

Ward 6 Rick Favors

City Attorney Don Maisch

A. CALL TO ORDER.

B. OPENING BUSINESS.

- Invocation by Assistant City Manager Vaughn Sullivan
- Pledge of Allegiance by Council member Susan Eads
- Community-related announcements, comments, and introduction of the new MWC Chamber of Commerce Executive Director, Marcy Jarrett
- City Manager presentation to Retiree Stony Tieaskie
- Mayoral Proclamations: Retiree, Stony Tieaskie; May 4, 2021 Firefighter Appreciation Day; May 9-15, 2021 Police Appreciation Week; May 16-22, 2021 Public Works Appreciation Week

C. CONSENT AGENDA. These items are placed on the Consent Agenda so the Council, by unanimous consent, can approve routine agenda items by one motion. If any item proposed does not meet with the approval of all Council, or members of the audience wish to discuss an item, it will be removed and heard in a regular order.

1. Discussion and consideration to approve the minutes of the May 11, 2021 special meeting, as submitted. (City Clerk - S. Hancock)
2. Discussion and consideration to approve the minutes of the April 26, 2021 special meeting, as submitted. (City Clerk - S. Hancock)
3. Discussion and consideration to approve the minutes of the April 27, 2021 meeting, as submitted. (City Clerk - S. Hancock)
4. Discussion and consideration of accepting the City Manager's Report for the month of April 2021. (Finance - T. Cromar)

5. Discussion and consideration of supplemental budget adjustments to the following funds for FY 2020-2021, increase: General Fund, revenue/Transfers In (00) \$106,350; expenditures/Transfers Out (00) \$3,092,556. Police Fund, revenue/Transfers In (00) \$1,487,709. Fire Fund, revenue/Transfers In (00) \$1,202,865. General Fund, expenditures/Park & Recreation (06) \$12,458. Grant Fund, expenditures/Transfers Out (64) \$20,765. Fire Fund, revenue/Transfers In (00) \$20,765. 2018 GO Bonds Proprietary Fund, revenue/Transfer In (49) \$83,200; expenditures /Capital Water Improvement (49) \$83,200. Hotel/Motel Fund, revenue/Taxes (00) \$132,047; expenditures/Transfers Out (87) \$132,047. Welcome Center Fund, revenue/Transfers In (00) \$39,614. Conv/Visitors Bureau Fund, revenue/Transfers In (00) \$73,946. Park & Recreation Fund, revenue/Transfers In (00) \$18,487. General Gov't Sales Tax Fund, expenditures/Transfers Out (05) \$50,000; decrease: expenditures/Community Development (05) \$50,000. Increase: 2018 Election GO Bonds Fund, revenue/Transfers In (92) \$50,000; expenditures/29th Street (92) \$50,000. Disaster Relief Fund, expenditures/Disaster Relief (88) \$329,693. (Finance - Tiatia Cromar)
6. Discussion and consideration of accepting the monthly report on the City of Midwest City Employees' Health Benefits Plan by the City Manager and action as deemed necessary by the Council to maintain the plan. (Human Resources - T. Bradley)
7. Discussion and consideration of approving and entering into the Administrative Services Agreement with Health Care Services Corporation to provide administrative services for the Employee Health Benefits Plan for the FY 2021/2022 for a net cost of \$61.05 per employee per month and \$10.00 per month for participants for COBRA Service Charges with a \$75.00 per month administrative fee. (Human Resources - T. Bradley)
8. Discussion and consideration of entering into a Stop Loss Policy with Health Care Service Corporation to provide and administer specific and aggregate stop loss coverage for the Employee Health Benefits Plan for the fiscal year 2021/2022 at the rate of \$3.01 per employee per month for an aggregate attachment point of \$8,795,738 and \$113.40 per employee per month for a specific attachment point of \$150,000 per covered person. (Human Resources - T. Bradley)
9. Discussion and Consideration of appointing Tiatia Cromar as the City's treasurer for as long as he holds the office of Finance Director of the City of Midwest City. (City Manager - T. Lyon)
10. Discussion and consideration of approving a resolution for 2020 in compliance with the Oklahoma Municipal Assurance Group (OMAG) Liability Protection Plan (MLPP) and completion of Recognition Program requirements. (City Manager - T. Lyon)
11. Discussion and consideration of passing and approving a resolution nominating Richard "Troy" Bradley as a candidate to fill the position on the Board of Trustees of the Oklahoma Municipal Retirement Fund (OkMRF) representing District 6 for a five year term beginning October 1, 2021, through October 1, 2026. (City Manager - T. Lyon)

12. Discussion and consideration of approving Change Order No.1 to United Golf, LLC construction contract associated with renovations at John Conrad Municipal Golf Course, in the increased total amount of \$33,797.25. (City Manager - V. Sullivan)
13. Discussion and consideration of approving and entering into a contract in an amount not to exceed \$18,000 with Crawford and Associates, P. C. for annual financial statement preparation for the fiscal year ended June 30, 2021. The term of this engagement is July 1, 2021 through June 30, 2022. (Finance – T. Cromar)
14. Discussion and consideration of renewing a contract, without modifications for FY 2021-2022, with O’Reilly Auto Parts for the on-site turnkey vehicle and equipment parts operation in the City-wide budgeted amount of \$1,100,000.00. (Fleet - C. Davis)
15. Discussion and consideration of approving and entering into a project agreement for Federal-aid Project Number J3-5192(004), State Job Number 35192(04), with the Oklahoma Department of Transportation to receive \$772,500 in federal funds for the Traffic Signals and School Zone Flashers Project. (Community Development - B. Bundy)
16. Discussion and consideration of accepting a grant of Temporary Easement from Douglas Development Corporation across a certain parcel of land located within the corporate boundaries of Midwest City, being part of the Southeast Quarter (SE/4) of Section Two (2), Township Eleven (11) North, Range Two (2) West of the Indian Meridian, Oklahoma County, Oklahoma. (Community Development - B. Bundy)
17. Discussion and consideration of approving and entering into a project agreement for Federal-aid Project Number STP-255D(479)AG, State Job Number 33124(04), with the Oklahoma Department of Transportation to receive \$1,919,920 in federal funds (80% matching) for the Reno Avenue Resurfacing Project; from Midwest Boulevard to Blake Drive. (Community Development - B. Bundy)
18. Discussion and consideration of the appointment of Steven Bagwell, and the re-appointment of Steve Franks to the Plumbing, Gas and Mechanical Board for three-year terms. (Community Development - B. Harless)
19. Discussion and consideration of the re-appointment of Allen Clark, Charlie Hartley and Jim Campbell to the Builders Advisory Board for three-year terms. (Community Development - B. Harless)
20. Discussion and consideration of 1) declaring various computer equipment obsolete items of city property on the attached list surplus; and 2) authorizing their disposal by public auction, sealed bid, or other means as necessary. (Information Technology - A. Stephenson)

D. DISCUSSION ITEMS.

1. (PC-2059) Public hearing with discussion and consideration of an ordinance to redistrict from C-3, Community Commercial to SPUD, Simplified Planned Unit Development, governed by the C-4, General Commercial subject to staff comments, for the properties described as Lots 1 and 2 of Block A of the Marydale Acres Addition, addressed as 1101 and 1107 N. Post Rd. This item was continued from the January 12, 2021 and April 27, 2021 City Council meetings. (Community Development - B. Harless)
2. (PC – 2076) Public hearing with discussion and consideration of an ordinance to amend the Soldier Creek Industrial Park (SCIP) Planned Unit Development governed by the C-4, General Commercial district and I-2, Moderate Industrial district for the property described as a part of the N/2 of Section 27, T-12-N, R-2-W, of the Indian Meridian, Oklahoma County, OK. (Community Development - B. Harless)
3. (PC –2077) Public hearing with discussion and consideration of approval of a resolution for a Special Use Permit to allow the use of Eating Establishment: Sit-Down, Alcoholic Beverages Permitted in the C-3, Community Commercial district, for the properties described as a part of the NE/4 of Section 26 T12N, R2W, addressed as 8508 and 8538 NE 23rd Street. (Community Development - B. Harless)
4. (PC – 2078) Discussion and consideration of approval of the revised Preliminary Plat of the Turtlewood Addition described as a part of the SE/4 of Section 7, T-11-N, R-1-W. (Community Development - B. Harless)

E. NEW BUSINESS/PUBLIC DISCUSSION. The purpose of the "Public Discussion Section" of the Agenda is for members of the public to speak to the City Council on any Subject not scheduled on the Regular Agenda. The Council shall make no decision or take any action, except to direct the City Manager to take action, or to schedule the matter for discussion at a later date. Pursuant to the Oklahoma Open Meeting Act, the Council will not engage in any discussion on the matter until that matter has been placed on an agenda for discussion. THOSE ADDRESSING THE COUNCIL ARE REQUESTED TO STATE THEIR NAME AND ADDRESS PRIOR TO SPEAKING TO THE COUNCIL.

F. EXECUTIVE SESSION.

1. Discussion and consideration of 1) entering into executive session, as allowed under 25 O.S. § 307(C)(11), to confer on matters pertaining to economic development, including the transfer of property, financing or the creation of a proposal to entice a business to remain or to locate within the City, and 2) in open session, authorizing the general manager/administrator to take action as appropriate based on the discussion in executive session. (Economic Development - R. Coleman)

G. FURTHER INFORMATION.

1. Review of the monthly Neighborhood Services report for April 2021. (Neighborhood Services - M. Stroh)
2. April 2021 Building Report. (Community Development—B. Harless)
3. Minutes of the May 4, 2021 Board of Adjustment meeting. (Community Development - B. Harless)
4. Minutes of the May 4, 2021 Planning Commission meeting. (Community Development - B. Harless)

H. ADJOURNMENT.





CONSENT AGENDA



Notice for the Midwest City Council special meeting was filed with the City Clerk of Midwest City at least 48 hours prior to the meeting. Public notice of this agenda was accessible at least 24 hours before this meeting at City Hall and on the Midwest City website (www.midwestcityokorg).

City of Midwest City Council Minutes
Special Meeting

May 11, 2021

This meeting was held in the Midwest City Chambers at City Hall, 100 N Midwest Blvd, Midwest City, County of Oklahoma, State of Oklahoma.

Mayor Matt Dukes called the meeting to order at 6:01 PM with following members present:

Ward 1 Susan Eads	Ward 4 Sean Reed	City Manager Tim Lyon
Ward 2 Pat Byrne	Ward 5 Christine Allen	Asst. City Manager Vaughn Sullivan
Ward 3 Española Bowen	Ward 6 Rick Favors	Director of Operations Ryan Rushing
		Finance Director Tiatia Cromar

DISCUSSION ITEM.

1. **Discussion and consideration of a presentation and solicitation of input regarding a revised proposed General Obligation Bond issue and Charter changes to be voted upon at the May 11, 2021 ballot by the residents of Midwest City.**

Staff briefed the Councilmembers on various budget items and the Councilmembers sought clarification and discussed individual items with Staff. No action was taken.

Adjournment. There being no further business, Mayor Dukes adjourned at 9:16 PM.

ATTEST:

MATTHEW D. DUKES II, Mayor

SARA HANCOCK, City Clerk

Notice for the Midwest City Council special meeting was filed with the City Clerk of Midwest City at least 48 hours prior to the meeting. Public notice of this agenda was accessible at least 24 hours before this meeting at City Hall and on the Midwest City website (www.midwestcityokorg).

City of Midwest City Council Minutes
Special Meeting

April 26, 2021

This meeting was held in the Midwest City Chambers at City Hall, 100 N Midwest Blvd, Midwest City, County of Oklahoma, State of Oklahoma.

Mayor Matt Dukes called the meeting to order at 6:00 PM with following members present:

	City Manager Tim Lyon
Ward 2 Pat Byrne	City Clerk Sara Hancock
Ward 3 Española Bowen	Asst. City Attorney Vicki Floyd
	Attorney Don Maisch

Absent:

Ward 1 Susan Eads	Ward 5 Christine Allen
Ward 4 Sean Reed	Ward 6 Rick Favors

DISCUSSION ITEM.

- 1. Discussion and consideration of a presentation and solicitation of input regarding a revised proposed General Obligation Bond issue and Charter changes to be voted upon at the May 11, 2021 ballot by the residents of Midwest City.**

There being no quorum for this meeting, no action was taken on this item.

Mayor Dukes briefed citizens on information and adjourned at 6:43 PM.

ATTEST:

MATTHEW D. DUKES II, Mayor

SARA HANCOCK, City Clerk

Notice for the Midwest City Council meetings was filed for the calendar year with the City Clerk of Midwest City. Public notice of this agenda was accessible at least 24 hours before this meeting at City Hall and on the Midwest City website (www.midwestcityok.org).

Midwest City City Council Minutes

April 27, 2021

This meeting was held in the Midwest City Chambers at City Hall, 100 N Midwest Blvd, Midwest City, County of Oklahoma, State of Oklahoma.

Mayor Matt Dukes called the meeting to order at 6:01 PM with following members present:

Ward 1 Susan Eads		City Manager Tim Lyon
Ward 2 Pat Byrne	Ward 5 Christine Allen	City Clerk Sara Hancock
Ward 3 Española Bowen	Ward 6 Rick Favors	Assistant City Attorney Vicki Floyd
		City Attorney Don Maisch

Absent: Ward 4 Sean Reed

OPENING BUSINESS. The Invocation was given by Assistant City Manager Vaughn Sullivan, followed by the Pledge of Allegiance led by Carl Albert High School Jr. ROTC Cadet Linn. Staff and Council made community-related announcements and comments. Mayor Dukes presented the following proclamations: Retiree Randy Sherman, Retiree Daniel Gray, Clay Franklin Appreciation, Fair Housing Month, Tele communicator Recognition, Kids to Park Day, and Compost Awareness Week.

CONSENT AGENDA. Allen made motion to approve the consent agenda, as submitted, seconded by Favors. Voting Aye: Byrne, Eads, Bowen, Allen, Favors, and Mayor Dukes. Nay: None. Absent: Reed. Motion carried.

1. Discussion and consideration to approve the minutes of the March 23, 2021 meeting, as submitted.
2. Discussion and consideration of approving the minutes of the special meeting of April 15, 2021, as submitted.
3. Discussion and consideration of accepting the City Manager's Report for the month of March 2021.
4. Discussion and consideration of supplemental budget adjustments to the following funds for FY 2020-2021, increase: Grant Funds, revenue/Intergovernmental (64) \$15,350; expenditures/Fire (64) \$15,350. G.O. Debt Services Fund, revenue/Taxes (00) \$150,125; expenditures/Debt Service (00) \$150,125. Grant Funds, revenue/ Intergovernmental (21) \$20,000; expenditures/Transfers Out (21) \$20,000. Emergency Operations Fund, revenue/Transfers In (00) \$20,000. Sales Tax Capital Improvement Fund, expenditures/Transfers Out (00) \$1,067,731. Capital Improvement Revenue Bond Fund, revenue/Transfers In (00) \$1,503,978; expenditures/Transfers Out (00) \$1,503,978. Capital Improvement Revenue Bond Fund, revenue/Transfers In (00) \$689,997; decrease: Capital Improvement Revenue Bond Fund, revenue/Transfers In (00) \$689,997. Sewer Construction Fund, expenditures/Transfers Out (46) \$689,997. Increase: Capital Improvements Fund, revenue/Transfers In (00) \$377,734. General Fund, revenue/Transfer In (00) \$1,503,978; expenditures/Transfers Out (00) \$1,503,978. Decrease: Sales Tax Capital Improvement Fund, expenditures / Debt Service (00) \$4,532. Increase: Capital Improvement Revenue Bond Fund, expenditures/Debt Service (00) \$251,550.
5. Discussion and consideration of accepting the monthly report on the City of Midwest City Employees' Health Benefits Plan by the City Manager and action as deemed necessary by the Council to maintain the plan.

6. Discussion and consideration of the health premiums for the fiscal year 2021-2022 in amounts necessary to cover the projected expenditures and for the Employee Health Plan to be actuarially sound, and the adoption of the Employee Life and Health Committee recommendations for the Health Plan.
7. Discussion and consideration of the approval of a Medical Retirement Application made by Employee 3023 through the Oklahoma Municipal Retirement Fund (OMRF).
8. Discussion and consideration of the approval of a Medical Retirement Application made by Employee 3469 through the Oklahoma Municipal Retirement Fund (OMRF).
9. Discussion and consideration of approval of the Mayor's appointment of Gary Bachman, Adam Bush, David Howell, and Joel Porter as Municipal Judges; and appointing Farley Ward as an Alternate Judge.
10. Discussion and consideration of nominating Incumbent, Mike Bailey, City Manager of Bartlesville, and Incumbent Craig Stephenson, City Manager of Ponca City, to the Oklahoma Municipal Assurance Group Board as the official vote of the City of Midwest City.
11. Discussion and consideration of a resolution to amend the agreement establishing the Oklahoma Municipal Assurance Group (OMAG), of which Midwest City is a member.
12. Discussion and consideration of approving change order number one (1) to Lippert Brothers Construction Co., Inc. for three (3) changes to their construction contract associated with construction of the Multi-Purpose Sports Complex, in the increased total amount of \$24,557.13.
13. Discussion and consideration of 1) approval of the proposed 2021 Action Plan, a part of the 2020-2024 Consolidated Plan and Strategy, for the use of 2021 Community Development Block Grant (CDBG) funds, 2) authorization of the Mayor to submit the approved and/or modified certifications to the U.S. Department of Housing and Urban Development, and 3) authorization of the Mayor and City Manager to enter into the necessary contracts to implement said program.
14. Discussion and consideration of approving and entering into a contract in an amount not to exceed \$2,200.00 for fiscal year 2021-2022 with Crutchco Public School to establish the terms and conditions under which Crutchco Public School will provide a school bus and driver for Neighborhoods in Action (NIA) Youth Summer Camp.
15. Discussion and consideration of accepting and entering into an Agreement for the Sub-Grant of Emergency Management Performance Grant Program Funds with the State of Oklahoma Department of Emergency Management and Homeland Security (OEMHS) in the amount of \$20,000 effective October 1, 2020. This grant is designated by OEMHS as EMPG 999. The purpose of the grant is to encourage the development of comprehensive disaster preparedness and assistance plans, programs, capabilities, and organizations by state, local, tribal, and territorial emergency management agencies.
16. Discussion and consideration of accepting a grant of Permanent Easement from John and Emma Wassilak across a certain parcel of land located within the corporate boundaries of Midwest City, being part of the Southeast Quarter (SE/4) of the Northeast Quarter (NE/4) of Section Five (5), Township Eleven (11) North, Range One (1) West of the Indian Meridian, Oklahoma County, Oklahoma.

17. Discussion and consideration of change order #3 amending the contract with Shiloh Enterprises, Inc. to construct the Animal Services Center in an increase of \$3,995.25 to add additional drywall and adding 31 additional days of time related to delays caused by COVID-19.
18. Discussion and consideration of approving and entering into a project agreement for Federal-aid Project Number STPG-255F(481)AG, State Job Number 33347(04), with the Oklahoma Department of Transportation to receive \$853,373.00 in federal funds for the Signal Upgrade Project (Phase 2) at eight various locations.
19. Discussion and consideration of an agreement with COX Communications LLC in the amount of \$17,044.77 for the purposes of relocating an existing aerial crossing to a prepared underground crossing of the W.P. Bill Atkinson Park, a 2018 General Obligation Project.
20. Discussion and consideration of approving an Application and Letter of Agreement with AT&T to relocate an existing aerial crossing to a prepared underground crossing for the W.P. Bill Atkinson Park, a 2018 General Obligation Project, in the amount of \$39,517.11.

DISCUSSION ITEMS.

1. **Discussion and consideration of swearing in the Municipal Judges: Gary Bachman, Adam Bush, David Howell, Joel Porter, and Farley Ward as an alternative.** Eads made a motion to approve the swearing in of the Municipal Judges, as submitted, seconded by Allen. Voting Aye: Byrne, Eads, Bowen, Allen, Favors, and Mayor Dukes. Nay: None. Absent: Reed. Motion carried. Mayor Dukes swore in Gary Bachman, Adam Bush, David Howell and Joel Porter.
2. **Consider and adopt a resolution fixing the amount of bonds to mature each year, fixing the time and place the bonds are to be sold and authorizing the Clerk to give notice of said sale as required by law.** Bowen made motion to approve Resolution 2021-11, as submitted, seconded by Allen. Voting Aye: Byrne, Eads, Bowen, Allen, Favors, and Mayor Dukes. Nay: None. Absent: Reed. Motion carried.
3. **(PC-2059) Public hearing with discussion and consideration of an ordinance to redistrict from C-3, Community Commercial to SPUD, Simplified Planned Unit Development, governed by the C-4, General Commercial subject to staff comments, for the properties described as Lots 1 and 2 of Block A of the Marydale Acres Addition, addressed as 1101 and 1107 N. Post Rd. This item was continued from the January 12, 2021 City Council meeting.** Harless, applicant Arnold Sefcik, and Kellie Gilles address the council. After Staff and Council discussion, Eads made motion to table until May 25, seconded by Allen. Voting Aye: Byrne, Eads, Bowen, Allen, Favors, and Mayor Dukes. Nay: None. Absent: Reed. Motion carried.
4. **(PC-2063) Public hearing with discussion and consideration of an ordinance to redistrict from R-HD, High Density Residential to R-MH-2, Manufactured Home Park, for the property described as a part the SW/4 of Section 7, T11N, R1W, and addressed as 10301 S.E. 29th Street. No action was taken on this item at the January 12, 2021, February 23, 2021 or March 23, 2021 City Council meetings.** Harless and applicant Mark Zitzow addressed council. After Staff and Council discussion, Eads made motion to approve the Ordinance 3445, seconded by Favors. Voting Aye: Byrne, Eads, Bowen, Allen, Favors, and Mayor Dukes. Nay: None. Absent: Reed. Motion carried.

5. (PC – 2075) Discussion and consideration of approval of the Replat of Lots 1-5 of Block 2 of the Radford Addition, described as a part of the NW/4 of Section 35, T12N, R2W and addressed as 8708 NE 5th Street. Harless, Bundy and applicant Ann Felton Gilliland addressed the council. Byrne made motion to approve the plat without waivers, seconded by Eads. Voting Aye: Byrne, Eads, Bowen, Allen, Favors, and Mayor Dukes. Nay: None. Absent: Reed. Motion carried.

6. Discussion and consideration of a quarterly update on the progress of the execution of the General Obligation Bond (the Bond) projects. Sullivan and Bundy addressed the council.

NEW BUSINESS/PUBLIC DISCUSSION. There was no new business or public discussion.

At 7:19 PM a recess was called. Council returned at 7:29 PM.

At 7:43 PM Allen made a motion to recess, seconded by Eads. Voting Aye: Byrne, Eads, Bowen, Allen, Favors, and Mayor Dukes. Nay: None. Absent: Reed. Motion carried. Returned to Council meeting at 7:48 PM.

EXECUTIVE SESSION.

1. Discussion and consideration of 1) entering into executive session, as allowed under 25 O.S. § 307(C)(11), to confer on matters pertaining to economic development, including the transfer of property, financing or the creation of a proposal to entice a business to remain or to locate within the City, and 2) in open session, authorizing the general manager/administrator to take action as appropriate based on the discussion in executive session.

At 7:48 PM Allen made a motion to enter into Executive Session, seconded by Eads. Voting Aye: Byrne, Eads, Bowen, Allen, Favors, and Mayor Dukes. Nay: None. Absent: Reed. Motion carried.

At 7:55 PM Allen made motion to return to open session, seconded by Eads. Voting Aye: Byrne, Eads, Bowen, Allen, Favors, and Mayor Dukes. Nay: None. Absent: Reed. Motion carried. No Action Needed.

ADJOURNMENT.

There being no further business, Mayor Dukes adjourned the meeting at 7:55 PM.
April 27, 2021 City Council Meeting
Minutes continued.

ATTEST:

MATTHEW D. DUKES II, Mayor

SARA HANCOCK, City Clerk



Finance Department
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TO: Honorable Mayor and City Council

FROM: Tiatia Cromar, Finance Director

DATE: May 25, 2021

SUBJECT: Discussion and consideration of accepting the City Manager's Report for the month of April 2021.

The funds in April that experienced a significant change in fund balance from the March report are as follows:

Capital Imp Rev Bond (250) decreased because of the following payment:

2019 bond interest <\$554,613>

2018 Election G.O. Bonds (270) decreased due to the payments for:

Various Capital Outlay <\$1,023,645>

Disaster Relief (310) decreased because of payments for:

Ice storm cleaning <\$214,329>

MWC Hospital Authority (425) activities for April:

Compounded Principal (9010) - unrealized gain on investment \$4,621,893

Discretionary (9050) - unrealized gain on investment \$1,283,480

Tiatia Cromar

Tiatia Cromar
Finance Director

City of Midwest City
Financial Summary by Fund
for Period Ending April, 2021

(Unaudited)

Fund Number	Fund Description	Assets	Liabilities	6/30/2020 Fund Balance	Revenues	Expenditures	Gain or (Loss)	Fund Balance
9	GENERAL GOVERNMENT SALES TAX	4,399,910	-	3,692,885	2,266,978	(1,559,953)	707,025	4,399,910
10	GENERAL	9,612,037	(157,961)	7,257,964	34,306,003	(32,109,891)	2,196,113	9,454,076
11	CAPITAL OUTLAY RESERVE	750,040	-	878,312	3,696	(131,968)	(128,273)	750,040
13	STREET AND ALLEY FUND	1,783,030	-	1,615,489	463,465	(295,924)	167,541	1,783,030
14	TECHNOLOGY FUND	383,073	-	207,826	318,745	(143,499)	175,247	383,073
15	STREET LIGHT FEE	1,771,579	-	1,874,909	496,780	(600,109)	(103,330)	1,771,579
16	REIMBURSED PROJECTS	1,030,937	(3)	1,247,928	111,114	(328,106)	(216,993)	1,030,935
17	29TH & DOUGLAS PROPERTY	290	-	288	2	-	2	290
20	MWC POLICE DEPARTMENT	7,565,455	-	5,969,836	14,360,907	(12,765,288)	1,595,619	7,565,455
21	POLICE CAPITALIZATION	1,195,144	-	448,160	1,339,983	(592,999)	746,983	1,195,144
25	JUVENILE FUND	34,015	-	27,943	69,674	(63,602)	6,072	34,015
30	POLICE STATE SEIZURES	89,821	-	72,260	20,420	(2,859)	17,561	89,821
31	SPECIAL POLICE PROJECTS	89,598	-	93,392	6,640	(10,435)	(3,794)	89,598
33	POLICE FEDERAL PROJECTS	48,455	-	49,067	93	(705)	(613)	48,455
34	POLICE LAB FEE FUND	27,669	-	23,424	6,852	(2,608)	4,244	27,669
35	EMPLOYEE ACTIVITY FUND	24,501	-	20,356	10,000	(5,855)	4,145	24,501
36	JAIL	151,496	-	144,218	39,863	(32,585)	7,278	151,496
37	POLICE IMPOUND FEE	110,591	-	109,036	39,580	(38,026)	1,554	110,591
40	MWC FIRE DEPARTMENT	5,303,365	(4)	4,029,690	11,227,898	(9,954,227)	1,273,671	5,303,361
41	FIRE CAPITALIZATION	1,326,409	-	1,180,917	527,923	(382,431)	145,492	1,326,409
45	MWC WELCOME CENTER	303,983	3	353,512	127,737	(177,263)	(49,526)	303,986
46	CONV / VISITORS BUREAU	248,676	-	184,975	226,492	(162,791)	63,701	248,676
50	DRAINAGE TAX FUND	-	-	-	-	-	-	-
60	CAPITAL DRAINAGE IMP	689,599	-	614,336	391,999	(316,736)	75,263	689,599
61	STORM WATER QUALITY	1,169,285	-	1,014,388	645,562	(490,665)	154,897	1,169,285
65	STREET TAX FUND	1,901,676	-	1,840,981	426,892	(366,197)	60,695	1,901,676
70	EMERGENCY OPER FUND	824,191	-	765,195	474,457	(415,461)	58,996	824,191
75	PUBLIC WORKS ADMIN	606,779	-	647,055	893,941	(934,217)	(40,276)	606,779
80	INTERSERVICE FUND	711,853	-	638,120	2,217,114	(2,143,381)	73,733	711,853
81	SURPLUS PROPERTY	565,017	(447,319)	108,739	44,969	(36,010)	8,959	117,698
115	ACTIVITY FUND	345,995	(168)	351,549	62,494	(68,215)	(5,721)	345,828
123	PARK & RECREATION	644,478	(150)	639,507	490,538	(485,717)	4,821	644,328
141	COMM. DEV. BLOCK GRANT	6,029	-	6,029	758,540	(758,540)	-	6,029
142	GRANTS/HOUSING ACTIVITIES	184,475	-	142,535	139,308	(97,368)	41,940	184,475
143	GRANT FUNDS	112,897	(52,897)	60,000	11,226,036	(11,226,036)	-	60,000

City of Midwest City
Financial Summary by Fund
for Period Ending April, 2021

(Unaudited)

Fund Number	Fund Description	Assets	Liabilities	6/30/2020 Fund Balance	Revenues	Expenditures	Gain or (Loss)	Fund Balance
157	CAPITAL IMPROVEMENTS	2,546,743	-	2,523,375	678,808	(655,440)	23,368	2,546,743
172	CAP. WATER IMP-WALKER	1,716,290	-	1,440,837	398,104	(122,651)	275,452	1,716,290
178	CONST LOAN PAYMENT REV	3,364,058	(15,358)	2,876,857	616,338	(144,494)	471,844	3,348,701
184	SEWER BACKUP FUND	81,629	-	83,771	359	(2,500)	(2,141)	81,629
186	SEWER CONSTRUCTION	5,230,251	(175,000)	4,285,350	1,198,990	(429,089)	769,900	5,055,251
187	UTILITY SERVICES	460,699	(924)	494,006	915,122	(949,354)	(34,231)	459,775
188	CAP. SEWER IMP.-STROTH	663,104	-	121,949	543,944	(2,789)	541,155	663,104
189	UTILITIES CAPITAL OUTLAY	2,190,891	(103,373)	3,009,651	745,940	(1,668,073)	(922,133)	2,087,518
190	MWC SANITATION DEPARTMENT	4,554,223	-	3,020,287	6,277,967	(4,744,031)	1,533,936	4,554,223
191	MWC WATER DEPARTMENT	3,678,972	-	2,749,260	5,847,622	(4,917,911)	929,712	3,678,972
192	MWC SEWER DEPARTMENT	2,483,956	(162)	1,282,446	5,857,211	(4,655,862)	1,201,348	2,483,794
193	MWC UTILITIES AUTHORITY	951,354	-	952,584	4,087	(5,316)	(1,229)	951,354
194	DOWNTOWN REDEVELOPMENT	584,146	(5,045)	2,364,928	7,777	(1,793,605)	(1,785,828)	579,101
195	HOTEL/CONFERENCE CENTER	278,324	(469,672)	86,188	1,499,867	(1,777,403)	(277,536)	(191,348)
196	HOTEL 4% FF&E	816,533	(45,758)	672,955	2,639,148	(2,541,327)	97,820	770,775
197	JOHN CONRAD REGIONAL GOLF	349,000	(144,057)	164,931	731,334	(691,321)	40,013	204,944
201	URBAN RENEWAL AUTHORITY	21,784	-	81,862	45,312	(105,389)	(60,078)	21,784
202	RISK MANAGEMENT	1,251,561	(37)	1,337,005	801,025	(886,505)	(85,480)	1,251,525
204	WORKERS COMP	3,678,725	-	3,342,285	798,226	(461,786)	336,440	3,678,725
220	ANIMALS BEST FRIEND	67,431	-	89,075	21,424	(43,069)	(21,645)	67,431
225	HOTEL MOTEL FUND	-	-	-	402,092	(402,092)	-	-
230	CUSTOMER DEPOSITS	1,551,811	(1,551,811)	-	6,627	(6,627)	-	-
235	MUNICIPAL COURT	102,689	(102,689)	-	377	(377)	-	-
240	L & H BENEFITS	1,317,524	(31,263)	1,519,039	7,589,655	(7,822,433)	(232,778)	1,286,261
250	CAPITAL IMP REV BOND	10,380,338	(49,897,917)	(40,099,398)	12,996,201	(12,414,381)	581,819	(39,517,578)
269	2002 G.O. STREET BOND	316,530	-	315,172	1,358	-	1,358	316,530
270	2018 ELECTION G.O. BOND	22,408,331	(148,977)	27,003,375	2,597,435	(7,341,457)	(4,744,022)	22,259,354
271	2018 G.O. BONDS PROPRIETARY	10,203,767	(8,350)	10,686,758	45,349	(536,690)	(491,342)	10,195,417
310	DISASTER RELIEF	4,216,206	(185,573)	1,072,308	10,963,890	(8,005,564)	2,958,325	4,030,633
340	REVENUE BOND SINKING FUND	-	-	-	5,315,564	(5,315,564)	-	-
350	G. O. DEBT SERVICES	3,289,624	-	1,877,552	3,444,884	(2,032,812)	1,412,072	3,289,624
352	SOONER ROSE TIF	1,101,595	-	1,654,228	141,833	(694,465)	(552,632)	1,101,595
353	ECONOMIC DEV AUTHORITY	53,845,494	(50,000,227)	2,884,708	1,286,930	(326,369)	960,560	3,845,268
425-9010	MWC HOSP AUTH-COMP PRINCIPAL	122,673,623	(6,205,321)	93,145,527	25,309,806	(1,987,029)	23,322,777	116,468,304
425-9020	MWC HOSP AUTH-LOAN RESERVE	559,708	(559,708)	-	-	-	-	-
425-9050	MWC HOSP AUTH-DISCRETIONARY	19,092,298	(3,867)	11,287,755	8,423,858	(623,182)	7,800,676	19,088,430
425-9060	MWC HOSP IN LIEU OF/ROR/MISC	9,280,593	-	8,746,405	1,153,851	(619,661)	534,191	9,280,595
425-9080	MWC HOSP AUTH GRANTS	433,437	-	28,398	501,038	(96,000)	405,038	433,437
	TOTAL	339,755,589	(110,313,586)	187,412,245	193,552,047	(151,522,286)	42,029,761	229,442,006



Finance Department
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TO: Honorable Mayor and City Council

FROM: Tiatia Cromar, Finance Director

DATE: May 25, 2021

SUBJECT: Discussion and consideration of supplemental budget adjustments to the following funds for FY 2020-2021, increase: General Fund, revenue/Transfers In (00) \$106,350; expenditures/Transfers Out (00) \$3,092,556. Police Fund, revenue/Transfers In (00) \$1,487,709. Fire Fund, revenue/Transfers In (00) \$1,202,865. General Fund, expenditures/Park & Recreation (06) \$12,458. Grant Fund, expenditures/Transfers Out (64) \$20,765. Fire Fund, revenue/Transfers In (00) \$20,765. 2018 GO Bonds Proprietary Fund, revenue/Transfer In (49) \$83,200; expenditures/Capital Water Improvement (49) \$83,200. Hotel/Motel Fund, revenue/Taxes (00) \$132,047; expenditures/Transfers Out (87) \$132,047. Welcome Center Fund, revenue/Transfers In (00) \$39,614. Conv/Visitors Bureau Fund, revenue/Transfers In (00) \$73,946. Park & Recreation Fund, revenue/Transfers In (00) \$18,487. General Gov't Sales Tax Fund, expenditures/Transfers Out (05) \$50,000; decrease: expenditures/Community Development (05) \$50,000. Increase: 2018 Election GO Bonds Fund, revenue/Transfers In (92) \$50,000; expenditures/29th Street (92) \$50,000. Disaster Relief Fund, expenditures/Disaster Relief (88) \$329,693.

The first through third supplements are needed to budget the transfers in and out from the General Fund/Share of Revenue to the Bond, Police and Fire that are directly related to the increase in sales & use tax. The fourth supplement is needed to budget unexpected expenditures. The fifth and sixth supplements are needed to budget the transfers out and in from the Grant fund to the Fire fund for the three firefighters expenditures that are being reimbursed through the SAFER Grant. The seventh supplement is needed to transfer from Fund 172 Capital Water Improvement – Walker fund to pay expenditures for the Inspector for the Booster Station project. The eighth through the eleventh supplements are needed to budget the increase in hotel/motel tax revenues and transfers out to various funds directly related to the hotel/motel tax. The twelfth and thirteenth supplements are needed to budget the transfers out and transfers in to cover the additional expenditures for the Town Center Park project. The fourteenth supplement is needed to budget the additional expenditures for the October 2020 Ice Storm.

Tiatia Cromar

Tiatia Cromar
Finance Director

SUPPLEMENTS

May 25, 2021

Fund GENERAL FUND (010)		BUDGET AMENDMENT FORM Fiscal Year 2020-2021			
		Estimated Revenue		Budget Appropriations	
Dept Number	Department Name	Increase	Decrease	Increase	Decrease
00	Transfers In	106,350			
00	Transfers Out			3,092,556	
		106,350	0	3,092,556	0
Explanation: This supplement is to budget the transfers in and transfers out from the General Fund/Share of Revenue to the Bond, Police and Fire that are directly related to the increase in sales & use tax.					

Fund POLICE DEPT (020)		BUDGET AMENDMENT FORM Fiscal Year 2020-2021			
		Estimated Revenue		Budget Appropriations	
Dept Number	Department Name	Increase	Decrease	Increase	Decrease
00	Transfers In	1,487,709			
		1,487,709	0	0	0
Explanation: This supplement is to budget the transfer in from the General Fund/Share of Revenue that are directly related to the increase in sales & use tax.					

Fund FIRE DEPT (040)		BUDGET AMENDMENT FORM Fiscal Year 2020-2021			
		Estimated Revenue		Budget Appropriations	
Dept Number	Department Name	Increase	Decrease	Increase	Decrease
00	Transfers In	1,202,865			
		1,202,865	0	0	0
Explanation: This supplement is to budget the transfer in from the General Fund/Share of Revenue that are directly related to the increase in sales & use tax.					

Fund GENERAL FUND (010)		BUDGET AMENDMENT FORM Fiscal Year 2020-2021			
		Estimated Revenue		Budget Appropriations	
Dept Number	Department Name	Increase	Decrease	Increase	Decrease
06	Park & Recreation			12,458	
		0	0	12,458	0
Explanation: To budget unexpected expenditures. Funding to come from fund balance.					

SUPPLEMENTS

May 25, 2021

Fund GRANT FUNDS (143)		BUDGET AMENDMENT FORM Fiscal Year 2020-2021			
		Estimated Revenue		Budget Appropriations	
Dept Number	Department Name	Increase	Decrease	Increase	Decrease
64	Transfers Out			20,765	
		0	0	20,765	0
Explanation:					
To budget the transfer out for the 3 firefighters expenditures that are being reimbursed through the SAFER Grant.					

Fund FIRE DEPT (040)		BUDGET AMENDMENT FORM Fiscal Year 2020-2021			
		Estimated Revenue		Budget Appropriations	
Dept Number	Department Name	Increase	Decrease	Increase	Decrease
00	Transfers In	20,765			
		20,765	0	0	0
Explanation:					
To budget the transfer in for the 3 firefighters expenditures that are being reimbursed through the SAFER Grant.					

Fund 2018 GO BONDS PROPRIETARY (271)		BUDGET AMENDMENT FORM Fiscal Year 2020-2021			
		Estimated Revenue		Budget Appropriations	
Dept Number	Department Name	Increase	Decrease	Increase	Decrease
49	Transfers In	83,200			
49	Capital Water Imp			83,200	
		83,200	0	83,200	0
Explanation:					
To budget the transfer from Fund 172 Cap. Water Imp - Walker to pay expenditures for the Inspector for the Booster Station project.					

Fund HOTEL MOTEL FUND (225)		BUDGET AMENDMENT FORM Fiscal Year 2020-2021			
		Estimated Revenue		Budget Appropriations	
Dept Number	Department Name	Increase	Decrease	Increase	Decrease
00	Taxes	132,047			
87	Transfers Out			132,047	
		132,047	0	132,047	0
Explanation:					
To budget the increase in hotel/motel tax revenues and transfers out to various funds due to actual hotel/motel tax revenues exceeding budget for fiscal year.					

SUPPLEMENTS

May 25, 2021

Fund MWC WELCOME CENTER (045)		BUDGET AMENDMENT FORM Fiscal Year 2020-2021			
		Estimated Revenue		Budget Appropriations	
Dept Number	Department Name	Increase	Decrease	Increase	Decrease
00	Transfers In	39,614			
		39,614	0	0	0
Explanation:					
To budget the transfers in from Fund 225 due to the increase in Hotel/Moter tax revenues.					

Fund CONV/VISITORS BUREAU (046)		BUDGET AMENDMENT FORM Fiscal Year 2020-2021			
		Estimated Revenue		Budget Appropriations	
Dept Number	Department Name	Increase	Decrease	Increase	Decrease
00	Transfers In	73,946			
		73,946	0	0	0
Explanation:					
To budget the transfers in from Fund 225 due to the increase in Hotel/Moter tax revenues.					

Fund PARK & RECREATION (123)		BUDGET AMENDMENT FORM Fiscal Year 2020-2021			
		Estimated Revenue		Budget Appropriations	
Dept Number	Department Name	Increase	Decrease	Increase	Decrease
00	Transfers In	18,487			
		18,487	0	0	0
Explanation:					
To budget the transfers in from Fund 225 due to the increase in Hotel/Moter tax revenues.					

Fund GENERAL GOV'T SALES TAX (009)		BUDGET AMENDMENT FORM Fiscal Year 2020-2021			
		Estimated Revenue		Budget Appropriations	
Dept Number	Department Name	Increase	Decrease	Increase	Decrease
05	Transfers Out			50,000	
05	Community Development				50,000
		0	0	50,000	50,000
Explanation:					
To budget the transfers out from Fund 009 to Fund 270 to cover the additional expenditures for the Town Ctr Park project.					

SUPPLEMENTS

May 25, 2021

Fund 2018 ELECTION GO BONDS (270)		BUDGET AMENDMENT FORM Fiscal Year 2020-2021			
<u>Dept Number</u>	<u>Department Name</u>	<u>Estimated Revenue</u>		<u>Budget Appropriations</u>	
		<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
92	Transfers In	50,000			
92	29th Street			50,000	
		<u>50,000</u>	<u>0</u>	<u>50,000</u>	<u>0</u>

Explanation:
To budget the transfers in from Fund 009 to Fund 270 to cover the additional expenditures for the Town Ctr Park project.

Fund DISASTER RELIEF (310)		BUDGET AMENDMENT FORM Fiscal Year 2020-2021			
<u>Dept Number</u>	<u>Department Name</u>	<u>Estimated Revenue</u>		<u>Budget Appropriations</u>	
		<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
88	Disaster Relief			329,693	
		<u>0</u>	<u>0</u>	<u>329,693</u>	<u>0</u>

Explanation:
To budget the additional expenditures for the Oct 2020 Ice Storm. Funding to come from fund balance.



Human Resources
100 N. Midwest Boulevard
Midwest City, OK 73110
office 405.739.1235

Memorandum

TO: Honorable Mayor and Council

FROM: Troy Bradley, Human Resources Director

DATE: May 25, 2021

RE: Discussion and consideration of accepting the monthly report on the City of Midwest City Employees' Health Benefits Plan by the City Manager and action as deemed necessary by the Council to maintain the plan.

This item is placed on the agenda at the request of the Council. Attached to this memo is information regarding the current financial condition of the City Employees' Health Benefits Plan for the month of April 2021 which is the tenth (10) period of the FY 2020/2021.

Troy Bradley, Human Resources Director

<u>FISCAL YEAR 2020-2021</u>	<u>Jul-20</u>	<u>Aug-20</u>	<u>Sep-20</u>	<u>Oct-20</u>	<u>Nov-20</u>	<u>Dec-20</u>	<u>Jan-21</u>	<u>Feb-21</u>	<u>Mar-21</u>	<u>Apr-21</u>	<u>May-21</u>	<u>Jun-21</u>
PLAN INCOME												
Projected Budgeted (MTD)	729,416	729,416	729,416	729,416	729,416	729,416	729,416	729,416	729,416	729,416	729,416	729,416
Actual (MTD)	662,819	704,904	753,466	689,432	1,065,534	727,062	722,415	729,187	750,261	791,934		
Projected Budgeted (YTD)	729,416	1,458,832	2,188,248	2,917,664	3,647,080	4,376,496	5,105,912	5,835,328	6,564,744	7,294,160	8,023,576	8,752,992
Actual (YTD)	662,819	1,367,723	2,121,189	2,810,621	3,876,155	4,603,217	5,325,632	6,054,819	6,805,080	7,597,014		
PLAN CLAIMS/ADMIN COSTS	<u>Jul-20</u>	<u>Aug-20</u>	<u>Sep-20</u>	<u>Oct-20</u>	<u>Nov-20</u>	<u>Dec-20</u>	<u>Jan-21</u>	<u>Feb-21</u>	<u>Mar-21</u>	<u>Apr-21</u>	<u>May-21</u>	<u>Jun-21</u>
Projected Budgeted (MTD)	691,492	864,366	691,492	691,492	864,366	691,492	691,492	691,492	864,366	691,492	864,366	691,492
Actual (MTD)	548,997	965,005	927,589	766,622	859,038	854,726	841,941	740,186	683,500	641,347		
Projected Budgeted (YTD)	691,492	1,555,858	2,247,350	2,938,842	3,803,208	4,494,700	5,186,192	5,877,684	6,742,050	7,433,542	8,297,908	8,989,400
Actual (YTD)	548,997	1,514,002	2,441,591	3,208,213	4,067,251	4,921,977	5,763,918	6,504,104	7,187,604	7,828,951		
EXCESS INCOME vs. EXPENDITURES	<u>Jul-20</u>	<u>Aug-20</u>	<u>Sep-20</u>	<u>Oct-20</u>	<u>Nov-20</u>	<u>Dec-20</u>	<u>Jan-21</u>	<u>Feb-21</u>	<u>Mar-21</u>	<u>Apr-21</u>	<u>May-21</u>	<u>Jun-21</u>
Projected Budgeted (MTD)	37,924	-134,950	37,924	37,924	-134,950	37,924	37,924	37,924	-134,950	37,924	-134,950	37,924
Actual (MTD)	113,822	-260,101	-174,123	-77,190	206,496	-127,664	-119,526	-10,999	66,761	150,587	0	0
Projected Budgeted (YTD)	37,924	-97,026	-59,102	-21,178	-156,128	-118,204	-80,280	-42,356	-177,306	-139,382	-274,332	-236,408
Actual (YTD)	113,822	-146,279	-320,402	-397,592	-191,096	-318,760	-438,286	-449,285	-382,524	-231,937	0	0
FISCAL YEAR 2019-2020	<u>Jul-19</u>	<u>Aug-19</u>	<u>Sep-19</u>	<u>Oct-19</u>	<u>Nov-19</u>	<u>Dec-19</u>	<u>Jan-20</u>	<u>Feb-20</u>	<u>Mar-20</u>	<u>Apr-20</u>	<u>May-20</u>	<u>Jun-20</u>
PLAN INCOME												
Projected Budgeted (MTD)	674,837	674,837	674,837	674,837	674,837	674,837	674,837	674,837	674,837	674,836	674,836	674,836
Actual (MTD)	627,213	652,720	650,545	655,169	734,359	715,169	723,236	970,288	715,536	649,274	675,554	732,160
Projected Budgeted (YTD)	674,837	1,349,674	2,024,511	2,699,348	3,374,185	4,049,022	4,723,859	5,398,696	6,073,533	6,748,369	7,423,205	8,098,041
Actual (YTD)	627,213	1,279,933	1,930,478	2,585,647	3,320,007	4,035,176	4,758,412	5,728,700	6,444,236	7,093,510	7,769,064	8,501,224
PLAN CLAIMS/ADMIN COSTS	<u>Jul-19</u>	<u>Aug-19</u>	<u>Sep-19</u>	<u>Oct-19</u>	<u>Nov-19</u>	<u>Dec-19</u>	<u>Jan-20</u>	<u>Feb-20</u>	<u>Mar-20</u>	<u>Apr-20</u>	<u>May-20</u>	<u>Jun-20</u>
Projected Budgeted (MTD)	727,655	640,699	727,655	640,699	640,699	727,655	640,699	640,699	727,655	640,698	640,698	640,698
Actual (MTD)	646,453	673,397	845,354	678,761	893,068	996,518	825,669	776,712	849,727	629,694	538,458	736,771
Projected Budgeted (YTD)	727,655	1,368,354	2,096,009	2,736,708	3,377,407	4,105,062	4,745,761	5,386,460	6,114,115	6,754,813	7,395,511	8,036,209
Actual (YTD)	646,453	1,319,850	2,165,204	2,843,965	3,737,033	4,733,551	5,559,220	6,335,932	7,185,659	7,815,353	8,353,811	9,090,582
EXCESS INCOME vs. EXPENDITURES	<u>Jul-19</u>	<u>Aug-19</u>	<u>Sep-19</u>	<u>Oct-19</u>	<u>Nov-19</u>	<u>Dec-19</u>	<u>Jan-20</u>	<u>Feb-20</u>	<u>Mar-20</u>	<u>Apr-20</u>	<u>May-20</u>	<u>Jun-20</u>
Projected Budgeted (MTD)	-52,818	34,138	-52,818	34,138	34,138	-52,818	34,138	34,138	-52,818	34,138	34,138	34,138
Actual (MTD)	-19,240	-20,677	-194,809	-23,592	-158,708	-281,349	-102,433	193,576	-134,191	19,580	137,096	-4,611
Projected Budgeted (YTD)	-52,818	-18,680	-71,498	-37,360	-3,222	-56,040	-21,902	12,236	-40,582	-6,444	27,694	61,832
Actual (YTD)	-19,240	-39,917	-234,726	-258,318	-417,026	-698,375	-800,808	-607,232	-741,423	-721,843	-584,747	-589,358

Please note that, beginning Nov-20, the Plan Income Actual amounts include estimated prescription rebates accrued per month, with Nov-20 reporting estimates for July-November 2020.

April 10/FY 2021: \$1,286,061
 April 10/FY 2020: \$1,385,492
 April 10/FY 2019: \$2,166,354
 April 10/FY 2018: \$2,239,970

** HAD FIVE MONDAYS WITH REPORTED MEDICAL CLAIMS PAID**



Human Resources
100 N. Midwest Boulevard
Midwest City, OK 73110
office 405.739.1235

Memorandum

TO: Honorable Mayor and Council

FROM: Troy Bradley, Human Resources Director

DATE: May 25, 2021

RE: Discussion and consideration of approving and entering into the Administrative Services Agreement with Health Care Services Corporation to provide administrative services for the Employee Health Benefits Plan for the FY 2021/2022 for a net cost of \$61.05 per employee per month and \$10.00 per month for participants for COBRA Service Charges with a \$75.00 per month administrative fee.

Attached is a copy of the agreement with Health Care Service Corporation, of which Blue Cross/Blue Shield of Oklahoma is a division, to provide administrative services for the Employee Health Benefits Plan for FY 2021/2022. The rates in this agreement reflect a small increase of 1.33% in administrative fees over last year.

INSURICA was able to negotiate with BCBSOK to provide the City with a \$20,000.00 communication credit to help offset some of the overall premium increases for administrative and stop loss rates. This was in response to getting some other competitive bids for services.

COBRA had no fee increases.

Staff recommends approval.

Troy Bradley, Human Resources Director

Benefit Program Application ("ASO BPA")

Applicable to Administrative Services Only (ASO) Group Accounts

administered by Blue Cross and Blue Shield of Oklahoma, a Division of Health Care Service Corporation,
a Mutual Legal Reserve Company, hereinafter referred to as "Claim Administrator" or "BCBSOK"

Group Status: Renewing ASO Account

Employer Account Number (6-digits): 621602 Group Number(s): 621602

Section Number(s): 2001-2009, 2014-2016, 2018, 2025, 2026, 2029, 2030, 2035, 2036, 2042, 2043, 2047, 2048, 2050,
2601, 2062, 2064, 2074, 3001-3004, 9901

Legal Employer Name: City of Midwest City

(Specify the Employer or the employee trust applying for coverage. Names of subsidiary or affiliated companies to be covered must be named below. AN EMPLOYEE BENEFIT PLAN MAY NOT BE NAMED)

ERISA Regulated Group Health Plan*: Yes No

Is your ERISA Plan Year* a period of 12 months beginning on the Effective Date of Coverage specified below? Yes

If not, please specify your ERISA Plan Year*: Beginning Date ___/___/___ End Date ___/___/___ (month/day/year)

ERISA Plan Administrator*:

Plan Administrator's Address:

If you maintain that ERISA is not applicable to your group health plan, give legal reason for exemption:

Select legal reason ; if applicable, specify other: _____

Is your Non-ERISA Plan Year* a period of 12 months beginning on the Anniversary Date specified below? Yes

If not, please specify your Non-ERISA Plan Year*: Beginning Date ___/___/___ End

Date ___/___/___ (month/day/year)

For more information regarding ERISA, contact your Legal Advisor.

*All as defined by ERISA and/or other applicable law/regulations

Effective Date of Coverage: (Month/Day/Year) 07 / 01 / 2021

Anniversary Date: (Month/Day/Year) 07 / 01 / 2022

Account Information

NO CHANGES SEE ADDITIONAL PROVISIONS

Standard Industry Code (SIC): 9111

Employer Identification Number (EIN): 736027530

Address: 100 N. Midwest Blvd.

City: Midwest City

State: OK

ZIP: 73110-4319

Administrative Contact: Troy Bradley

Title: Human Resources Director

Email Address: tbradley@midwestcityok.org

Phone Number: 405-739-1235

Fax: 405-739-1359

Wholly Owned Subsidiaries to be covered:

Affiliated Companies to be covered:

Employer Identification Number (EIN):

(If Subsidiaries or Affiliated Companies listed above are to be covered, Employer hereby confirms that Employer and the listed Subsidiaries and/or Affiliates are treated as a single employer under Internal Revenue Code Section 414(b), (c) or (m).)

Blue Access for Employers (BAE) Contact: Troy Bradley

(The BAE Contact is the Employee authorized by the Employer to access and maintain the Employer's account in BAE.)

Email Address: tbradley@midwestcityok.org

Phone Number: 405-739-1235

Fax Number: 405-739-1359

The Employer or other company listed in this BPA is a public entity or governmental agency/contractor

Proprietary and Confidential Information of Claim Administrator

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Producer of Record NO CHANGES SEE ADDITIONAL PROVISION

Effective: 05/01/2020

If applicable, the below-named producer(s) or agency(ies) is/are recognized as the Employer's Producer of Record (POR) to act as representative in negotiations with and to receive commissions from Blue Cross and Blue Shield of Oklahoma, or Claim Administrator's corporate subsidiaries, as applicable, for procuring Claim Administrator's claims administration services for Employer's employee benefit program(s). This statement rescinds any and all previous POR appointments for the Employer. The POR is authorized to perform membership transactions on behalf of the Employer. This appointment will remain in effect until withdrawn or superseded in writing by Employer.

Are commissions to be paid? Yes No**Producer or Agency to whom commissions are to be paid*:** INSURICA, Inc.

Oklahoma Producer#: 013155000

NPN:

Address: 5100 Classen Blvd., Ste 300

City: Oklahoma City

State: OK

ZIP: 73118

Phone: 405-556-2225

Fax: 405-556-2394

Email: Dustin.Brand@INSURICA.com

Is Producer/Agency appointed with BCBSOK in Oklahoma? Yes No

Commissions:

 PCPM \$ Does a Monthly Cap Apply Yes No \$ (If cap is annual, divide by twelve) Flat \$ Does a Monthly Cap Apply Yes No \$ (If cap is annual, divide by twelve) Percentage of Stop Loss: %

ADDITIONAL COMMISSIONS:

* The Producer or agency name(s) above to whom commissions are to be paid must exactly match the name(s) on the appointment application(s).

Schedule of Eligibility NO CHANGES SEE ADDITIONAL PROVISIONS

Employer has made the following eligibility decisions:

1. Eligible Person means:

- A full-time employee of the Employer.
- A full-time employee of the Employer who is a member of: *(name of union)*
- A part-time employee of the Employer.
- A retiree of the Employer. Define criteria: _____
- Other: A Full-Time employee, a Retiree and an Elected Official

Notwithstanding any other state or federal law, an eligible Retiree may continue, at their own expense, coverage under this plan following termination of their active status

Are any classes of employees to be excluded from coverage? Yes No*If yes*, please identify the classes and describe the exclusion: _____**2. Employee definition:****Full-Time Employee means:**

- A person who is regularly scheduled to work a minimum of _____ hours per week and who is on the permanent payroll of the Employer.
- Other: 1. A regular, full-time employee of the employer who regularly works at least 30 hours per week.
- 2. A regular, part-time employee of the employer who regularly works less than 30 hours per week and who has been covered by this plan as a full-time employee of the employer at least 10 years.
- 3. An elected official of the employer.

Group's retiree provisions should be as follows:

Retiree: An eligible Retiree shall be defined as any former Employee who receives a continuing benefit pursuant to the provisions of the Oklahoma Firefighters Pension and Retirement System, or the Oklahoma Police Pension and Retirement System, or an Employee who worked for a period of at least eight (8) years or more for the

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Employer on a full-time basis and had a standard work-week of thirty (30) hours or more (or an annual budgeted work week averaging thirty (30) hours or more per standard work-week and for whom benefits were budgeted by the Employer). Elected officers shall be eligible for the plan as a retiree as long as elected officers have served eight (8) or more years with the City of Midwest City and who has continuously participated in the health benefits plan at the City of Midwest City at the time of retirement. The surviving Spouse or surviving minor child or children of a retiree may continue in force, at their own expense, the Plan, provided the surviving Spouse or surviving minor child or children continuously participated in the Plan at the then time of death of the Retiree. To continue in force the Plan, the surviving Spouse or surviving minor child or children shall notify the Plan Administrator within 30 days of death of the Retiree. Due to being permanently and totally disabled as the result of a job-related sickness or accident suffered while working for the Employer as determined by the Worker's Compensation Court or effective April 4, 2010 .

Part-Time Employee means:

- A person who is regularly scheduled to work a minimum of _____ hours per week and who is on the permanent payroll of the Employer.
- Other:

3. The Effective Date of termination for a person who ceases to meet the definition of Eligible Person:

- The date such person ceases to meet the definition of Eligible Person.
- The last day of the calendar month in which such person ceases to meet the definition of an Eligible Person.
- Other: RETIREE ENROLLMENT PROVISIONS

Important - Failure to elect retiree coverage when first eligible shall waive any future rights to apply for retiree coverage. Retiree enrollment is classified in the following manner:

Initial enrollment - coverage for eligible retiree participants will become effective on the day following a retiree's retirement date from employment with the City of Midwest City and/or the day immediately following their termination from active coverage as provided under this Plan, provided that the retiree has elected to participate under this coverage within thirty (30) days from the date of their retirement with the Employer. Coverage will be retroactive to the last date of coverage as an active employee.

Medicare - All retirees eligible for Medicare must elect and enroll in Part A and Part B if electing retiree coverage with the Employer.

Subsequent changes in status - application for a change in status from single to family coverage, or the addition of a previously not-covered dependent. All subsequent enrollments are subject to acceptance only during an open enrollment period. Enrollment occurs only once each year during the month of May.

Termination of Coverage. Termination of coverage may occur in one of the following ways:

1. Upon termination of the Plan.
2. Thirty (30) days from the due date of the required contribution if unpaid, together with any accrued late charge(s).
3. The Retiree does not elect to continue coverage at open enrollment, or notifies the Plan Administrator of their intent to terminate coverage.

Once retiree coverage is terminated, it cannot be reinstated without first returning to Active Employee status.

4. Select an effective date rule for a person who becomes an Eligible Person after the Effective Date of the Employer's health care plan (The effective date must not be later than the 91st calendar day after the date that a newly eligible person becomes eligible for coverage, unless otherwise permitted by applicable law).

- The date of employment.
- The _____ day of employment.
- The _____ day of the month following _____ month(s) of employment.
- The _____ day of the month following _____ days of employment.
- The 1st day of the month following the date of employment.
- Other: RETIREE ENROLLMENT PROVISIONS

Important - Failure to elect retiree coverage when first eligible shall waive any future rights to apply for retiree coverage. Retiree enrollment is classified in the following manner:

Initial enrollment - coverage for eligible retiree participants will become effective on the day following a retiree's retirement date from employment with the City of Midwest City and/or the day immediately following their termination from active coverage as provided under this Plan, provided that the retiree has elected to participate under this coverage within thirty (30) days from the date of their retirement with the Employer. Coverage will be retroactive to the last date of coverage as an active employee.

Medicare - All retirees eligible for Medicare must elect and enroll in Part A and Part B if electing retiree coverage with the Employer.

Proprietary and Confidential Information of Claim Administrator

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Subsequent changes in status - application for a change in status from single to family coverage, or the addition of a previously not-covered dependent. All subsequent enrollments are subject to acceptance only during an open enrollment period. Enrollment occurs only once each year during the month of May.

Is the waiting period requirement to be waived on initial group enrollment? Yes No

Are there multiple new hire waiting periods? Yes No

If yes, please attach eligibility and contribution details for each section.

5. Domestic partners covered: Yes No

If yes, a domestic partner is eligible to enroll for coverage.

If yes, are domestic partners eligible for continuation of coverage? Yes No

If yes, are dependents of domestic partners eligible to enroll for coverage? Yes No

If yes, are dependents of domestic partners eligible for continuation of coverage? Yes No

The Employer is responsible for providing notice of possible tax implications to those Covered Employees with coverage for domestic partners.

6. Limiting Age for covered children: Twenty-six (26) years, regardless of presence or absence of a child's financial dependency, residency, student status, employment status, marital status, eligibility for other coverage, or any combination of those factors. Other:

7. Termination of coverage upon reaching the Limiting Age:

The last day of coverage is the day prior to the birthday.

The last day of coverage is the last day of the month in which the limiting age is reached.

The last day of coverage is the last day of the billing month.

The last day of coverage is the last day of the year (12/31) in which the limiting age is reached.

The last day of coverage is the day prior to the Employer's Anniversary Date.

Automatically cancel dependents when they reach the day their coverage terminates? Yes No

Will coverage for a child who is medically certified as disabled and dependent on the employee terminate upon reaching the Limiting Age even if the child continues to be both disabled and dependent on the employee?

Yes No

However, such coverage shall be extended in accordance with any applicable federal or state law. The Employer will notify BCBSOK of such requirements.

8. Disabled dependent: A disabled dependent means a dependent child who is medically certified as disabled and dependent upon the Employee or his/her spouse.

To administer medical certification of disabled dependents, you may select option (a) Standard Rules or (b) Custom Rules. If (b) is selected there are additional selections regarding age, proof of prior coverage, certification review, forms, and previous medical certification approvals.

(a) Disabled dependent administration will follow **Standard Rules**.

A disabled dependent is eligible to **continue** coverage beyond the limiting age, provided the disability began before the child attained the age of 26. A disabled dependent is eligible to **add** coverage beyond the limiting age, provided the disability began before the child attained the age of 26, and proof of coverage as a disabled dependent is provided. Administration of certification review is handled by BCBSOK; a disabled dependent certification form must be submitted to BCBSOK.

(b) Disabled dependent Administration will follow **Custom Rules**. Please make the following sections:

Age: Please select one option regarding age of when the disability began.

The disability must have begun before the child attained the age of 26.

All disabled Dependents are covered regardless of when the disability began.

Proof of prior coverage: Please select required or not required below:

When **adding** coverage, proof of prior coverage as a disabled dependent is required not required.

Certification review: Please select one option regarding handling of certification review.

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- Certification review is handled by BCBSOK; a disabled dependent certification form must be submitted to BCBSOK.
- Certification review is handled by the Employer; there are no disabled dependent certification form requirements.

If certification review is selected as handled by BCBSOK, please select one option regarding forms:

- The disabled dependent certification form will be utilized.
- A custom or other disabled dependent certification form will be utilized.

If Certification Review is selected as handled by BCBSOK, please select allowed or not allowed below:

- A disabled dependent approved medical certification from a prior carrier is allowed not allowed.
- A disabled dependent approved medical certification from a prior BCBS policy is allowed not allowed.

9. Will extension of benefits due to temporary layoff, disability or leave of absence apply?

- Yes (specify number of days below)
- No

Temporary Layoff: days Disability: days Leave of Absence: days

However, benefits shall be extended for the duration of an Eligible Person's leave in accordance with any applicable federal or state law. The Employer will notify BCBSOK of such requirements.

10. Enrollment:

Special Enrollment: An Eligible Person may apply for coverage, family coverage or add dependents within thirty-one (31) days of a Special Enrollment qualifying event if he/she did not previously apply prior to his/her Eligibility Date or when otherwise eligible to do so. Such person's Coverage Date, family Coverage Date, and/or dependent's Coverage Date will be the effective date of the qualifying event or, in the event of Special Enrollment due to marriage or termination of previous coverage, then no later than the first day of the Plan Month following the date of receipt of the person's application of coverage.

An Eligible Person may apply for coverage within sixty (60) days of a Special Enrollment qualifying event in the case either of a loss of coverage under Medicaid or a state Children's Health Insurance program, or eligibility for group coverage where the Eligible Person is deemed qualified for group coverage assistance under a state Medicaid or CHIP premium assistance program.

Open Enrollment: An Eligible Person may apply for coverage, family coverage or add dependents if he/she did not apply prior to his/her Eligibility Date or did not apply when otherwise eligible to do so, during the Employer's annual Open Enrollment Period. Such person's Coverage Date, family Coverage Date, and/or dependent's Coverage Date will be a date mutually agreed to by the Claim Administrator and the Employer. Such date shall be subsequent to the Open Enrollment Period. Specify Open Enrollment Period: 05/01/2021-05/31/2021

Late Enrollment: An Eligible Person may apply for coverage, family coverage or add dependents if he/she did not apply prior to his/her Eligibility Date or did not apply when otherwise eligible to do so. Such person's Coverage Date, family Coverage Date, and/or dependent's Coverage Date will be a date mutually agreed to by the Claim Administrator and the Employer.

Select one of the provisions below:

- Open Enrollment – Late applicants may only apply during Open Enrollment.
- Late Entrant – Late applicants may apply at any time – coverage effective date is determined by the receipt date and the rules governing off-cycle enrollments.

11. * Does COBRA Auto Cancel apply? Yes No

Member's COBRA/Continuation of coverage will be automatically cancelled at the end of the member's eligibility period.

**Not recommended for accounts with automated eligibility*

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Not for use or disclosure outside Claim Administrator, Employer, their respective affiliated companies and third-party representatives, except with written permission of Claim Administrator.

Lines of Business (Check all applicable services)	<input checked="" type="checkbox"/> NO CHANGES <i>Provisions</i>	<input type="checkbox"/> See <i>Additional</i>
<p><u>Medical Plan Services:</u></p> <p><input type="checkbox"/> Blue Choice PPO</p> <p><input type="checkbox"/> Blue Traditional (In and Out of Network Benefits)</p> <p><input type="checkbox"/> BlueOptions</p> <p><input type="checkbox"/> BlueOptions Select PPO</p> <p><input checked="" type="checkbox"/> Blue Preferred</p> <p><input type="checkbox"/> NativeBlue</p> <p><input type="checkbox"/> Out of Area (Traditional)</p> <p><u>Additional Services:</u></p> <p><input checked="" type="checkbox"/> Wellbeing Management</p> <p><input type="checkbox"/> Wellness Incentives</p> <p><input type="checkbox"/> Health Advocacy Solutions</p> <p><input type="checkbox"/> Mercer Health Advantage</p> <p><input type="checkbox"/> Custom Care Management Unit</p> <p><input type="checkbox"/> Blue DirectionsSM (Private Exchange) <i>(If selected, the Blue Directions Addendum is attached and made a part of the parties' Administrative Services Agreement.)</i></p> <p><input type="checkbox"/> Limited Fiduciary Services for Claims and Appeals</p> <p><input type="checkbox"/> Other Select Product</p> <p><input type="checkbox"/> Other Select Product</p> <p><input type="checkbox"/> Other Select Product</p> <p><input type="checkbox"/> Other Select Product</p> <p><input checked="" type="checkbox"/> Other MD Live Virtual Visits</p> <p><input type="checkbox"/> Other</p>	<p><u>Consumer Driven Health Plan:</u></p> <p><input type="checkbox"/> Blue Edge (HCA) <i>(If selected, complete separate HCA BPA)</i></p> <p><input type="checkbox"/> Blue Edge (HSA) (vendor: Select Vendor)</p> <p><input type="checkbox"/> Blue Edge FSA (vendor: Select Vendor)</p> <p><u>Prescription Drugs:</u> <i>(If selected, the PBM Fee Schedule Addendum must be attached and is part of this BPA)</i></p> <p>Pharmacy Network:</p> <p><input type="checkbox"/> Traditional Select Network</p> <p><input type="checkbox"/> Advantage Network</p> <p><input type="checkbox"/> Preferred Network</p> <p><input type="checkbox"/> Elite Network</p> <p><input type="checkbox"/> Network on PBM Fee Schedule Addendum</p> <p>Drug List: Select Drug List</p> <p>Other (please specify): _____</p> <p>PPO/H-S-A Preventive Drug List: Please specify: Select Option</p> <p>Other RX programs: Select Program</p> <p><u>Ancillary Services:</u></p> <p><input type="checkbox"/> Dental Plan Services</p> <p><input checked="" type="checkbox"/> Vision Plan Services</p> <p><input checked="" type="checkbox"/> Stop Loss Coverage <i>(if selected, complete separate Exhibit to the Stop Loss Coverage Policy)</i></p> <p><input type="checkbox"/> Life or Disability Insurance provided by separate carrier <i>(if selected, complete separate Life application)</i></p> <p><input checked="" type="checkbox"/> COBRA Administrative Services <i>(if selected, complete separate COBRA Administrative Services Addendum)</i></p>	

Mercer Health Advantage is offered by Mercer, an independent company, and is administered by Blue Cross and Blue Shield of Oklahoma.

Proprietary and Confidential Information of Claim Administrator
Not for use or disclosure outside Claim Administrator, Employer, their respective affiliated companies and third-party representatives, except with written permission of Claim Administrator.

FEE SCHEDULE

Employer shall pay amounts Claim Administrator bills Employer for benefit claims Claim Administrator processes on Employer's behalf as well as administrative fees as set forth in this Fee Schedule.

Payment Specifications NO CHANGES SEE ADDITIONAL PROVISIONS

Employer Payment Method: Online Bill Pay Electronic Auto Debit Check

Employer Payment Period: Weekly (cannot be selected if Check is selected as payment method above)
 Semi Monthly (cannot be selected if Check is selected as payment method above)
 Monthly

Claim Settlement Period: Monthly

Run-Off Period: Employer payments are to be made for 12 months following end of Fee Schedule Period.
Standard is twelve (12) months.

Fee Schedule Period: To begin on Effective Date of Coverage and continue for 12 months. If other than 12 months, please specify: _____ Months.

Administrative Per Employee per Month (PEPM) Charges NO CHANGES SEE ADDITIONAL PROVISIONS

	\$63.15			
Administrative Fee	\$	\$	\$	\$
Dental	\$	\$	\$	\$
Limited Fiduciary Services	\$*included in Admin Fee	\$	\$	\$
Medical Rebate Credit	\$(2.10)	\$	\$	\$
*Rebate Credit for the Prescription Drug Program	\$	\$	\$	\$
Commissions: _____	\$	\$	\$	\$
Commissions: _____	\$	\$	\$	\$
Commissions: _____	\$	\$	\$	\$
Outpatient Imaging Management Services	\$	\$	\$	\$
Management of the Virtual Visits Program	\$*included in Admin Fee	\$	\$	\$
Wellbeing Management	\$*included in Admin Fee	\$	\$	\$
Health Advocacy Solutions	\$	\$	\$	\$
Other: Data Exchange List Service: <u>Reverse Eligibility - CVS/Caremark</u>	\$	\$	\$	\$
Other: Select Service Category List Service: _____	\$	\$	\$	\$
Other: Select Service Category List Service: _____	\$	\$	\$	\$
Miscellaneous: _____	\$	\$	\$	\$
Miscellaneous: _____	\$	\$	\$	\$

Total	\$\$\$61.05	\$	\$	\$
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*The Rebate Credit is a per Covered Employee per month credit applied to the monthly billing statement. The Employer and Claim Administrator have agreed to the Rebate Credit and Employer agrees that it and its group health plan have no right to, or legal interest in, any portion of the rebates, either under the pharmacy benefit or the medical benefit, actually provided by the Pharmacy Benefit Manager ("PBM") or a pharmaceutical manufacturer to Claim Administrator and consents to Claim Administrator's retention of all such rebates. The Rebate Credit will be provided from Claim Administrator's own assets and may or may not equal the entire amount of rebates actually provided to Claim Administrator by the PBM or expected to be provided. Rebate Credits shall not continue after termination of the Prescription Drug Program. Employer agrees that any Rebate Credit provision in the governing Administrative Services Agreement to the contrary is hereby superseded.

Administrative Line Item Charges	Frequency	Amount
Other: Select Service Category List Service: _____	Select Billing Frequency If applicable, describe other: _____	\$ _____
Other: Select Service Category List Service: _____	Select Billing Frequency If applicable, describe other: _____	\$ _____
Other: Select Service Category List Service: _____	Select Billing Frequency If applicable, describe other: _____	\$ _____
Other: Select Service Category List Service: _____	Select Billing Frequency If applicable, describe other: _____	\$ _____
Miscellaneous: _____	Select Billing Frequency If applicable, describe other: _____	\$ _____
Miscellaneous: _____	Select Billing Frequency If applicable, describe other: _____	\$ _____
Total:		\$ _____

Other Service and/or Program Fee(s) <input type="checkbox"/> NO CHANGES <input type="checkbox"/> SEE ADDITIONAL PROVISIONS
Not applicable to Grandfathered Plans External Review Coordination: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes</i> , coordination fee: \$700 for each external review requested by a Covered Person that the Claim Administrator coordinates for the Employer in relation to the Employer's Plan. Employer elects for external reviews to be performed under the Affordable Care Act external review process.
Reimbursement Service: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes:</i> It is understood and agreed that in the event Claim Administrator makes a recovery on a third-party liability claim, Claim Administrator will retain 25% of any recovered amounts other than recovery amounts received as a result of or associated with any Workers' Compensation Law.
Third-Party Recovery Vendors and Law Firms Provisions (other than Reimbursement Services): <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Employer will pay no more than 25% of any recovered amount made by Claim Administrator's Third-Party Recovery Vendor or up to 25% of any recovered amount will be deducted from the amount distributed according to established allocation processes. Employer will pay no more than 35% of any recovered amount made by Claim Administrator's third-party law firm or up to 35% of any recovered amount will be deducted from the amount distributed according to established allocation processes.
Alternative Compensation Arrangements: Employer acknowledges and agrees that Claim Administrator has Alternative Compensation Arrangements with contracted Providers, including but not limited to Accountable Care Organizations and other Value Based Programs. Further information concerning Employer's payment for Covered

Services under such Arrangements is described in the Administrative Services Agreement between the Claim Administrator and the Employer.

Virtual Visits Program: Yes No **If yes,** Covered Persons would be able to obtain certain Covered Services remotely via interactive video and/or interactive audio/video (where available) capability from Virtual Visits powered by MDLIVE.

Termination Administrative Charge

As applies to the Run-Off Period indicated in the Payment Specifications section above:

- i. **For service charges (including, but not limited to, access fees) billed on a per Covered Employee basis at the time of termination of the Administrative Services Agreement or partial termination of Covered Employees,** the Termination Administrative Charge will be the amount equal to ten percent (10%) of the annualized charges based on the service charges in effect as of the termination date or date of partial termination and the Plan participation of the two (2) months immediately preceding the termination date or date of partial termination. Such aggregate amount will be due the Claim Administrator within ten (10) days of the Claim Administrator's notification to the Employer of the Termination Administrative Charge described herein.
- ii. **For service charges (including, but not limited to, access fees) billed on a basis other than per Covered Employee at the time of termination of the Administrative Services Agreement or partial termination of Covered Employees,** the Termination Administrative Charge will be such service charges in effect at the time of termination of the Agreement or partial termination of Covered Employees to be applied and billed by the Claim Administrator, and paid by the Employer, in the same manner as prior to termination of the Agreement or partial termination of Covered Employees.

The Termination Administrative Charge applicable to the Run-Off Period shall be equal to the sum of the amounts obtained by multiplying the total number of Covered Employees by category (*per Covered Employee per individual or family composite*) during the three (3) months immediately preceding the date of termination by the appropriate factors shown below.

Service	2021			
Medical Run-off Administration Charge	\$22.88	\$	\$	\$
Dental Run-off Administration Charge	\$	\$	\$	\$
Miscellaneous	\$	\$	\$	\$
Miscellaneous	\$	\$	\$	\$
Total:	\$22.88	\$	\$	\$

Other Provisions

NO CHANGES **SEE ADDITIONAL PROVISIONS**

1. Summary of Benefits & Coverage:

- a. Will Claim Administrator create Summary of Benefits and Coverage (SBC)?
 - Yes. (Please answer question b. The SBC Addendum is attached.)
 - No. (If No, then skip question b and refer to the Administrative Services Agreement for further information.)
- b. Will Claim Administrator distribute the (SBC) to Covered Persons?
 - No. Claim Administrator will create SBC (only for benefits Claim Administrator administers under the Agreement) and provide SBC to Employer in electronic format. Employer will then distribute SBC to Covered Persons (or hire a third party to distribute) as required by law.
 - Yes. Claim Administrator will create SBC (only for benefits Claim Administrator administers under the Agreement) and provide SBC to Employer in electronic format. Employer will then distribute to Covered Persons as required by law, except that Claim Administrator will send the SBC in response to any request received directly from Covered Persons.

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- Yes. Claim Administrator will create SBC (only for benefits Claim Administrator administers under the Agreement) and distribute SBC plan to participants and beneficiaries via regular hardcopy mail or electronically. Distribution Fee for hardcopy mail is \$1.50 per package. The distribution fee will not apply to SBCs that Claim Administrator sends in response to any request received directly from a Covered Person.

2. Massachusetts Health Care Reform Act:

Does the Employer direct Claim Administrator to provide written statements of creditable coverage to its Covered Employees who reside, or have enrolled dependents who reside, in Massachusetts and file electronic reports to the Massachusetts Department of Revenue in a manner consistent with the requirements under the Massachusetts Health Care Reform Act? Yes No

If no: The Employer acknowledges it will provide written statements and electronic reporting to the Massachusetts Department of Revenue if required by the Massachusetts Health Care Reform Act.

3. Alternative Care Management Program (applicable to the purchased medical management program):

Yes No

The undersigned representative authorizes provision of alternative benefits for services rendered to Covered Persons for Utilization Management, Case Management, including but not limited to Behavioral Health, and other health care management programs.

4. Prior Authorization (applicable to the purchased medical management program): Employer acknowledges and agrees to utilize Claim Administrator's standard list of services and supplies for which pre-notification or preauthorization is required: Yes No

If no, Employer authorizes Claim Administrator to post Employer's pre-notification or preauthorization requirements on Claim Administrator's Website: Yes No

5. Essential Health Benefits ("EHB") Election:

Employer elects EHBs based on the following:

1. EHBs based on a Claim Administrator state benchmark:
 Illinois Montana New Mexico Oklahoma Texas
2. EHBs based on benchmark of a state other than IL, MT, NM, OK and TX
If so, indicate the state's benchmark that Employer elects: ____
3. Other EHB, as determined by Employer

In the absence of an affirmative selection by Employer of its EHBs, then Employer is deemed to have elected the EHBs based on the Oklahoma benchmark plan.

6. This ASO BPA is binding on both parties and is incorporated into and made a part of the Administrative Services Agreement between the parties with both such documents to be referred to collectively as the "Agreement" unless specified otherwise.

7. Producer/Consultant Compensation

The Employer acknowledges that if its POR acts on its behalf for purposes of purchasing services in connection with the Employer's Plan under the Administrative Services Agreement to which this ASO BPA is attached, the Claim Administrator may pay the Employer's POR a commission and/or other compensation in connection with such services under the Agreement. If the Employer desires additional information regarding commissions and/or other compensation paid to the POR by the Claim Administrator in connection with services under the Administrative Services Agreement, the Employer should contact its POR.

Additional Provisions: Domestic Partner Coverage: Legally married in a state that recognizes same sex marriage.

Pharmacy benefits continue to be carved out to CVS/Caremark.

Effective 7.1.2021 BCBSOK will provide a one-time communication credit of \$20,000 for the twelve-month period beginning on the Contract Effective Date, to be used to cover health related communication expenses. If Employer

Proprietary and Confidential Information of Claim Administrator

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cancels before the expiration of the policy period, Employer will be responsible for refunding to BCBSOK the full amount of the communication credit.

Proprietary and Confidential Information of Claim Administrator

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Signature

Annie Hickerson

Sales Representative

403 (P): 405-316-
7138 (F): 918-549-2302

District Phone & FAX Numbers

Dustin Brand

Producer Representative

INSURICA, Inc.

Producer Firm

5100 Classen Blvd., Ste 300

Oklahoma City, OK 73118

Producer Address

(P): 405-556-2225 (F): 405-556-2394

Producer Phone & FAX Numbers

Dustin.Brand@INSURICA.com

Producer Email Address

730687265

Tax I.D. No.

Signature of Authorized Purchaser

Print Name

Title

Date

Proprietary and Confidential Information of Claim Administrator

Not for use or disclosure outside Claim Administrator, Employer, their respective affiliated companies and third-party representatives, except with written permission of Claim Administrator.

PROXY

The undersigned hereby appoints the Board of Directors of Health Care Service Corporation, a Mutual Legal Reserve Company, or any successor thereof ("HCSC"), with full power of substitution, and such persons as the Board of Directors may designate by resolution, as the undersigned's proxy to act on behalf of the undersigned at all meetings of members of HCSC (and at all meetings of members of any successor of HCSC) and any adjournments thereof, with full power to vote on behalf of the undersigned on all matters that may come before any such meeting and any adjournment thereof. The annual meeting of members is scheduled to be held each year in the HCSC corporate headquarters on the last Tuesday of October at 12:30 p.m. Special meetings of members may be called pursuant to notice provided to the member not less than thirty (30) nor more than sixty (60) days prior to such meetings. This proxy shall remain in effect until either revoked in writing by the undersigned at least twenty (20) days prior to any meeting of members or by attending and voting in person at any annual or special meeting of members.

From time to time, HCSC pays indemnification or advances expenses to its directors, officers, employees or agents consistent with HCSC's bylaws then in force and as otherwise required by applicable law.

Group No.: 621602 By: _____
Print Signer's Name Here
➔ _____
Signature and Title

Group Name: City of Midwest City

Address: 100 N. Midwest Blvd.

City: Midwest City State: OK ZIP: 73110-4319

Dated this _____ day of _____
Month Year

HCSC COBRA ADMINISTRATIVE SERVICES ADDENDUM
(If applicable, attach to Benefit Program Application)

<input type="checkbox"/> NO CHANGES		ACCOUNT INFORMATION	
Employer Name: <u>City of Midwest City</u>			
Employer Account Number(s): <u>621602</u>			
COBRA Services			
COBRA Administrative Billing Services Only: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
COBRA Administrative Full Services: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Notification Services included: (Full Services) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Conversion Rights included: (Full Services) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Monthly Reports* included: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes: Email Address:			
*Paper reports provided by mail/electronic reports via email			
Effective date(s) of services if different from ASO Effective Date of Coverage:			
COBRA Service Charges			
Billing Services Fee per Participant per month: \$10.00			
<i>If Notification Services included (Full Services)</i>			
Notification Fee [per Participant, per notification]: \$10.00			
Monthly Administrative Fee: \$75.00			
The Employer will pay HCSC a sum of One Hundred Dollars (\$100.00) per hour for any system programming costs associated with non-standard administration services.			
COBRA Membership			
Number of Active Members*:			
Number of current COBRA participants/members*:			
Number of current COBRA retiree participants/members*:			
<i>*Full Service Unit (FSU) set-up of participants/members in BlueStar required</i>			
FSU Location:			
FSU Contact:		Email Address:	
Is all COBRA participant census information attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Is all COBRA participant coverage(s) and level elected information attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Is all dependent census information attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

COBRA Coverage

Are rates (SINGLE/FAMILY or TIERED) for all coverages attached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Is 2% included in attached rates? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Does Employer have any non-HCSC coverage? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<i>If Yes, Other Carrier(s):</i>		
Name: Sun Life Assurance Company of Canada (Dental carrier)		
Address: PO BOX 69421		Email Address: Scott.Edie@sunlife.com
City: Harrisburg	State: PA	Zip:
Administrative Contact: Scott Edie	Phone Number: 1-888-222-3660	Fax Number:
Name:		
Address:		Email Address:
City:	State:	Zip:
Administrative Contact:	Phone Number:	Fax Number:
COBRA coverage begins: <input checked="" type="checkbox"/> On date of Qualifying Event <input type="checkbox"/> First of month following date of Qualifying Event		
Should 150% of the COBRA premium be charged to participants eligible for disability extension for the remaining 11 months of COBRA? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Extension is from 18 months to 29 months when deemed disabled by Social Security)</i>		
Is contract provided and signed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Prior COBRA administrator info:		
Name:		
Address:		Email Address:
City:	State:	Zip:
Administrative Contact:	Phone Number:	Fax Number:



BlueCross BlueShield
of Oklahoma

City of Midwest City 07/01/2021 Confirmation of renewal and benefits

Broker/Consultant: INSURICA

Acknowledgment of renewal documents

- Benefit Program Application (BPA)
- Stop Loss Application
- COBRA Addendum

Renewal Rate Confirmation

- Administration Fee: \$63.15 PEPM
- Medical Rebate: -\$2.10 PEPM
- Individual Stop Loss: \$113.40 PEPM
- Aggregate Stop Loss: \$3.01 PEPM
- Credits: \$20,000 Communication Credit

Benefit & Coverage Confirmation

- Virtual Visits: Medical Only
- Well Being Management Package: Enable
- Stop loss level: \$150,000
- Stop loss Contract type: Paid and includes RX carved out to CVS.

Benefit & Coverage Changes

- None

As an authorized representative, I accept this confirmation of coverage and will return signed contracts. By signing below, I acknowledge agreement with rates and benefits attached.

Authorized Representative _____

(print name)

Signature: _____

Date _____



Human Resources
100 N. Midwest Boulevard
Midwest City, OK 73110
office 405.739.1235

Memorandum

TO: Honorable Mayor and Council

FROM: Troy Bradley, Human Resources Director

DATE: May 25, 2021

RE: Discussion and consideration of entering into a Stop Loss Policy with Health Care Service Corporation to provide and administer specific and aggregate stop loss coverage for the Employee Health Benefits Plan for the fiscal year 2020/2021 at the rate of \$3.01 per employee per month for an aggregate attachment point of \$8,795,738 and \$113.40 per employee per month for a specific attachment point of \$150,000 per covered person.

Attached is a copy of an agreement with Health Care Service Corporation, of which Blue Cross/Blue Shield of Oklahoma is a division, to provide and administer stop loss coverage for the Employee Health Benefits Plan for the fiscal year 2021/2022. The rates in this agreement reflect a negotiated increase in fees over last year of \$0.35 PEPM for the aggregate attachment point and \$5.47 PEPM for the specific attachment point. INSURICA was able to negotiate the original renewal proposals down by shopping for other competitive rates. We were able to reduce the specific attachment point premium by \$5.97 PEPM over the original renewal proposal, which translates to over \$42,000.00 savings for the plan year.

Staff recommends approval.

Troy Bradley, Human Resources Director

EXHIBIT TO THE STOP LOSS COVERAGE POLICY

Employer Group Name: City of Midwest City
Employer Group Address: 100 N. Midwest Blvd.
City: Midwest City **State of Situs:** OK **Zip Code:** 73110-4319
Account Number: 621602
Employer Group Number(s): 621602
Current Effective Date of Policy 07/01/2021
Current Policy Period: These specifications are for the Policy Period commencing on 07/01/2021 and ending on 06/30/2022
Claim Administrator: Blue Cross and Blue Shield of Oklahoma, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company.

The specifications below shall become effective on the first day of the Policy Period specified above and shall continue in full force and effect until the earliest of the following dates: (1) The last day of the Policy Period; (2) The date the Policy terminates; or (3) The date this Exhibit is superseded in whole or in part by a later executed Exhibit.

A. Aggregate Stop Loss Coverage: Yes No

If yes, complete items 1. through 9. below.

1. New Coverage Renewal of Existing Coverage

2. Stop Loss Coverage during the current Policy Period:

New Coverage (Select one from below):

Incurred and paid during the Policy Period: Claims incurred and paid from _____ to _____

Incurred with Run-Out: Claims incurred from _____ to _____
and Claims paid from _____ to _____

Run-in coverage: Claims incurred from _____ to _____
and Claims paid from _____ to _____

Renewal of Existing Coverage:

Claim Administrator's Claims: Claims incurred on or after the original Effective Date of Policy and paid during the Policy Period.

Incurred with Run-Out: Claims incurred from _____ to _____
and Claims paid from _____ to _____

3. Aggregate Stop Loss Coverage shall apply to:

- Medical Claims Vision Claims
- Outpatient Prescription Drug Claims with Company's Pharmacy Benefit Manager
- Outpatient Prescription Drug Claims with Policyholder's Pharmacy Benefit Manager: CVS/Caremark
- Dental Claims
- For Hospital Employer Groups only: *Excludes* _____% of Home Hospital Medical claims
- Other (please specify): _____

4. Average Claim Value: \$1,102.43 : (per Employee per month)

- Includes Claim Administrator's Provider Access Fee
- Excludes Claim Administrator's Provider Access Fee

Attachment Factor: 125% [110% - 125%] of the Average Claim Value

5. Aggregate Attachment Claim Liability:

a. Employer's Claim Liability for each Policy Period shall be the sum of the Monthly amounts obtained by multiplying the number of Coverage Units for each Month by the following factor(s):

\$1,378.04 for each Coverage Unit

\$1,378.04 for each Family Coverage Unit

Please use the continuous text field directly below for any other structure (leaving the fields above blank). Note: you can use the "return" key to create additional rows, if needed.

6. Aggregate Stop Loss Coverage includes coverage of Run-Off Paid Claims: Yes No

Run-Off Attachment Claim Liability Factors:

Employer's Run-Off Claim Liability shall be an amount equal to 15% of the annualized Employer Claim Liability based on the participation of the two (2) calendar months immediately preceding termination. Settlement for the final accounting period will be described in the section of the Policy entitled SETTLEMENTS.

7. Aggregate Stop Loss Claims

a. The amount of Paid Claims during the current Policy Period, less Individual (Specific) Stop Loss Claims if any, that exceed the Aggregate Point of Attachment. The Aggregate Point of Attachment shall equal the sum of the Employer's Claim Liability amounts calculated Monthly as described in item A.5.a. above for the current Policy Period. However, for the current Policy Period the minimum Aggregate Point of Attachment shall be \$8,795,738.

b. The following applies if the answer to item A.6. above is "Yes." (Aggregate Stop Loss Coverage includes coverage of Run-Off Paid Claims):

In the event of termination at the end of the current Policy Period, Aggregate Stop Loss Coverage shall equal the amount of Final Settlement Paid Claims that exceed the Final Settlement Aggregate Point of Attachment. Final Settlement Paid Claims shall equal the sum of the Paid Claims during the Final Policy Period and the Paid Claims during the Run-Off Period, less Individual (Specific) Stop Loss Claims, if any. The Final Settlement Point of Attachment shall equal the sum of the Employer's Claim Liability amount for the Final Policy Period and the Employer's Run-Off Claim Liability calculated as described in items A.5. and A.6. above. However, for the Final Settlement Period the minimum Aggregate Point of Attachment shall be the minimum Aggregate Point of Attachment in item A.7.a. above increased by 15%.

c. The amount of "Run-in" Claims that is excluded from Individual (Specific) Stop Loss Coverage in item B.2. is also not eligible for Aggregate Stop Loss Coverage.

8. Stop Loss Premium (Select one):

Annual Premium (Due on the first day of the current Policy Period): \$_____.

The following applies if the answer to item A.6. above is "Yes." (Aggregate Stop Loss Coverage includes coverage of Run-Off Paid Claims): In the event of termination at the end of the current Policy Period, an additional premium amount equal to 15% of the Annual Premium will be due within ten (10) calendar days of receipt of the billing.

Monthly Premium shall be equal to the amounts obtained by multiplying the number of Coverage Units for a particular Month by:

\$3.01 for each Coverage Unit

\$3.01 for each Family Coverage Unit

Please use the continuous text field directly below for any other structure (leaving the fields above blank). Note: you can use the "return" key to create additional rows, if needed.

The following applies if the answer to item A.6. above is "Yes." (Aggregate Stop Loss Coverage includes coverage of Run-Off Paid Claims):

In the event of termination at the end of the current Policy Period, an additional premium amount equal to 15% of the annualized Premium based on the participation of the two (2) months immediately preceding termination will be due within ten (10) calendar days of receipt of the billing.

9. The premium is based upon a current membership of 598 Employee Coverage Units and _____ Family Coverage Units.

B. Individual (Specific) Stop Loss Coverage: Yes No

If yes, complete items 1. through 6. below.

1. New Coverage Renewal of Existing Coverage

2. Stop Loss Coverage during the current Policy Period:

New Coverage (Select one from below):

Incurred and paid during the Policy Period: Claims incurred and paid from _____ to _____

Incurred with Run-Out: Claims incurred from _____ to _____
and Claims paid from _____ to _____

Run-in coverage: Claims incurred from _____ to _____
and Claims paid from _____ to _____

If coverage is for claims incurred prior to the effective date of the Policy and paid by Policyholder's prior claim administrator, then such claims must be reported by the Policyholder to the Company (Blue Cross and Blue Shield of Oklahoma, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company) and paid by the Policyholder's prior claim administrator by the end of the current Policy Period.

Renewal of Existing Coverage:

Claim Administrator's Claims: Claims incurred on or after the original Effective Date of Policy and paid during the Policy Period.

Incurred with Run-Out: Claims incurred from _____ to _____
and Claims paid from _____ to _____

3. Individual (Specific) Stop Loss Coverage shall apply to:

- Medical Claims Vision Claims
 Outpatient Prescription Drug Claims with Company's Pharmacy Benefit Manager
 Outpatient Prescription Drug Claims with Policyholder's Pharmacy Benefit Manager: CVS/Caremark
 Dental Claims
 For Hospital Employer Groups only: *Excludes* _____% of Home Hospital Medical claims
 Other (please specify): _____

4. Individual (Specific) Stop Loss Claims

For each other Covered Person:

a. The amount of Paid Claims during the current Policy Period in excess of the Individual Point of Attachment of \$150,000 per Covered Person. Such amount shall apply for the current Policy Period.

Point of Attachment: Includes Claim Administrator's Provider Access Fee
 Excludes Claim Administrator's Provider Access Fee

b. Employer's Claim Liability equals the sum of Paid Claims for a Covered Person during the current Policy Period up to the Point of Attachment specified in item b.4.a. above.

5. Individual Stop Loss Coverage includes coverage of Run-Off Paid Claims: Yes No

The following applies if the answer to item B.5. above is "Yes" (Individual (Specific) Stop Loss Coverage includes coverage of Run-Off Paid Claims):

a. In the event of termination at the end of the current Policy Period, Individual (Specific) Stop Loss Coverage shall equal the amount of Final Settlement Paid Claims that exceed the Point of Attachment specified in item B.4. above. Final Settlement Paid Claims shall equal the sum of Paid Claims for a Covered Person during the Final Policy Period and the Run-Off Period (beginning on _____ and ending on _____).

b. In the event of termination at the end of the current Policy Period, Employer's Final Settlement Claim Liability equals the sum of Paid Claims for a Covered Person during the Final Policy Period and Run-Off Period up to the Point of Attachment specified in item B.4.a. above.

Settlements for the final accounting period will be described in the section of the Policy entitled SETTLEMENTS.

6. Stop Loss Premium (select one):

- Annual Premium (Due on the first day of the current Policy Period): \$_____.
- Monthly Premium shall be equal to the amounts obtained by multiplying the number of Coverage Units for a particular Month by:

\$113.40 for each Coverage Unit

\$113.40 for each Family Coverage Unit

The following applies if the answer to item B.5. above is "Yes" (Individual (Specific) Stop Loss Coverage includes coverage of Run-Off Paid Claims): In the event of termination at the end of the current Policy Period, an additional premium amount equal to 20% of the annualized Premium based on the participation of the two (2) months immediately preceding termination will be due within ten (10) calendar days of the billing.

7. The premium is based upon a current membership of 598 Coverage Units and _____ Family Coverage Units.

Additional Provisions:

Retirees Covered: Yes No

The undersigned person represents that he/she is authorized and responsible for purchasing Stop Loss Coverage on behalf of the Employer Group. It is understood that the actual terms and conditions of coverage are those contained in this Exhibit and the Stop Loss Coverage Policy into which this Exhibit shall be incorporated at the time of acceptance by Blue Cross and Blue Shield of Oklahoma, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company ("HCSC"). Upon acceptance, HCSC shall issue a Stop Loss Coverage Policy to the Employer Group. Upon acceptance of this Exhibit and issuance of the Stop Loss Coverage Policy, the Employer shall be referred to as the "Policyholder."

Annie Hickerson

Sales Representative

Signature of Authorized Purchaser

Melissa Davilla

Name of Underwriter

Title of Authorized Purchaser

Date

INTERNAL USE ONLY	Date Exhibit approved by Underwriting: Name of Underwriter:
-------------------	--



City Manager

100 N. Midwest Boulevard
tlyon@midwestcityok.org
Office: 405.739.1201
www.midwestcityok.org

TO: Mayor and Council Members

FROM: Tim Lyon, City Manager

Date: May 25, 2021

Subject: Discussion and Consideration of appointing Tiatia Cromar as the City's treasurer for as long as he holds the office of Finance Director of the City of Midwest City.

Article IV, Department of Finance, Fiscal Affairs, Section 2, City treasurer; Office created, duties, of the City of Midwest City's charter requires that the Council appoint the city treasurer for an indefinite term.

Staff recommends appointing Tiatia Cromar, Finance Director, to replace interim Finance Director, Judy Siemens, as the City's treasurer effective immediately.



Tim L. Lyon, City Manager



City Manager
100 N. Midwest Blvd.
Midwest City, OK 73110
tlyon@midwestcityok.org
Office: 405-739-1201
www.midwestcityok.org

MEMORANDUM

TO: Honorable Mayor and Council

FROM: Tim Lyon, City Manager

DATE: May 25, 2021

RE: Discussion and consideration of approving a resolution for 2020 in compliance with the Oklahoma Municipal Assurance Group (OMAG) Liability Protection Plan (MLPP) and completion of Recognition Program requirements.

On July 28, 2020, the Midwest City Council participated in the OMAG Recognition Program. At the time, we failed to include the resolution that must accompany the program and be submitted back to OMAG in order for the \$10,000 payment to be made. Per Mr. Bill Tackett, Director of Risk Management for OMAG, if we approve and submit the attached resolution, they will graciously award us the \$10,000 from 2020.

Tim L. Lyon

Tim Lyon
City Manager

RESOLUTION NO. ____

A RESOLUTION AUTHORIZING PARTICIPATION IN THE OMAG
RECOGNITION PROGRAM

WHEREAS the City of Midwest City believes the best run municipalities have fewer liability claims and the claims they have place fewer demands on municipal resources; and

WHEREAS: City of Midwest City participates in the Municipal Liability Protection Plan provided by OMAG (the Oklahoma Municipal Assurance Group); and

WHEREAS, OMAG is the City of Midwest City's provider of insurance and risk management solutions; and

WHEREAS, OMAG has established a program to recognize member municipalities which have committed themselves to obtaining training above and beyond the legally required training and which have taken certain actions which show that the member is committed to operating under certain best practice recommendations; and

WHEREAS, during the current fiscal year:

- Each member of the governing body received, either in person or by distance learning, the training required for participation in the OMAG recognition program; and
- The governing body has adopted a governing body handbook or, if a handbook had previously been adopted, the body has reviewed and updated the handbook to reflect the best practice recommendations from OMAG; and
- Each member of the governing body completed the OMAG recommended Stability Test and the results of the test were reviewed by the governing body to self-audit its performance; and
- The governing body reviewed the Declarations and Explanation of Coverage page for its liability policy with OMAG; and

WHEREAS, due to the above actions by the governing body and its members, the City of Midwest City is now eligible to participate in the OMAG Recognition program.

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF MIDWEST CITY COUNCIL THAT THE CITY OF MIDWEST CITY REQUESTS THAT IT BE CONSIDERED FOR PARTICIPATION IN THE OMAG RECOGNITION PROGRAM OF 2020.

ADOPTED by the City of Midwest City Council of the City of Midwest City on this __ day of _____, 20 __, after full compliance with the Oklahoma Open Meeting Act.

MAYOR

ATTEST: _____
CITY CLERK



3650 S. Boulevard • Edmond, OK 73013 • omag.org
405.657.1400 • 800.234.9461 • FAX 405.657.1401

Municipal Liability Protection Plan
Declarations Page

1. PLAN MEMBER **CITY OF MIDWEST CITY** AGREEMENT NUMBER
and Mailing Address **100 N. MIDWEST BLVD.** **GLA 1400531 03**
MIDWEST CITY OK 73110

2. Plan Period From 12:01 A.M. Central Standard Time at the address of the Plan Member
From **07/01/2020** to **07/01/2021**

3. The Plan Member is a(n) **MUNICIPALITY**

4. The Coverage afforded by this agreement is only with respect to the following coverages as are indicated by specific limits of coverage, for which a premium is charged.

COVERAGE

PREMIUM

GENERAL LIABILITY (PARTS I, IV, V, AND VI)

A. Bodily Injury	B. Property Damage		\$0
C. Personal Injury	D. Errors and Omissions		Coverages A,B,C,D,I,J,K,L
I. Pollution Damage	J. Defense Reimbursement		
K. Cyber / Data Breach	L. Uncovered Employment Defense		
[] Prior Acts Coverage			

AUTOMOBILE LIABILITY (PART II)

E. Bodily and Personal Injury	F. Property Damage		\$59,059
			Coverages E,F
<input checked="" type="checkbox"/> Hired and Non-owned Automobile Coverage			\$159
			Hired and Non-owned

AUTOMOBILE & EQUIPMENT PHYSICAL DAMAGE (PART III)

G. Automobile Physical Damage			\$75,740
1. Comprehensive	} Per fleet schedule		Coverages G
2. Specified Perils			
3. Collision			
<input checked="" type="checkbox"/> Hired Auto Physical Damage Limit: \$150,000			Included
H. Equipment Physical Damage - Per equipment schedule			Hired Auto Physical Damage
<input checked="" type="checkbox"/> Mobile Equipment Leased/Rented Limit: \$360,000			\$9,715
			Coverages H

5. LIMITS OF LIABILITY, except for Coverages G,H,I,J,L **\$4,752**
Mobile Leased/Rented

Losses subject to the OKLAHOMA GOVERNMENTAL TORT CLAIMS ACT:
\$ 25,000 Each Property Damage Loss Per Occurrence, including Fire Legal
\$ 125,000 Each Other Loss Per Occurrence
\$ 1,000,000 Aggregate Per Occurrence

Losses not subject to the OKLAHOMA GOVERNMENTAL TORT CLAIMS ACT:
\$ 10,000 Medical Payments for Volunteers Per Loss
\$ 1,000,000 Each Other Loss Per Occurrence
Cyber Coverage: See Limits on Cyber / Data Breach Declaration Page

Annual Aggregate **\$149,425**
\$ 2,000,000 Coverages C,D Total Premium
\$ 10,000 Coverage J (This is not an invoice)

6. DEDUCTIBLES

Coverages A,B,E,F,L: No Deductible, except for sanitary sewer overflows and electrical disruptions, which are subject to the deductible of coverages C & D.

Coverages C,D: Per Occurrence
Coverages G,H: Per Schedule or Endorsement
Coverage I: \$1,000 Per Pollution Incident
Coverage J: \$5,000 SIR
Coverage K: Per Applicable Cyber / Data Breach Deductible

7. This agreement is composed of this Declaration Page, Schedules, Forms and Endorsements, if any.

Jonathan D. Woods

OMAG Representative

06/24/2020
Date



City Manager's Office
tlyon@midwestcityok.org
100 N. Midwest Blvd,
Midwest City, Oklahoma 73110
O: 405-739-1201
www.midwestcityok.org

MEMORANDUM


TO: Honorable Mayor and Council

FROM: Tim Lyon, City Manager

DATE: May 25, 2021

SUBJECT: Discussion and consideration of passing and approving a resolution of the City of Midwest City nominating Richard "Troy" Bradley as a candidate to fill the position on the board of trustees of the Oklahoma Municipal Retirement Fund (OkMRF) representing District 6 for a five year term beginning October 1, 2021 through October 1, 2026.

Staff recommends that the attached resolution be passed authorizing the nomination of Richard "Troy" Bradley to serve a five (5) year term on the Board of Trustees for the Oklahoma Municipal Retirement Fund (OkMRF) representing District 6 from October 1, 2021 through October 1, 2026.



Tim L. Lyon, City Manager

RESOLUTION NO. 2021 - _____

A RESOLUTION OF THE CITY OF MIDWEST CITY NOMINATING RICHARD “TROY” BRADLEY AS A CANDIDATE TO FILL AN OPEN POSITION ON THE BOARD OF TRUSTEES OF THE OKLAHOMA MUNICIPAL RETIREMENT FUND (OkMRF) REPRESENTING DISTRICT 6 FOR A FIVE YEAR TERM BEGINNING OCTOBER 1, 2021, THROUGH OCTOBER 1, 2026.

WHEREAS, The Oklahoma Municipal Retirement Fund Executive Director/CEO, Jodi Cox, has notified all participating employers of District 6 that a five year term on the Board of Trustees is expiring September 30, 2021; and

WHEREAS, OkMRF is governed by a Board of Trustees who are nominated and elected by member cities, towns and municipal agencies.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Midwest City, that they do hereby nominate Richard “Troy” Bradley, for election to the OkMRF Board of Trustees.

*****END*****

The undersigned hereby certify that the foregoing Resolution was duly adopted and approved by the Mayor and City Council of the City of Midwest City, Oklahoma, on the 25th day of May, 2021.

CITY OF MIDWEST CITY, OKLAHOMA

MATTHEW D. DUKES II, Mayor

ATTEST:

SARA HANCOCK, City Clerk



City Manager's Office
Vaughn Sullivan,
Assistant City Manager
vsullivan@midwestcityok.org
100 N. Midwest Blvd,
Midwest City, Oklahoma 73110
O: 405-739-1207 / Fax: 405-739-1208

MEMORANDUM

To: Honorable Mayor and Council

From: Vaughn K. Sullivan, Assistant City Manger

Date: May 25, 2021

Subject: Discussion and consideration of approving Change Order No. 1 to United Golf, LLC construction contract associated with renovations at John Conrad Municipal Golf Course, in the increased total amount of \$33,797.25.

Heckenkemper Golf Course Design has submitted a price for Untied Golf, LLC, to make field adjustments to the drainage systems over the entire golf course. The change order request is a net increase of \$33,797.25 to the original Untied Golf contract, bringing the new contract amount to \$3,597,352.41.

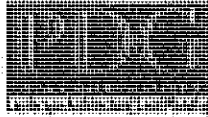
The changes include deletion of drain basins in some areas and adding additional basins and shaping in others. These changes will allow for better drainage throughout the course.

This project is a 2018 Moving Midwest City Forward bond project and funding is available in the Multi-Purpose Sports complex bond fund.

Staff recommends approval.

Vaughn K. Sullivan
Assistant City Manager

Enc. Change order request number one from Heckenkemper Golf Course Design.



May 17th, 2021

Mr. Vaughn Sullivan
 Assistant City Manager
 City of Midwest City
 100 North Midwest Boulevard
 Midwest City, OK 73110

VIA EMAIL

RE: John Conrad Regional Golf Course Renovations
 Contract Amendment No. 1

Mr. Sullivan,

I. Scope

The scope of Contract Amendment No. 1 includes the following revisions: additional drainage pipe & catch basins, additional grading, and additional cart trail & curb.

II. Justification

All of the additional work in Contract Amendment No. 1 is due to conditions encountered in the field where existing grades falling within the one-foot threshold of the project survey that either need to be modified or have additional drainage installed in order for water to drain properly on site. The item deductions in Contract Amendment No. 1 are due to existing field conditions where drainage is no longer required or where drainage was upsized to accommodate a larger capacity. The project team feels that this additional work is in the golf course's long-term best interest and is necessary so that John Conrad Regional Golf Course can be maintained and operated in the high-quality that the City of Midwest City expects.

III. Cost Estimate

Item	Description	Quantity	Unit	Unit Cost	Cost
1	ADD- ADS N-12 Drain Pipe (6" Diam.)	344	LF	\$ 9.00	\$ 3,096.00
2	ADD- ADS N-12 Drain Pipe (8" Diam.)	229	LF	\$ 11.25	\$ 2,576.25
3	ADD- ADS N-12 Drain Pipe (12" Diam.)	400	LF	\$ 14.50	\$ 5,800.00
4	ADD- NDS Riser w/ Grate (12" Diam.)	5	EA	\$ 450.00	\$ 2,250.00
5	ADD- Nyloplast Basin (18" Diam.)	1	EA	\$ 1,520.00	\$ 1,520.00
6	ADD- Fine Grading/Finish Shaping/Seedbed Prep	6.50	AC	\$ 1,962.00	\$ 12,753.00
7	ADD- Cart Trail Construction	3,050	SF	\$ 3.75	\$ 11,437.50
8	ADD- Cart Trail Curb	443	LF	\$ 5.50	\$ 2,436.50
9	DEDUCT- French Drain System (4" Diam. Perf.)	(333)	LF	\$ 14.00	\$ (4,662.00)
10	DEDUCT- Drain Basin in Cart Trail (12" Diam.)	(1)	EA	\$ 750.00	\$ (750.00)
11	DEDUCT- In-line Drain (8" Diam.)	(1)	EA	\$ 620.00	\$ (620.00)
12	DEDUCT- Bubbler Grates	(2)	EA	\$ 1,020.00	\$ (2,040.00)
TOTAL COST OF CONTRACT AMENDMENT NO. 1					\$ 33,797.25

IV. Contract Price

The total cost of Amendment No. 1 is a \$33,797.25 addition to the project, which represents a 0.009% addition to the original contract amount. Amendment No. 1 results in a new contract price of \$3,597,352.41.

Original Contract Amount	\$ 3,563,555.16
Net Change by Previous Contract Amendment(s)	\$ 0.00
Contract Amount Prior to this Contract Amendment	\$ 3,563,555.16
Amount Contract Sum Will Increase by this Contract Amendment	<u>\$ 33,797.25</u>
New Contract Amount Including Contract Amendment(s)	\$ 3,597,352.41

No additional days are associated with this Amendment No. 1 for construction modifications.

The above and forgoing are hereby accepted this _____ day of _____, 2021, and the undersigned agrees to perform the work as so indicated in this Contract Amendment No.1 with said adjustments in the contract sum:

ATTEST:

Secretary

United Golf, LLC.

Wale Ahmad, manager
Authorized Officer/Title

This Contract Amendment No.1 is recommended for approval by the Landscape Architect of Record this 11th day of May 2021.

HGCD/Planning Design Group

J. Leahy
Authorized Officer

The prices shown for Contract Amendment No.1 was established by negotiation and appear fair and reasonable. Approval of Contract Amendment No.1 is recommended.

The amount contained in the above-mentioned Contract Amendment No.1 complies with 61 O.S. & 121.

REVIEWED AS TO FORM AND LEGALITY.

City Attorney

APPROVED by Council of the City of Midwest City this _____ day of _____, 2021.

ATTEST:

City Clerk

Mayor



Finance Department
100 N. Midwest Boulevard
Midwest City, OK 73110
cbarron@midwestcity.org
Office: 405-739-1245
www.midwestcityok.org

TO: Honorable Mayor and City Council

FROM: Tiatia Cromar, Finance Director

DATE: May 25, 2021

SUBJECT: Discussion and consideration of approving and entering into a contract in an amount not to exceed \$18,000 with Crawford and Associates, P. C. for annual financial statement preparation for the fiscal year ended June 30, 2021. The term of this engagement is July 1, 2021 through June 30, 2022. (Finance – T. Cromar)

It is my recommendation to engage Crawford and Associates to prepare the Annual Financial Statements for the period ending June 30, 2021. Due to continual changes and increasing complexity of accounting standards, the City has used this firm for several years to help prepare its Annual Financial Statements. Governmental accounting is a highly specialized field, and Crawford and Associates exclusively serves governmental entities. They are nationally known for their expertise in governmental accounting standards, and we have received excellent service from them in the past.

Tiatia Cromar
Finance Director



April 15, 2021

Honorable Mayor and Members of the City Council
City of Midwest City
100 N Midwest Blvd
Midwest City, OK 73110

To the Honorable Mayor and Members of the City Council:

Crawford & Associates, P.C. is pleased that the City of Midwest City (the City) continues to express its confidence in our firm and our state and local government expertise. We look forward to a continued long and successful relationship as an integral financial management resource to the City of Midwest City management and governing body.

We are prepared to provide a full range of accounting and consulting services to the City of Midwest City contingent upon approval of your management and/or governing body. The purpose of this engagement letter is to identify the scope of available services from Crawford & Associates, the specific initial services requested at this time, and to confirm the terms, objectives, and limitations of our engagement services.

Scope of Services

The scope of professional services that are available and can be provided to the City of Midwest City are outlined below under the heading *Scope of Available Services*. While this listing includes a range of services available from Crawford & Associates, the specific initial services requested to be provided at the current time are separately identified under the heading *Initial Services Requested*. Any additional services that are available from Crawford & Associates beyond these initially requested services can be provided upon subsequent specific request and agreement.

Scope of Available Services

- Preparation of Annual Financial Statements
- General Accounting and Advisory Assistance
- Budget Preparation and Amendment Assistance
- Capital Asset Records and Accounting Assistance
- Information Technology System Assistance
- Internal Control Policies and Procedures Assistance
- Labor Relations Consulting
- Laws and Regulations Compliance Assistance
- Investigation of Allegations or Concerns
- Tax and Other Regulatory Report Assistance

Initial Services Requested

- Preparation of Annual Financial Statements
- General Accounting and Advisory Assistance

Services Related to the Preparation of Annual Financial Statements

You have requested that we prepare the annual financial statements of the financial reporting entity of the City of Midwest City, Oklahoma as of and for the year ended June 30, 2021. Such financial statements will include:

- a. Basic Financial Statements, including notes to the financial statements
- b. Required Supplementary Information
- c. Supplementary Information (to the extent management elects to include)
- d. Other Information (to the extent management elects to include)

Crawford & Associates' Responsibilities

The objective of our engagement is to prepare the annual financial statements in accordance with accounting principles generally accepted in the United States of America based on information provided by you. We will conduct our engagement in accordance with Statements on Standards for Accounting and Review Services (SSARSs) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion or provide any assurance on the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.

Management Responsibilities

The engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare financial statements in accordance with accounting principles generally accepted in the United States of America. Management has the following overall responsibilities that are fundamental to our undertaking the engagement to prepare your financial statements in accordance with SSARSs:

- a. The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the financial statements
- b. The prevention and detection of fraud
- c. To ensure that the entity complies with the laws and regulations applicable to its activities
- d. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements

e. To provide us with:

- i. Documentation, and other related information that is relevant to the preparation and presentation of the financial statements,
- ii. Additional information that may be requested for the purpose of the preparation of the financial statements, and
- iii. Unrestricted access to persons within the City of Midwest City, Oklahoma, of whom we determine necessary to communicate.

The financial statements will not be accompanied by a report. However, you agree that the financial statements will clearly indicate that no assurance is provided on them.

Other Requested and Available Services

In conjunction with the other requested and available services (other than the preparation of the annual financial statements) as identified in the Scope of Services section of this letter, Crawford & Associates will be responsible for providing such services upon request in accordance with the applicable professional standards of the AICPA. It is anticipated that most if not all of these other services will be performed in accordance with the standards applicable to consulting services as prescribed by the AICPA.

Crawford & Associates, is not obligated to, but may report or otherwise communicate to management any recommendations, it determines necessary, resulting from the professional services provided.

Management and the governing body will be responsible for establishing the scope of our other professional services to be provided and for providing the necessary resources allocated to the work; such responsibility includes determining the nature, scope, and extent of the services to be performed, providing sufficient appropriation for the estimated cost of these services, providing overall direction and oversight for each service, and reviewing and accepting the results of the work.

Access to Working Papers and Reports

Any working papers prepared by Crawford & Associates in connection with performing the financial statement preparation and other professional services are the property of Crawford & Associates. Upon request, copies of any or all working papers and reports that we consider to be nonproprietary will be provided to management. Management may make such copies available to its external auditors and to certain regulators in the exercise of their statutory oversight responsibilities. Such copies may not be made available to any other third party without the prior written consent from Crawford & Associates.

Fees and Costs

Fees and out-of-pocket expenses for this engagement will be billed as the work progresses and payable upon receipt of our invoices. Out-of-pocket expenses include such costs incurred by Crawford & Associates in providing the services including travel, lodging, telecommunications, printing, document reproduction, and the like. Our fees for these services will be billed at our standard hourly rates, as follows, for the individual performing such services based on the actual number of hours of work, including travel time, performed by that individual.

Standard Hourly Rates:

- Firm President \$255
- Shareholders \$170
- Consulting Senior Managers \$155
- Consulting Managers \$130
- Consulting Staff \$115
- Clerical Staff \$45

Because Crawford & Associates has no direct control over the type and amount of services requested by the management or the governing body during the term of this engagement, nor does Crawford & Associates have direct control over the quality of your accounting system or records, potential turnover of your staff, or your staffing levels, resources, or capabilities, it is impractical for us to provide an accurate amount of hours that will be required for the services requested or a not-to-exceed limit on fees and expenses charged. We will rely on you to provide us with a copy of approved purchase orders, containing estimated fees and expenses, monitor the cumulative fees and expenses charged, and notify us if and when the cumulative amount approaches the total appropriated level estimated. You also agree to provide sufficient appropriation for all services requested prior to the services being performed. However, for your purchase order preparation purposes, we estimate that the fees for the services anticipated at this time, as defined in the Scope of Services section of this letter, will not exceed \$18,000.


The term of this engagement is a period from July 1, 2021 through June 30, 2022. Crawford & Associates may perform additional services upon receipt of a formal request from management or the governing body with terms and conditions that are acceptable to both parties.

The agreements and undertakings contained in this engagement letter, shall survive the completion or termination of this engagement.

Acceptance

Please indicate your acceptance of this agreement by signing in the space provided below and returning this engagement letter to us. A duplicate copy of this engagement letter is provided for your records. We look forward to continuing our professional relationship with the City of Midwest City.

Respectfully submitted and agreed to by,



Frank Crawford
Crawford and Associates, P.C.

Accepted and agreed to for the City of Midwest City:

By: _____

Title: _____

Date: _____





Fleet Services
Craig Davis
crdavis@midwestcityok.org
8730 S.E. 15th Street,
Midwest City, Oklahoma 73110
O: 405-739-1035

Memorandum

To: Honorable Mayor and Council

From: Craig Davis, Transportation Manager

Date: May 25, 2021

Subject: Discussion and consideration of renewing a contract, without modifications for FY 2021-2022, with O'Reilly Auto Parts for the on-site turnkey vehicle and equipment parts operation in the City-wide budgeted amount of \$1,100,000.00.

The on-site turnkey vehicle and equipment part operation contract with O'Reilly Auto Parts has provisions for annual renewals. O'Reilly Auto Parts has agreed to renew the contract without modifications for on-site turnkey vehicle and equipment part operation for FY 2021-2022.

Staff recommends approval.

Sincerely,

Craig Davis, Transportation Manager



THE CITY OF
MIDWEST CITY
FLEET SERVICES

May 6, 2021

Attn: Heath Johnson
O'Reilly Auto Parts

“The On-site Turnkey Vehicle and Equipment Part Operation”

Heath

It is time to renew the City of Midwest City's contracts for FY 2021/22.
In the areas provided below, please indicate that you agree to renew our current contract
under its present terms and conditions, sign and date.

Thank you for your assistance with this matter.

Craig R. Davis
Transportation Manager

A handwritten signature in blue ink that reads "Craig R. Davis" followed by "5-6-21".

Company: O'Reilly Auto Parts Yes, we agree to continue the present contract
without modification.

Sign: Title: VP Professional Sales Date: 5-7-2021

Cc: Tim Lyon, City Manager



**INTEGRATED SUPPLY AGREEMENT BY
AND BETWEEN
O'REILLY AUTO ENTERPRISES LLC.
AND
THE CITY OF MIDWEST CITY, OKLAHOMA**

THIS INTEGRATED SUPPLY AGREEMENT (this "Agreement") is made by and between O'Reilly Auto Enterprises LLC., a Missouri Corporation (dba O'Reilly Auto Parts) (referred to as "O'REILLY" or "OAP"), and The City of Midwest City, Oklahoma and its affiliates and subsidiaries (referred to as "THE CITY OF MIDWEST CITY, OKLAHOMA"), (collectively, the "Parties") to be effective as of the 13th day of **January, 2021** (the "Effective Date").

WITNESSETH

WHEREAS, O'REILLY desires to establish an on-site vendor managed parts store in THE CITY OF MIDWEST CITY, OKLAHOMA location(s) to service the vehicle parts needs of THE CITY OF MIDWEST CITY, OKLAHOMA and to serve as a supplier of automotive replacement parts and other supplies and/or equipment (the "Inventory") to serve the needs of THE CITY OF MIDWEST CITY, OKLAHOMA; and

WHEREAS, THE CITY OF MIDWEST CITY, OKLAHOMA desires to provide space for the Inventory on the premises of THE CITY OF MIDWEST CITY, OKLAHOMA for use by O'REILLY ("On-Site Store") and agrees that O'REILLY will be the sole on-site store provider of Inventory both "O'Reilly internal and Non O'Reilly inventory" pursuant to the terms here within. O'Reilly understands The City reserves the right to purchase parts and/or services from other sources, if it is in the best interest of the City. If the vendor cannot obtain the desired part by start of the next business day, in an emergency situation, or if, for any reason, the vendor cannot supply the part in an acceptable time frame, the City may procure parts immediately by any means necessary.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and of those contained in the "bid document" submitted (by O'Reilly for the 2021 fiscal year) to the City of Midwest City, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties hereto agree as follows:

AGREEMENT

Each of the recitals set forth above is hereby incorporated into the Agreement in its entirety.

- 1. THE CITY OF MIDWEST CITY, OKLAHOMA CURRENT LOCATION:** O'REILLY will establish On-Site Store(s) at THE CITY OF MIDWEST CITY, OKLAHOMA location listed below:

8730 SE 15th St, Midwest City, OK 73110

2. **TERM:** The initial term of this Agreement shall be for (1) fiscal year or the remaining months of FY20/21 ("Term") ending June 30, 2021. Upon expiration of the initial term, THE CITY OF MIDWEST CITY, OKLAHOMA will have the option to renew in (1) one year increments not to exceed (5) five consecutive contract years, by writing to the vendor requesting such renewal. Notwithstanding the foregoing, either party may terminate this Agreement at any time for its convenience for any reason or no reason by tendering to the other party ninety (90) days prior written notice of such termination, provided, however that THE CITY OF MIDWEST CITY, OKLAHOMA shall be liable for cancellation fees associated with any services, including without limitation, internet cancellation fees, incurred by O'REILLY as a result of the termination.

3. **DUTIES AND RESPONSIBILITIES OF O'REILLY:** O'REILLY shall have the following duties and responsibilities during the term of this Agreement:

a. O'REILLY will operate the On-Site Store(s) and provide the Inventory to THE CITY OF MIDWEST CITY, OKLAHOMA's location(s) designated in Paragraph (1) (the "Location(s)"). O'REILLY shall provide all personnel required to operate the Location(s).

b. In those circumstances when delivery is required by THE CITY OF MIDWEST CITY, OKLAHOMA, O'REILLY will provide parts to the Location(s) on a daily route basis. O'REILLY will issue a fee on the monthly profit and loss statement that will cover all associated costs for distribution center and city route delivery. This will be the only fee in regards to daily deliveries and nightly inventory replenishment that O'REILLY will pass on to THE CITY OF MIDWEST CITY, OKLAHOMA.

c. OAP understands that any item, parts or supplies, are not to be issued to the City personnel until all part information has been entered into the Computerized Fleet Analysis (CFA) application first. Upon entering the information into CFA, the on-site team member will then be responsible for delivering the correct parts and/or supplies to the corresponding technician's work station who will review and sign the order ticket (receipt). This will be the responsibility of the on-site team member for every item and/or supplies that are ordered. Every order ticket (receipt) shall contain what items were delivered and the signature of the City employee who received them. These order tickets (receipts) will then be given to the Fleet records clerk for each work order requisition. OAP understands how important checks and balances are and will make sure all reporting team members are trained properly with all qualifying tasks.

d. OAP agrees that the on-site personnel will be responsible for utilizing the City's Fleet Shop Management application, CFA, and any other modules within. These modules will require the selected vendor to utilize the CFA parts classification and task codes as adopted by the City. In the event the City adds hand held devices and/or bar code equipment into practice, OAP agrees to utilize said devices in any capacity necessary to meet the needs of the City. OAP agrees to maintain and enter all information into the City's Fleet Shop Management application, CFA, as needed to ensure accuracy of reporting and posting information. OAP will attend and cooperate with all of the necessary operation/process training required to effectively run CFA. OAP agrees to send our team members to additional CFA training when offered at the expense of OAP.

- e. O'REILLY shall provide all computers and reports necessary to monitor monthly expenses as they pertain to the daily operation of the Location(s). O'REILLY shall provide computer ordering to each Location(s) through its point-of-sale system. Upon termination or expiration of this Agreement, THE CITY OF MIDWEST CITY, OKLAHOMA will have no further access to or right to use O'Reilly's point-of-sale system. All point-of-sale and equipment costs and fees will be passed on to THE CITY OF MIDWEST CITY, OKLAHOMA at cost on the monthly profit and loss statement through a 36 month depreciation schedule. In the event this contract is subsequently renewed for an additional 12 month term, pursuant to Section 2, above, THE CITY OF MIDWEST CITY, OKLAHOMA shall continue to pay monthly maintenance fees as incurred by O'REILLY on all hardware/software items used under the terms of this Agreement.
- f. O'REILLY shall provide a profit and loss statement of the parts operations to THE CITY OF MIDWEST CITY, OKLAHOMA on the last business day of the following month for each Location.
- g. O'REILLY shall provide back-up emergency service during non-working hour contingencies. The overtime expense (calculated at time and one half) will be charged on a cost basis to THE CITY OF MIDWEST CITY, OKLAHOMA. O'REILLY will provide a list of personnel, including telephone numbers, who will respond to emergency service requests. O'REILLY shall revise the aforementioned list as needed to provide THE CITY OF MIDWEST CITY, OKLAHOMA with reliable up-to-date information and non-working hour support.
- h. Upon the request of THE CITY OF MIDWEST CITY, OKLAHOMA, O'REILLY shall monitor and oversee any and all shop support services, including but not limited to, rag services and parts cleaning services, performed by a third party on the premises of THE CITY OF MIDWEST CITY, OKLAHOMA. If THE CITY OF MIDWEST CITY, OKLAHOMA hired such third parties, O'REILLY shall not be held liable for the intentional, willful, negligent or grossly negligent acts or omissions of such third parties.
- i. Cores for items within the O'Reilly network will be placed into a core bank and will not be charged to THE CITY OF MIDWEST CITY, OKLAHOMA provided that any such cores are placed into the core bank within thirty (30) days of their return. Cores from outside the O'Reilly network or non-O'Reilly vendors will be charged and credited according to the agreements in place with those outside vendors. O'REILLY is exempt from control or liability over the processes and policies of outside vendors.
- j. O'REILLY agrees that all returns on products within the O'Reilly network will be processed for full credit if returned within the first thirty (30) days. All returns on products outside of the O'Reilly network (Non-O'Reilly Products) will be processed for full credit if returned within the timeframe allowed by the outside vendor. Any credit for items returned outside the allotted window will be credited to THE CITY OF MIDWEST CITY, OKLAHOMA minus re-stock fee or any other fees assessed by the vendor for returns outside of allowable return timeframe defined by the vendor.

k. O'REILLY acknowledges and agrees that THE CITY OF MIDWEST CITY, OKLAHOMA location will receive no less than three (3) deliveries a day, if necessary, from the O'REILLY distribution network in THE CITY OF MIDWEST CITY, OKLAHOMA servicing area. Additionally, THE CITY OF MIDWEST CITY, OKLAHOMA location will receive a daily replenishment of Inventory, Monday – Friday, from the O'Reilly distribution network. If immediate availability is required and local supply is unavailable, overnight/expedited freight services will be utilized with approval from a THE CITY OF MIDWEST CITY, OKLAHOMA representative. Applicable charges will be passed on to THE CITY OF MIDWEST CITY, OKLAHOMA at cost.

l. O'Reilly agrees to provide disposal services and/or recycling of used batteries, not to include recycling of tires, antifreeze, motor oils, greases and any other disposal items including hazardous wastes generated by the Fleet Services department.

4. DUTIES AND RESPONSIBILITIES OF THE CITY OF MIDWEST CITY, OKLAHOMA: THE CITY OF MIDWEST CITY, OKLAHOMA shall have the following duties and responsibilities during the term of this Agreement:

a. THE CITY OF MIDWEST CITY, OKLAHOMA shall provide, at its sole expense, usable space for O'REILLY's Location(s) and the Inventory. THE CITY OF MIDWEST CITY, OKLAHOMA shall provide access to restroom facilities for O'REILLY team members. Further, THE CITY OF MIDWEST CITY, OKLAHOMA shall furnish, at its sole expense, all utilities for the On-Site Store(s) including: water, sanitation, sewer, light, telephone, heat, gas, electricity, power, janitorial and all other utilities and services rendered or delivered to the On-Site Store(s).

b. Subject to the terms below, THE CITY OF MIDWEST CITY, OKLAHOMA shall use O'REILLY as the sole on-site store provider of inventory pursuant to the terms here within.

c. Each On-Site Store Location shall be appropriately secured or otherwise maintained separate and apart from the business of THE CITY OF MIDWEST CITY, OKLAHOMA. There shall be no intermingling of THE CITY OF MIDWEST CITY, OKLAHOMA's parts or other inventory with O'REILLY parts or inventory. Access to the secured Location(s) shall be restricted to O'REILLY team members and authorized O'REILLY representatives only. THE CITY OF MIDWEST CITY, OKLAHOMA employees, contractors or agents shall not be permitted to enter the secured Location area unless accompanied by an O'REILLY team member or other authorized O'REILLY representative.

d. THE CITY OF MIDWEST CITY, OKLAHOMA shall, at all times during the term of this Agreement, at THE CITY OF MIDWEST CITY, OKLAHOMA's sole expense, maintain in good condition and repair (so as to prevent any damage or injury to O'REILLY team members, the Inventory or other personal property located in the Location(s)) the roof, exterior walls, foundation, and structural portions of the Location(s) and all portions of the electrical plumbing systems lying outside of the Location(s) but serving the Location(s).

5. **HOURS OF OPERATION:** Hours of operation will be M-F 7:30a-4:00p. Any changes in the hours of operation will be discussed and mutually agreed upon between the Parties before being implemented.

6. **PAYMENT TERMS/PRICING:** O'REILLY shall invoice THE CITY OF MIDWEST CITY, OKLAHOMA for all inventory purchased pursuant to this Agreement on a monthly basis according to the pricing plan below. OAP will provide a 2% early pay discount on the monthly "Parts Usage Statement" if payment is received by the 10th of each month. THE CITY OF MIDWEST CITY, OKLAHOMA agrees to pay the entire undisputed amount of all invoices on statements received from O'REILLY within thirty (30) days of the date of invoice. All invoices and credits will be processed before the last business day of the month, except for deferred cores. Any open undisputed invoices or credits must be approved by THE CITY OF MIDWEST CITY, OKLAHOMA if they are to remain open after the last business day of the month. THE CITY OF MIDWEST CITY, OKLAHOMA shall reimburse O'REILLY for all reasonable costs incurred by O'REILLY in collecting any undisputed past due amounts owed to O'REILLY pursuant to this Agreement, including all reasonable attorney's fees, costs and interest on any unpaid undisputed amounts (whether for Inventory or Operational Costs) at the lesser of 1.5% per month (18% per annum), or the highest rate allowed by law.

The overall goal of THE CITY OF MIDWEST CITY, OKLAHOMA's pricing plan is for O'REILLY to achieve a 10% net profit above store cost (Ex: Store Cost divided by 0.90) on all O'REILLY products and 10% net profit above acquisition cost (Ex: Acquisition cost divided by 0.90) on outside purchases or services.

THE CITY OF MIDWEST CITY, OKLAHOMA's pricing plan is comprised of the following elements:

- a. **Product Costs:** The pricing of the Inventory to be supplied to THE CITY OF MIDWEST CITY, OKLAHOMA by O'REILLY shall be established pursuant to this Agreement. Product Costs shall be further divided into "O'REILLY Product Costs", which is the pricing of O'REILLY supplier manufactured products, and "Non-O'REILLY Product Costs", which is the pricing of products which have not been manufactured by O'REILLY suppliers but which have been acquired for THE CITY OF MIDWEST CITY, OKLAHOMA by O'REILLY pursuant to this Agreement.
- b. **Maximum Profit:** OAP understands that the maximum allowed profit charge for the acquisition of any one part shall be limited to \$200.
- c. **Operational Costs:** Except for costs and expenses related to O'Reilly team members at the Location(s) (such as salary and benefits payable to O'Reilly team members at the Location(s), employment and related taxes, worker's compensation benefits and insurance, and unemployment insurance) ("O'REILLY Team Member Expenses"), which are addresses separately below, any and all other costs and expenses associated with the operation of the Location(s), including but not limited to, personal property insurance for the Location(s) and Inventory, any deductible for losses covered under the personal property or general liability insurance policies of O'REILLY, all equipment supplied by O'REILLY, payroll accounting fees and general office expenses (as defined below) will be passed on to THE CITY OF MIDWEST CITY, OKLAHOMA at the

cost specified on the monthly profit and loss statement. O'REILLY Team Member Expenses will be treated as follows.

- a. O'REILLY will supply one (1) full-time team member at the Location.
- I. O'REILLY and THE CITY OF MIDWEST CITY, OKLAHOMA reserves the right to evaluate the number of team members required to successfully operate the On-Site Store and make appropriate adjustments agreed upon by both parties as needed.
- b. O'REILLY Team Member Expenses for the team members at each Location within the Staffing Model will be passed on to THE CITY OF MIDWEST CITY, OKLAHOMA at cost on the monthly profit and loss statement.
- c. Quarterly Team Member Bonus Payouts: Each Full Time O'Reilly team member associated with the operation is eligible for a "quarterly bonus" to be placed on the monthly Profit and Loss statement and is defined as follows:

Integrated Parts Manager: \$500.00

District Manager: \$250.00

THE CITY OF MIDWEST CITY, OKLAHOMA acknowledges and agrees that the costs and expenses reflected on the profit and loss statement are subject to change based on actual monthly costs, expenses or Payroll Accounting and General Office Expenses incurred relative to the operation of the Location(s). To achieve economies of scale, O'REILLY utilizes certain corporate personnel to assist in the performance of this Agreement. As a result, each On-Site Store location is charged with a Payroll Accounting/General Office Expense ("Payroll Acctg/General Office") which is calculated as a percentage (1.43%) of sales for each location. The Payroll Accounting and General Office expense allows O'REILLY to have fewer team members performing routine general administrative tasks such as paper work and filing at the Location(s), allowing O'REILLY counter personnel to focus more attention on serving the Location operations, and maximizing on-site cost efficiency. O'REILLY shall invoice THE CITY OF MIDWEST CITY, OKLAHOMA for the Operational Costs each month, in arrears, with respect to each location, and THE CITY OF MIDWEST CITY, OKLAHOMA shall pay such undisputed Operational Costs to O'Reilly within thirty (30) days from receipt of each invoice.

Pricing Plan Summary

- O'REILLY Products – Invoiced to THE CITY OF MIDWEST CITY, OKLAHOMA at a 10% net profit
- Non-O'REILLY Products and Services – Invoiced to THE CITY OF MIDWEST CITY, OKLAHOMA at a 10% net profit
- Operational Costs – Invoiced to THE CITY OF MIDWEST CITY, OKLAHOMA in accordance with Section 6

Should THE CITY OF MIDWEST CITY, OKLAHOMA request that O'REILLY procure any Non-O'REILLY products, then O'REILLY's sole responsibility with respect to the non-O'REILLY products shall be to obtain them on behalf of THE CITY OF MIDWEST CITY, OKLAHOMA. O'REILLY shall not be required to warranty or guarantee any such non-O'Reilly products, nor inspect their quality or design. O'REILLY shall have no liability for any of the Non-O'REILLY products due to production or design defects.

7. **INSURANCE:** THE CITY OF MIDWEST CITY, OKLAHOMA shall provide at its sole expense "all risks" fire and property insurance on all buildings and/or improvements in which the On-Site Store(s) are located throughout the term of the Agreement. Further, THE CITY OF MIDWEST CITY, OKLAHOMA shall, throughout the term of this Agreement, at THE CITY OF MIDWEST CITY, OKLAHOMA's expense, obtain and maintain in force a policy of commercial general liability insurance in the name of THE CITY OF MIDWEST CITY, OKLAHOMA as insured, such insurance to be written on an "occurrence" basis with combined single limits for any one injury, including death, and for property of not less than \$1,000,000.00 per occurrence and \$2,000,000 general aggregate. Further, THE CITY OF MIDWEST CITY, OKLAHOMA shall, throughout the term of this Agreement, at THE CITY OF MIDWEST CITY, OKLAHOMA's expense, obtain and maintain in force a policy of commercial automobile liability insurance on all of its vehicles with limits of at least \$1,000,000.00 combined single limit per accident in the name of THE CITY OF MIDWEST CITY, OKLAHOMA as insured. Said policies shall be issued by a reputable insurance company authorized to transact business in all states where On-Site Store(s) are located. THE CITY OF MIDWEST CITY, OKLAHOMA shall further maintain during the term of this Agreement worker's compensation insurance coverage in amounts required by law. THE CITY OF MIDWEST CITY, OKLAHOMA shall provide to O'REILLY, upon execution of this Agreement, a copy of all Certificates of Insurance evidencing the insurance coverages above. With respect to Commercial General Liability, Auto Liability, Umbrella Liability, "O'Reilly Auto Enterprises, Inc. and its past, present, and future affiliates and subsidiaries" shall be named as additional insureds under an ISO CG 2010 11-85 or equivalent endorsement. Insurance coverages shall be written with a company or companies having an AM Best rating of "A-" with a financial size classification of "VI" as determined by the most recently published Best's Key Rating Guide. Evidence of the required coverages shall be provided in the form of an acceptable certificate of insurance to O'REILLY.

a. O'REILLY shall maintain during the term of this Agreement worker's compensation insurance coverage for its team members located at the Location(s) in amounts required by law. In addition, O'REILLY shall maintain personal property insurance during the term of this Agreement in an amount sufficient to cover any loss or damage to the Inventory and any other personal property owned by O'REILLY that is located at the Location(s) which is caused by an O'Reilly team member. O'REILLY will carry general liability coverage in the amount of \$1,000,000 per occurrence, and comply with the Workers' Compensation requirements mandated by the jurisdiction of any Location.

8. NO LIENS:

a. The Parties agree that they shall not take any action, or fail to take any action, which would result in the granting of a security interest, lien or encumbrance against property of the other party related to this Agreement. Further, the Parties agree to defend and hold harmless each other from any claim which results from the encumbrance of the property of the other party related to this Agreement, and from any and all liability, costs and expenses, including attorney's fees, resulting from any claim or encumbrance on the property of the other party related to this Agreement.

b. THE CITY OF MIDWEST CITY, OKLAHOMA agrees and acknowledges that Inventory that is delivered and stored on THE CITY OF MIDWEST CITY, OKLAHOMA's property which (i) is stored in the parts cage, and (ii) has not been paid for by THE CITY OF MIDWEST CITY, OKLAHOMA, is Inventory owned by O'REILLY.

9. PERSONNEL: O'REILLY and THE CITY OF MIDWEST CITY, OKLAHOMA shall attempt in good faith to mutually agree upon the identity of the O'REILLY personnel that will staff the Location(s). In the event that THE CITY OF MIDWEST CITY, OKLAHOMA for any reason wishes to remove or replace any of the O'REILLY personnel at any Location, the parties will attempt to resolve THE CITY OF MIDWEST CITY, OKLAHOMA's request by mutual agreement. O'REILLY will perform all necessary drug screens and background checks O'REILLY personnel assigned to any Location pursuant to O'REILLY policies and applicable law.

All O'REILLY personnel assigned to the Location(s) will be solely employees of O'REILLY. O'REILLY shall be responsible for any negligent, grossly negligent, willful or intentional conduct of its employees and agents while they are on THE CITY OF MIDWEST CITY, OKLAHOMA property, and agrees to train its employees and agents as to THE CITY OF MIDWEST CITY, OKLAHOMA premises' rules and regulations of operation, including non-smoking and drug-free workplace. O'REILLY shall ensure adequate staffing of the Location(s) at all time.

10. WARRANTY/LIABILITY DISCLAIMER:

a. All merchandise supplied pursuant to this Agreement are subject to the terms of written warranties provided by the manufacturer of each part, and O'REILLY shall use commercially reasonable efforts to assist THE CITY OF MIDWEST CITY, OKLAHOMA in processing all warranty claims that THE CITY OF MIDWEST CITY, OKLAHOMA may have against any manufacturer of merchandise supplied by O'REILLY. The manufacturer's warranty will be the sole and exclusive

remedy of THE CITY OF MIDWEST CITY, OKLAHOMA in connection with any claims concerning the parts supplied to THE CITY OF MIDWEST CITY, OKLAHOMA pursuant to this Agreement. **ALL OTHER WARRANTIES, BOTH EXPRESS AND IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXCLUDED.** Copies of the manufacturer's warranties are available to THE CITY OF MIDWEST CITY, OKLAHOMA upon request.

For suppliers (or categories of suppliers) of Non-O'REILLY products that THE CITY OF MIDWEST CITY, OKLAHOMA instructs O'REILLY to utilize or consider for future purchases, O'REILLY is under no obligation to investigate (and O'REILLY disclaims all liability in connection with investigating) product quality, management, ownership, reputation, certifications, qualifications, price competitiveness, or any other related characteristics of the product, individuals or entities at issue.

11. TERMINATION FOR CAUSE: Notwithstanding either parties' ability to terminate this Agreement for convenience upon ninety (90) days written notice, as set forth in Section 2, above, either party may terminate this agreement immediately for cause as set forth herein:

- a. In the event that the other party fails or refuses to pay any undisputed amounts due under this Agreement; or
- b. In the event that the other party fails or refuses to perform any obligation required under this Agreement, and fails or refuses to cure any such breach within thirty (30) days of receipt of written notice thereof; or
- c. In the event that the other party files any bankruptcy petition, has any bankruptcy petition filed against it, makes any assignment of its assets for the benefit of creditors, or admits in writing its inability to pay its debts as they become due.

12. EFFECT OF TERMINATION: Upon termination of this Agreement by either party for any reason:

- a. All duties, responsibilities and other obligations of each party hereunder shall terminate, except for the payment of any undisputed amounts due and owing to either party at the time of termination.
- b. Each party shall immediately return to the other party all equipment, software, books, records, tools and any other personal property or information owned by the other party that are in such party's possession. THE CITY OF MIDWEST CITY, OKLAHOMA shall allow O'REILLY full and unrestricted access to enter into the On-Site Store(s) and immediately remove the inventory, all equipment and other items of personal property owned by O'REILLY without being deemed guilty of trespass or any other violation of the law.

Nothing contained in this Section shall be deemed a waiver of, or in any other manner impair or prejudice, any other legal rights that either party may have against the other party for any breach of this Agreement. The provisions and obligations of Sections 8, 10, 12, 13, 14 and 15 shall survive the termination of this Agreement for any reason.

13. BUY-BACK OF INVENTORY: Upon termination, expiration, or non-renewal of this Agreement, THE CITY OF MIDWEST CITY, OKLAHOMA agrees to and shall purchase all Non-O'REILLY Inventory owned by O'REILLY and located in the Location(s) at O'REILLY's last acquisition cost, and THE CITY OF MIDWEST CITY, OKLAHOMA shall have the option to purchase all O'REILLY Inventory, owned by O'REILLY and located in the Location(s) at O'REILLY's store acquisition cost with the agreed upon applicable net profit percentage of 7.5% being made by O'REILLY.

14. CONFIDENTIALITY: THE CITY OF MIDWEST CITY, OKLAHOMA and O'REILLY may, from time to time, acquire or otherwise receive confidential or proprietary information concerning the other party's products, pricing, business affairs and practices. In consideration of the confidential and proprietary nature of this information, each party agrees as follows:

- a. All confidential or proprietary knowledge and information received from the other party shall for all time and purposes be regarded by the receiving party, its employees and agents as strictly confidential and will not be disclosed to any third parties or to any of the other affiliates of the receiving party.
- b. Each party agrees to utilize any information provided by the other party only for the purposes of carrying out this Agreement and further acknowledges that it will not utilize any information provided by the other party for any purpose including but not limited to directly or indirectly competing with the other party or otherwise assisting another person or entity in doing the same.
- c. All confidentiality obligations hereunder shall continue in full force and effect during the term of this Agreement, and after termination: (a) in the case of confidential information that constitutes a trade secret under applicable law, for as long as such confidential information remains a trade secret; or (b) in the case of any other confidential information, for a term of two (2) years.
- d. Each party further understands that money damages will not be a sufficient remedy for a breach of this Section 14 and that, in addition to all other remedies available at law or in equity, each party shall be entitled to seek equitable relief, including injunctions or specific performance, without proof of actual damages.
- e. In the event that the receiving party is requested or required by legal or regulatory authority to disclose confidential or proprietary information of the disclosing party, the receiving party shall promptly notify the disclosing party of such request or requirement prior to disclosure to the extent permitted by applicable law, so that the disclosing party may seek an appropriate protective order. In the event that a protective order or other remedy is not obtained, receiving party agrees to furnish only that portion of the confidential or proprietary information that it reasonably determines, in consultation with its counsel, is consistent with the scope of the subpoena or demand, and to exercise reasonable efforts to obtain assurance that confidential treatment will be accorded such information.

15. INDEMNIFICATION: To the fullest extent permitted by law, each party shall defend, indemnify and hold harmless the other from and against any and all claims, suits, damages, losses, liabilities, fines, penalties, costs or expenses (including reasonable attorney's fees) arising from or related to (i) the indemnifying party's negligence, gross negligence or willful misconduct in the performance of its duties and obligations hereunder, or the negligence, gross negligence or willful misconduct of the indemnifying party's officers, directors, employees, agents, or guests, (ii) infringement of a third party's intellectual property rights by the indemnifying party or its products and services, (iii) any material breach of this Agreement by the indemnifying party, or (iv) any violation of applicable law by the indemnifying party or its products and services.

16. NOTICES: Whenever any notice, demand or request is required or permitted hereunder, such notice, demand or request shall be hand-delivered in person or sent via facsimile, by overnight mail through a reputable service, by email, or by certified mail, return receipt requested, to the addresses set forth below:

As to O'REILLY: O'Reilly Auto Enterprises, LLC
233 S. Patterson Avenue
Springfield, MO 65802
Attn: Heath Johnson
Email address: hjohnson9@oreillyauto.com

With a copy to General Counsel

As to THE CITY OF MIDWEST CITY, OKLAHOMA: THE CITY OF MIDWEST CITY, OKLAHOMA
Craig Davis
8730 SE 15th St Midwest City, OK 73110
crdavis@midwestcityok.org

Eva Deen
8730 SE 15th St Midwest City, OK 73110
edeen@midwestcityok.org

With a copy to General Counsel

Each such notice shall be deemed delivered (i) on the date of receipt if delivered by hand, email, overnight courier service or if sent by facsimile, or (ii) on the date three (3) business days after depositing with the United States Postal Service if mailed by registered or certified mail. Either party may change its address specified for this notice by giving the other party at least ten (10) days written notice in accordance with this Section 16.

17. FORCE MAJEURE/DAMAGE OF PREMISES:

a. Whenever performance by either party of any of their respective obligations is substantially prevented by reason of any act of God, other industrial or transportation disturbance, fire, floods, riots, acts of enemies, national emergencies or by any other cause not within the reasonable control of such party and not occasioned by its negligence, then such performance shall be excused and the performance of such obligations under this Agreement shall be suspended for the duration of such prevention and for a reasonable time thereafter.

b. Notwithstanding any other provisions of this Agreement O'REILLY may terminate this Agreement, at its sole discretion, immediately in the event that THE CITY OF MIDWEST CITY, OKLAHOMA's premises are damaged by any casualty, or such portion of the premises is condemned by any legally constituted authority, such as will make THE CITY OF MIDWEST CITY, OKLAHOMA's premises unusable for the Location in the reasonable judgment of O'REILLY.

18. SUCCESSORS AND ASSIGNS: The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective officers, directors, employees, successors and permitted assigns. Notwithstanding the foregoing, the rights and obligations of either party to this Agreement may not be assigned without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld, provided, however, that each party may assign this Agreement to any of its affiliated entities.

19. AMENDMENTS: No amendment to this Agreement shall be binding on either party hereto unless such amendment is in writing and executed by both parties with the same formality as this Agreement is executed.

20. NO WAIVER OF RIGHTS: No failure of either party hereto to exercise any power given such party hereunder or to insist upon strict compliance by the other party to its obligations hereunder, and no custom or practice of the parties in variance with the terms hereof, shall constitute a waiver of either party's right to demand exact compliance with the terms hereof.

21. LIMITATIONS ON RIGHTS OF THIRD PARTIES: All obligations of a party under this Agreement are imposed solely and exclusively for the benefit of the parties, and no other person shall, under any circumstances, be deemed to be a beneficiary of such obligations.

22. INDEPENDENT CONTRACTOR: The parties hereto are independent contractors. Nothing in this Agreement shall create or shall be deemed to create any fiduciary relationship or the relationship of principal and agent, partnership, joint ventures, employee, or any other similar or representative relationship between parties hereto. Neither of the Parties nor any of their agents or employees shall have the power or authority, to state or imply, directly or indirectly, that they are empowered or authorized to commit or bind, to incur any expenses on behalf of, the other or to enter into any oral or written agreement in the name of or on behalf of the other or their respective affiliates.

23. **CHOICE OF LAW/DISPUTE RESOLUTION:** This Agreement shall be construed and interpreted under the laws of the State of Oklahoma, without giving effect to its choice of law rules. Any disputes arising out of this Agreement shall be litigated under the laws of the State of Oklahoma ...court of competent jurisdiction in Oklahoma County, Oklahoma.

24. **COUNTERPARTS:** This Agreement may be executed in one or more counterparts and each counterpart shall, for all purposes, be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

25. **SECTION HEADINGS:** Section titles or captions contained herein are inserted only as a matter of convenience for reference and in no way define, limit, extend, or describe the scope hereof or the intent of any provision hereof.

26. **SEVERABILITY:** In the event that any part of this Agreement shall be finally determined by a court of law to be illegal or unenforceable for any reason, then that illegal or enforceable part shall be severed from the Agreement, and the remaining terms shall continue in full force and effect.

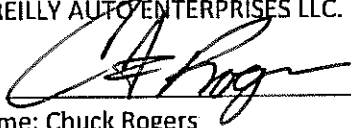
27. **ENTIRE AGREEMENT:** This Agreement and any attachments referenced in this contract, constitute the entire contract between O'REILLY and THE CITY OF MIDWEST CITY, OKLAHOMA concerning the subject matter of this Agreement. To the extent not expressly incorporated herein, this Agreement supersedes all prior proposals, contracts and understandings between the parties concerning the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement through their duly-authorized representatives to be effective as of the date and year first above written.

(Continued on next page)




O'REILLY AUTO ENTERPRISES LLC.

By:  01/14/2021

Name: Chuck Rogers

Title: Vice President of Professional Sales/O'Reilly Auto Parts

THE CITY OF MIDWEST CITY, OKLAHOMA

By:  /01/13/2021

Name: Matthew D. Dukes II

Title: Midwest City Mayor



CITY of MIDWEST CITY
COMMUNITY DEVELOPMENT DEPARTMENT
ENGINEERING DIVISION

Billy Harless, Community Development Director
Brandon Bundy, P.E., City Engineer

ENGINEERING DIVISION
Brandon Bundy, P.E., City Engineer
CURRENT PLANNING DIVISION
Kellie Gilles, AICP, Manager
COMPREHENSIVE PLANNER
Petya Stefanoff, Comprehensive Planner
BUILDING INSPECTION DIVISION
Christine Brakefield, Building Official
GIS DIVISION
Greg Hakman, GIS Coordinator

TO : Honorable Mayor and Council

FROM : Brandon Bundy, P.E., City Engineer

DATE : May 25th, 2021

SUBJECT : Discussion and consideration of approving and entering into a project agreement for Federal-aid Project Number J3-5192(004), State Job Number 35192(04), with the Oklahoma Department of Transportation to receive \$772,500 in federal funds for the Traffic Signals and School Zone Flashers Project.


Federal funds were granted through the ACOG STP-UZA funding program to improve the signals at four intersections throughout the City and replace 20 of the 21 school zone flashers. The one remaining school zone flasher was funded previously as a pilot project through a Hospital Authority Grant and will be of the same standard.

In fall of 2020, the City retained Lee Engineering to design and construct improvements such as pedestrian signaling, vehicle detection, signal faceplates, etc, at the following intersections:

Douglas Boulevard / Wonga Drive
Midwest Boulevard / NE 23rd Street
Air Depot Boulevard / NE 23rd Street
Air Depot Boulevard / NE 10th Street

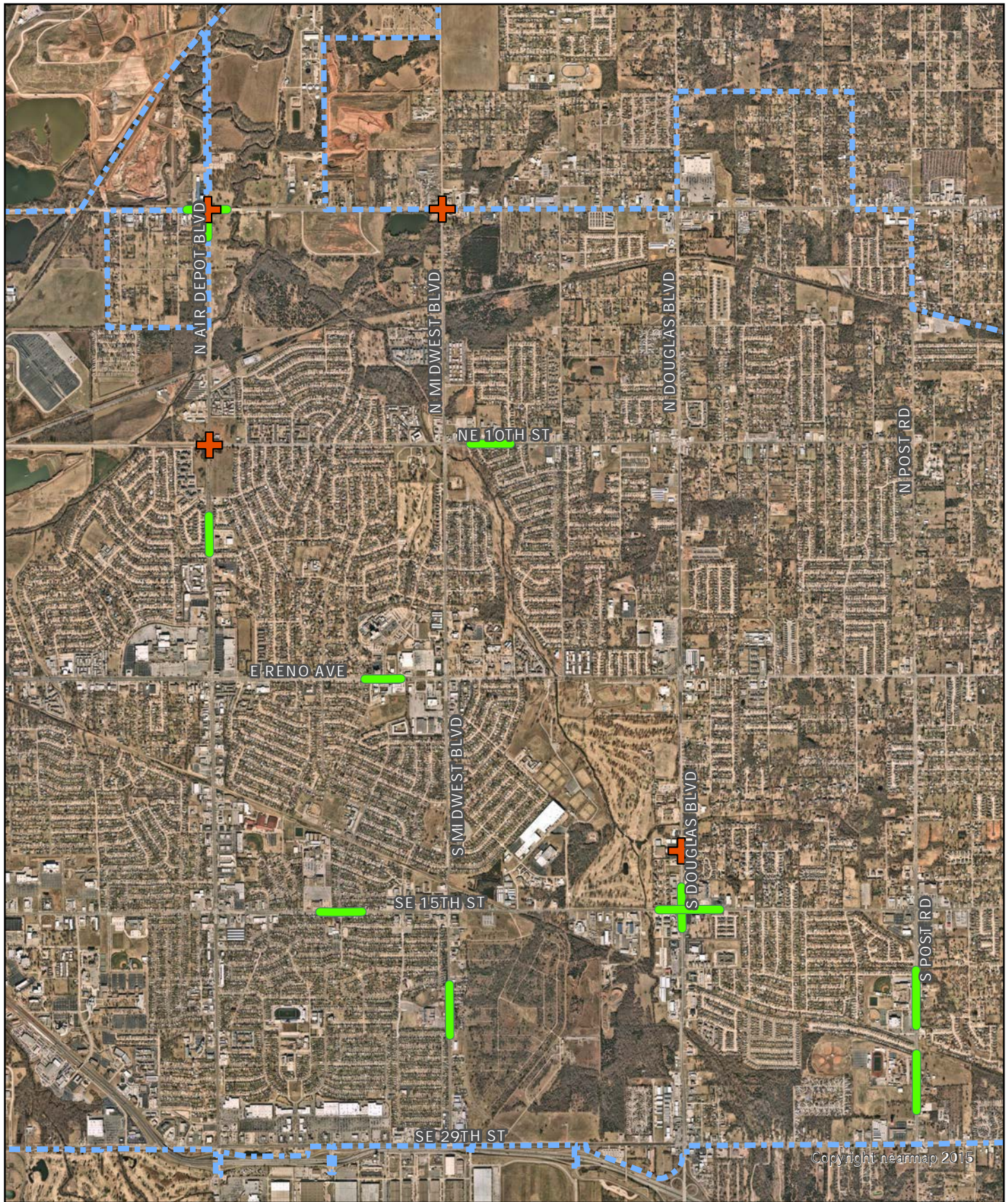
At this time the project is scheduled to bid fall 2021 with construction beginning in fall of 2021. This project is 100% federally funded up to a cap of \$772,500.00. The attached agreement is a new ODOT template which references design 35192(05), right-of-way 35192(06), and utilities 35192(07). Those portions were completed with City funds in order to receive the construction funding. No City funds are obligated at this time.

Staff recommends approval.






Brandon Bundy, P.E.,
City Engineer

Attachment



Copyright nearmap 2015

-  Signals
-  School Zones
-  MWC City Limits

1 in = 3,000 ft
when printed actual size
on 8-1/2"x11" paper

DISCLAIMER
This map is a general information public resource. The City of Midwest City makes no warranty, representation or guarantee as to the content, accuracy, timeliness or completeness of any of the information provided on this map. Any party's use or reliance on this map, or any information on it, is at that party's own risk and without liability to the City of Midwest City, its officials or its employees for any discrepancies, errors or variances that may exist.

**STATE OF OKLAHOMA
DEPARTMENT OF TRANSPORTATION
PROJECT MAINTENANCE, FINANCING, AND RIGHT-OF-WAY AGREEMENT**

MIDWEST CITY: SIGNAL UPGRADE TIP ID 11052 - STBG UZA - 100% SAFETY CAPPED

Project No.: J3-5192(004)

State Job No.: 35192(04)(05)(06)(07)

This agreement, made the day and year last written below, by and between the City of MIDWEST CITY, hereinafter referred to as the Sponsor, and the Department of Transportation of the State of Oklahoma, hereinafter referred to as the Department, for the following intents and purposes and subject to the following terms and conditions, to wit:

WITNESSETH

WHEREAS, The Sponsor requested that certain street improvements be approved by the Oklahoma Transportation Commission, as were previously programmed by the Sponsor and described as follows:

Project Type	Div.	County	JP No	Project No.	Work Type	Description
STBG-UZA	04	OKLAHOMA	35192(04)	J3-5192(004)	SAFETY IMPROVEMENTS	MIDWEST CITY: SIGNAL UPGRADE TIP ID 11052 - STBG UZA - 100% SAFETY CAPPED

WHEREAS, the Department is charged under the laws of the State of Oklahoma with construction and maintenance of State Highways; and,

WHEREAS, the Department is, by terms of agreements with the Federal Highway Administration, responsible for the management and construction of certain federally funded projects within the corporate limits of cities within the State of Oklahoma; and,

WHEREAS, the Sponsor has been identified as the beneficiary and sub-recipient of such federally funded project; and,

WHEREAS, receipt of the benefits of this project will require that the Sponsor assume certain financial responsibilities; and,

WHEREAS, the Sponsor is a municipal corporation created and existing under the constitution and laws of the State of Oklahoma; and

WHEREAS, the laws and constitution of the State of Oklahoma impose financial restrictions on the Sponsor and its ability to ensure financial obligations; and,

WHEREAS, the Parties hereto recognize those financial limitations and agree that the financial obligations assumed by the Sponsor, by the terms of this Agreement, are enforceable only to the extent as may be allowed by law or as may be determined by a court of competent jurisdiction; and,

WHEREAS, it is understood that, by virtue of the Article 10, Section 26 of the Oklahoma Constitution, the payment of Sponsor funds in the future will be limited to appropriations and available funds in the then current Sponsor fiscal year.

NOW, THEREFORE: the Department and the Sponsor, in consideration of the mutual covenants and stipulations as set forth herein, do mutually promise and agree as follows:

SECTION 1: PROJECT AGREEMENT

1.1 If applicable, the Department will recommend approval of the project by the Federal Highway Administration.

1.2 The Sponsor agrees to comply with Title VI of the Civil Rights Act of 1964, 78 Stat. § 252, 42 U.S.C. § 2000d et seq., and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Part 21 - "Nondiscrimination in federally assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act 1964".

1.3 The DEPARTMENT and SPONSOR mutually recognize that each party is a governmental entity subject to the provisions of the Governmental Tort Claims Act (51 O.S. § 151 et seq.). The DEPARTMENT and SPONSOR hereby mutually agree that each is and may be held severally liable for any and all claims, demands, and suits in law or equity, of any nature whatsoever, paying for damages or otherwise, arising from any negligent act or omission of any of their respective employees, agents or contractors which may occur during the prosecution or performance of this Agreement to the extent provided in the Governmental Tort Claims Act. Each party agrees to severally bear all costs of investigation and defense of claims arising under the Governmental Tort Claims Act and any judgments which may be rendered in such cause to the limits provided by law. Nothing in this section shall be interpreted or construed to waive any legal defense which may be available to a party or any exemption, limitation or exception which may be provided by the Governmental Tort Claims Act.

1.4 The Sponsor understands that should it fail to fulfill its responsibilities under this Agreement, such a failure will disqualify the Sponsor from future Federal-aid funding participation on any proposed project. Federal-aid funds are to be withheld until such a time as an engineering staff, satisfactory to the Department has been properly established and functioning, the deficiencies in regulations have been corrected or the improvements to be constructed under this Agreement are brought to a satisfactory condition of maintenance.

SECTION 2: ENGINEERING RESPONSIBILITIES

2.1 The Sponsor shall provide professional engineering services for the development of the Plans, Specifications and Estimates (PS&E) for this project. Design engineering for this project will be performed under the supervision of the Sponsor. Sponsor warrants to the Department that they will review the plans and will certify that the plans are acceptable to the Sponsor and are in full compliance with current standards and specifications.

2.2 Progress payments will be made to the consultant by the DEPARTMENT upon receipt of a properly executed claim form, approved by the SPONSOR, accompanied by suitable evidence of the completion of the work claimed, as detailed in the engineering contract.

2.3 The SPONSOR agrees to hold the Federal Government and the DEPARTMENT harmless from, and shall process and defend at its own expense, all claims, demands, or suits, whether at law or equity brought against the SPONSOR, the DEPARTMENT, or Federal Government, arising from the SPONSOR's execution, performance, or failure to perform any of the provisions of this Agreement, or arising by reason of the participation of the DEPARTMENT or Federal Government in the project, PROVIDED, nothing herein shall require the SPONSOR to reimburse the DEPARTMENT or Federal Government for damages arising out of bodily injury to persons or damage to property caused by or resulting from the sole negligence of the Federal Government or the DEPARTMENT.

2.4 When any alleged act, omission, negligence, or misconduct may be subject to the limitations, exemptions, or defenses which may be raised under the Governmental Tort Claims Act, 51 O.S. Sec. 151, et seq., all such limitations, exemptions, and defenses shall be available to and may be asserted by the SPONSOR. No liability shall attach to the DEPARTMENT or Federal Government except as expressly provided herein.

2.5 The Sponsor agrees to the location of the subject project and agrees to adopt the final plans for said project as the official plans of the Sponsor for the streets, boulevards, arterial highways and/or other improvements contained therein; and further, the Sponsor affirmatively states that it has or shall fully and completely examine the plans and shall hereby warrant to the Department, the Sponsor's complete satisfaction with these plans and the fitness of the plans to construct aforesaid project.

2.6 The Sponsor certifies that the project design plans shall comply, and the project when completed will comply, with the requirements of the Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. §§ 12101 – 12213), 49 CFR Parts 27, 37 and 38 and 28 CFR parts 35 and 36. The Sponsor shall be exclusively responsible for integrated ADA compliance planning for all Sponsor streets, sidewalks and other facilities provided for public administration, use and accommodation, which is required of recipients and sub-recipients by 49 CFR § 27.11. State highways continued through corporate limits of the Sponsor shall be included in the Sponsor's comprehensive compliance plans.

2.7 To the extent permitted by law, all data prepared under this agreement shall be made available to the Department without restriction or limitation on their further use, with exception of any documents or information that would be considered attorney/client privileged by the Sponsor.

2.8 The Department will conduct the environmental studies and prepare the National Environmental Protection Act documents as required for federally funded projects.

2.9 The Department will forward the environmental documents to FHWA for approval if applicable.

SECTION 3: LAND ACQUISITION AND UTILITY RELOCATION

3.1 The Sponsor warrants to the Department that, they have or will acquire all land, property, or rights-of-way needed for complete implementation of said project, free and clear of all obstructions and encumbrances and in full accordance with the Department's guidelines for Right-of-Way Acquisition on Federal-Aid Projects, the Uniform Relocation Act, the National Environmental Protection Act and all other applicable local, state and federal regulations.

3.2 The Sponsor shall be responsible for ensuring all proper tax documentation is filed and issued to recipients of funds paid on behalf of the Sponsor for Right-of-Way acquisition for this project.

3.3 The Sponsor warrants to the Department that it is knowledgeable of and will comply with the provisions of 42 U.S.C.A., Section 4601-4655 and 23 U.S.C.A., Section 323 (as amended) and 49 C.F.R. Part 24 in the acquisition of all right-of-way and the relocation of any displacees.

3.4 The Sponsor shall remove, at its own expense, or cause the removal of, all encroachments on existing streets as shown on said plans, including all buildings, porches, fences, gasoline pumps, islands, and tanks, and any other such private installations and shall further remove or remediate any existing environmental contamination of soil and water from any source, known or unknown.

3.5 If the acquisition of Right of way for this project causes the displacement of any person, business or non-profit organization, the Sponsor warrants it will provide and be responsible for the Relocation Assistance Program and all costs associated with the relocation assistance program. The Department, upon request, will provide a list of service providers who have been prequalified to administer the Relocation Assistance Program. The Sponsor agrees to employ a service provider from the prequalified list provided by the Department. Prior to any relocation assistance payments to the Sponsor, all files with parcels requiring relocation assistance shall be submitted to the Department for audit and compliance review. The Sponsor shall notify the Department within seven (7) days of the date of an offer to acquire being provided to a property owner(s) on any parcel which will require relocation assistance. Written notifications regarding service providers, in-house personnel, appeals, offers to acquire or other related correspondence shall be properly addressed and remitted as follows:

Oklahoma Department of Transportation
Operations Division
200 N.E. 21st Street
Oklahoma City, Oklahoma 73105-3204

3.6 The Sponsor warrants that any procurement, using federal funds, of property, goods or professional and personal services required for this project will be acquired by the Sponsor in compliance with the federal procurement Regulations at 40 USC 1101-1104 (Brooks Act) and the Regulations for Administration of Engineering and Design Related Service Contracts at 23 C.F.R. Part 172, as well as provisions of State purchasing laws applicable to the Sponsor.

3.7 The Sponsor will certify to the Department prior to establishing a letting date that all existing utility facilities (if any) have been properly adjusted in full accordance with the Department's Right-of-Way and Utilities Division policies and procedures to accommodate the construction of said project; and will be solely responsible for

payment of any and all contractor expenses, claims, suits and/or judgments directly resultant from any actual utility relocation delays.

3.8 The Sponsor shall have the authority pursuant to 69 O.S. 2001 § 1001 and 69 O.S. 2001 § 1004 to sell any lands, or interest therein, which were acquired for highway purposes as long as such sale is conducted in accordance with the above cited statutes.

3.9 The Sponsor agrees that if any property acquired utilizing Federal funding is disposed of or is no longer used in the public interest the Sponsor shall reimburse the Department at the current fair market value.

3.10 The Sponsor agrees to;

- Transmit copies of the instruments, including all deeds and easements, to the Department prior to the advertisement of bids for construction.
- Comply with the provisions of 42 U.S.C.A. § 4601-4655 and 23 U.S.C.A. § 323 (as amended) and, further comply with 49 C.F.R. Part 24 in the acquisition of all necessary right-of-way and relocation of all displacees.
- Convey title to the State of Oklahoma on all tracts of land acquired in the name of the Sponsor if the project is located on the State Highway System.

SECTION 4: FUNDING SUMMARY

4.1 The Department and the Sponsor agree that the project will be financed at a **not-to-exceed**, STBG-UZA total estimated cost of **\$772,500**, as described below:

FUNDING SOURCE =>			STBG-UZA		Sponsor	
STATE JOB PIECE NO.	DESCRIPTION	TOTAL ESTIMATED COST	SHARE (%)	AMOUNT	SHARE (%)	AMOUNT
35192(05)	Design -				100	
35192(06)	Right-of-Way -				100	
35192(07)	Utilities -				100	
35192(04)	Construction - (With 6% Inspection)	\$772,500	100 up to a limit of	\$772,500	Remainder	
Total		\$772,500	Total=>	\$772,500	Total=>	

4.2 Furthermore, the Department and the Sponsor agree that actual STBG-UZA costs incurred by project phases (**JP 35192(04,05,06,07)**) may exceed initial estimates. Costs between these project phases will be administratively adjusted based on actual cost of each phase, within the total cost of this agreement, without formal supplemental agreement, in so far as the total project agreement is not exceeded.

4.3 It is understood by the Sponsor and the Department that the funding participation stipulated herein may be altered due to bid prices, actual construction supervision costs and non-participating costs incurred during construction. The Sponsor will be responsible for payment of any estimated local funding prior to advertising the project for bid. Upon final acceptance of this project, the total project cost will be determined, and the final amount of local funds (if any) will be determined by the Department's Comptroller per the terms of this agreement. A refund will then be made by the Department to the Sponsor or additional funding will be requested. The Sponsor agrees to make arrangements for payment of any Department invoice within 45 days of receipt.

SECTION 5: CONSTRUCTION RESPONSIBILITIES

5.1 The Sponsor agrees to comply with all applicable laws and regulations necessary to meet the Oklahoma Department of Environmental Quality (ODEQ) requirements for pollution prevention including discharges from storm water runoff during the planning and design of this project. Further, the Sponsor agrees and stipulates as stated in the ODEQ's *General Permit OKR10*, dated September 13, 2017 or latest revision, to secure a storm water permit with the ODEQ for utility relocations, when required. It is also agreed that the storm water management plan for the project previously described in the document includes project plans and specifications, required schedules for accomplishing the temporary and permanent erosion control work, the site specific storm water pollution prevention plan and the appropriate location map contained in the utility relocation plans.

5.2 The Sponsor's responsibility for environmental cleanup will be a continuing responsibility to remediate any and all known and unknown environmental damage throughout the duration of this contract with the Department in compliance with State and federal regulations.

5.3 The roadway improvements and all devices specified herein shall not be altered, removed, or cease to be operative without mutual written consent of the Department and the Sponsor.

5.4 Upon approval of this AGREEMENT and the plans, specifications, and estimates by the Sponsor, the Department, and the Federal Highway Administration (if applicable),

the Department will advertise and let the contract for this project in the usual and customary legal manner. It is agreed that the projects herein contemplated are proposed to be financed as previously described, and that this agreement, all plans, specifications, estimate of costs, acceptance of work, payments, and procedure in general hereunder are subject in all things at all times to all local, state and Federal laws, regulations, orders, approvals as may be applicable hereto.

5.5 The Department shall provide a copy of the executed construction contract to the Sponsor, upon receipt of a written request.

5.6 The Department will notify the Sponsor of pre-bid dates, bid opening dates, and Transportation Commission award dates in writing upon receipt of a written request.

5.7 The Sponsor agrees that prior to the Department's advertising of the project for bids (as to that part of the project lying within the present corporate limits) it will:

- Grant to the Department and its contractors, the right-of-entry to all existing streets, alleys, and Sponsor owned property when required, and other rights-of-way shown on said plans.
- Remove at its own expense, or cause the removal of, all encroachments on existing streets as shown on said plans, including all signs, buildings, porches, awnings, porticos, fences, gasoline pumps and islands, and any other such private installations.
- Prohibit parking on that portion of the project within the corporate limits of the Sponsor, except as may be indicated in the plans or hereafter approved by agreement with the Department. The Sponsor further agrees not to install, or permit to be installed, any signs, signals or markings not in conformance with the standards approved by the Federal Highway Administration and Manual on Uniform Traffic Control Devices (MUTCD).
- Comply with the Department's standards for construction of driveway entrances from private property to the highway, in accordance with the Department's manual entitled "Policy on Driveway Regulation for Oklahoma Highways", Rev. 5/96, 69 O.S. (2001) § 1210.
- Maintain all right of way acquired for the construction of this project, as shown on said plans, in a manner consistent with applicable statutes, codes, ordinances and regulations of the Department and the State of Oklahoma.

- The Sponsor shall have the authority pursuant to 69 O.S. 2001 § 1001 and 69 O.S. 2001 § 1004 to sell any lands, or interest therein, which were acquired for highway purposes as long as such sale is conducted in accordance with the above cited statutes. Prior written approval by the Chief, Right-of-Way Division for the Department shall be required before any sale is made.

5.8 The Sponsor further agrees and warrants to the Department that, subsequent to the construction of said project, the Sponsor will:

- 1) Erect, maintain and operate traffic control devices, including signals, signs and pavement markings only in accordance with 47 O.S. 2011 §§ 15-104- 15-106, and subject to agreement of the Department:
 - a) In the event that any traffic signal installed hereunder is no longer needed for the purposes designated herein, then the traffic signal installed hereunder shall not be removed by the Sponsor to any other point other than that which is approved by the Department prior to such removal.
 - b) In the event there is no mutually agreed location for the reinstallation, the Sponsor will assume complete ownership of the equipment following removal if the installation is ten (10) years old or older. If the installation is less than ten (10) years old and:
 - 1) In the event the Sponsor desires total ownership of the equipment, the Sponsor shall reimburse the Department the original federal funding percentage share for the original equipment cost only, amortized for a ten(10) year service life, interest ignored, and assuming straight line depreciation.
 - 2) In the event the Sponsor does not desire total ownership of the equipment, the Sponsor shall sell the equipment at public auction to the highest bidder. The Sponsor shall reimburse the Department the original federal funding percentage share of the proceeds of such sale.
- 2) Subject to agreement with the Department, regulate and control traffic on said project, including but not limited to, the speed of vehicles, parking, stopping and turns only in accordance with 47 O.S. 2011 §§ 15-104- 15-106, and to make no changes in the provisions thereof without the approval of the Department. It shall be the responsibility of the Sponsor to notify the Department of any changes necessary to ensure safety to the traveling public.

- 3) Maintain all drainage systems and facilities constructed, installed, modified or repaired in conjunction with this project or as may be otherwise necessary to ensure proper drainage for road surfaces constructed under the terms of this Agreement.
- 4) Maintain all curbs and driveways abutting road surfaces constructed under the terms of this Agreement and all sidewalks adjacent thereto.
- 5) Maintain all right-of-way areas adjacent to road surfaces, including erosion control and period mowing of vegetation, in a manner consistent with applicable codes, ordinances and regulations.
- 6) For any portion of the project encompassed under this agreement that is part of the State Highway System, the Sponsor shall maintain all that part of said project within the corporate limits of the Sponsor between the gutter lines and the right-of-way lines, and if no gutter exists, between the shoulder lines and the right-of-way lines, including storm sewers, all underground facilities, curbs and mowing, all in accordance with 69 O.S. Supp. 1994 §901 and all other applicable law.
- 7) On limited access highways where county roads or city streets extend over or under the highway or public roads are constructed on state rights-of-way but there is no immediate ingress and egress from the highway, responsibility shall be as follows:
 - a. The public roads as defined in OAC 730:35-1-2 shall be maintained by the city or county and shall be included in their roadway mileage inventory.
 - b. Where county roads or city streets extend over the highway, the roadway, approaches and bridge surfaces, including the deck, shall be maintained by the city or county. The approach guardrail, bridge structure, and highest clearance posting on the structure shall be maintained by the Department.
 - c. Where county roads or city streets extend under the highway, the roadway approaches and advance signing shall be maintained by the city or county. The Department shall maintain the approach guardrail, bridge structure and surface, and the height clearance posting on the structure.

5.9 The Sponsor further agrees and warrants to the Department concerning any sign and highway facility lighting included as part of this project:

- 1) The Sponsor will, upon notice from the Department Engineer, provide at its own expense all required electrical energy necessary for all preliminary and operational tests of the highway lighting facilities.
- 2) Upon completion of the construction of said project, the Sponsor will be responsible for the maintenance and cost of operation of these highway lighting facilities, including all appurtenances thereto and including the sign lighting facilities.
- 3) It is specifically understood and agreed that the highway lighting and sign lighting facilities specified hereunder shall be continuously operated during the hours of darkness, between sunset and sunrise, and shall not be altered, removed or be allowed to cease operation without the mutual written consent of the Department and the Sponsor.
- 4) The Sponsor agrees to provide, on a periodic schedule, an inspection, cleaning and re- lamping maintenance program to assure the maximum efficiency of the highway lighting facilities.
- 5) In the event that the highway lighting facilities installed hereunder are no longer needed for the purposes designated herein, then the highway lighting facilities installed hereunder shall not be removed by the Sponsor to any point other than which is approved by the Department prior to such removal.
- 6) In the event there is no mutually agreed location for reinstallation, the Sponsor will assume complete ownership of the equipment following removal if the installation is twenty (20) years old or older. If the installation is less than twenty years old and:
 - a) In the event the Sponsor desires total ownership of the equipment, the Sponsor shall reimburse the Department the original federal funding percentage share of the original equipment costs only, amortized for a twenty (20) year service life, interest ignored, and assuming straight line depreciation.
 - b) In the event the Sponsor does not desire total ownership of the equipment, the Sponsor shall sell the equipment at public auction to the highest bidder. The Sponsor shall reimburse the Department the original federal funding percentage share of the proceeds of such sale.

5.10 The Department will appoint competent supervision and inspection of the construction work performed by the construction contractor and will provide such engineering, inspection and testing services as may be required to ensure that the construction of the project is accomplished in accordance with the approved Plans, Specifications and Estimates. The Department reserves the right to make such changes in said plans as may be necessary for the proper construction of said project.

- 1) The Sponsor agrees to provide such competent supervision as the Sponsor deems necessary during times that the work is in progress to insure the completion of the project to the Sponsor's satisfaction and the Sponsor's representatives and the Department's representatives will cooperate fully to the end of obtaining work strictly in accordance with the plans and specifications.
- 2) The Sponsor will make ample provisions annually for the proper maintenance of said project, including the provision of competent personnel and adequate equipment, specifically, to provide all required maintenance of the project during the critical period immediately following construction and to keep the facility in good and safe condition for the benefit of the traveling public.
- 3) The Sponsor warrants to the Department that it will periodically review the adequacy of the aforesaid project to ensure the safety of the traveling public and should the Sponsor determine that further modifications or improvements be required, the Sponsor shall take such actions as are necessary to make such modifications or improvement. When operation modifications are required which in the opinion of the Department exceed the capability of the Sponsor's staff, the Sponsor agrees to retain, at the sole expense of the Sponsor, competent personnel for the purpose of bringing the improvement up to the proper standard of operation.
- 4) The Sponsor warrants and agrees that upon completion of the aforesaid project, the Sponsor assumes any and all financial obligations for the operation, use, and maintenance of the aforesaid project.

SECTION 6: NON-DISCRIMINATION CLAUSE

6.1 During the performance of this Agreement, the Sponsor, for itself, its assignees and successors in interest, agrees as follows:

1) **Compliance with Regulations:**

The Sponsor shall comply with the regulations relative to nondiscrimination in federally-assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time

(hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

2) **Nondiscrimination:**

The Sponsor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, sex, age, national origin, disability/handicap, or income status, in the selection and retention of contractors or subcontractors, including procurements of materials and leases of equipment. The Sponsor shall not participate either directly or indirectly, in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in appendix B of the Regulations.

3) **Solicitations for Subcontracts, Including Procurement of Materials and Equipment:**

In all solicitations, either by competitive bidding or negotiation, made by the Sponsor for work to be performed under a contract or subcontract, including procurements of materials or leases of equipment, each potential contractor or subcontractor or supplier shall be notified by the Sponsor of the Sponsor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, sex, age, national origin, disability/handicap, or income status.

4) **Information and Reports:**

The Sponsor shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the State Department of Transportation or the Federal Highway Administration to be pertinent to ascertain compliance with such Regulations or directives. Where any information required of a Sponsor is in the exclusive possession of another who fails or refuses to furnish this information, the Sponsor shall so certify to the State Department of Transportation, or the Federal Highway Administration, as appropriate, and shall set forth what efforts it has made to obtain the information.

5) **Sanctions for Noncompliance:**

In the event of the Sponsor's noncompliance with the nondiscrimination provisions of this contract, the State Department of Transportation shall impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including but not limited to:

- a. Withholding of payments to the Sponsor under the contract until the Sponsor complies and/or
- b. Cancellation, termination, or suspension of the contract in whole or in part.

6) **Incorporation of Provisions:**

The Sponsor shall include the provisions of paragraphs 1 through 6 in every contract or subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The Sponsor shall take such action with respect to any contract or subcontract or procurement as the State Department of Transportation or the Federal Highway Administration may direct as a means of enforcing such provisions, including sanctions for noncompliance provided, however, that in the event a Sponsor becomes involved in, or is threatened with, litigation by a subcontractor or supplier as a result of such direction, the Sponsor may request the State Department of Transportation to enter into such litigation to protect the interests of the State; and, in addition, the Sponsor may request the United States to enter into such litigation to protect the interests of the United States.

SECTION 7: TERMINATION

7.1 This agreement may be terminated by any of the following conditions:

- a) By mutual agreement and consent, in writing of both parties.
- b) By the Department by written notice to the Sponsor as a consequence of failure by the Sponsor to perform the services set forth herein in a satisfactory manner.
- c) By either party, upon the failure of the other party to fulfill its obligations as set forth herein.
- d) By the Department for reasons of its own and not subject to the mutual consent of the Sponsor upon five (5) days written notice to the Sponsor.
- e) By satisfactory completion of all services and obligations described herein.

7.2 The termination of this agreement shall extinguish all rights, duties, obligations and liabilities of the Department and the Sponsor under this agreement. If the potential termination of this agreement is due to the failure of either the Department or the Sponsor to fulfill their obligation as set forth herein, the non-breaching party will notify the party alleged to be in breach that possible breach of agreement has

occurred. The party alleged to be in breach should make a good faith effort to remedy that breach as outlined by non-breaching party within a period mutually agreed by each party.

SECTION 8: GOVERNING LAW AND VENUE

8.1 Any claims, disputes or litigation relating to the solicitation, execution, interpretation, performance, or enforcement of this Contract shall be governed by the laws of the State of Oklahoma and the applicable rules, regulations, policies and procedures of the Oklahoma Transportation Commission. Venue for any action, claim, dispute or litigation, mediation or arbitration shall be in Oklahoma County, Oklahoma.

SECTION 9: DISPUTE RESOLUTION

9.1 The parties hereto have entered into this Agreement in the State of Oklahoma and the laws of the State of Oklahoma shall apply. The parties agree to bargain in good faith in direct negotiation to achieve resolutions of any dispute and, if such efforts are unsuccessful, to retain a neutral mediation service to mediate the dispute prior to the filing of any court action. Mediation shall be conducted in the Oklahoma City area and the costs of such mediation shall be borne equally by the parties. If mediation is not successful, venue for any action brought to enforce the terms of this Agreement shall be in Oklahoma County, State of Oklahoma. Each party shall bear any cost and attorney fees incurred by the party in such litigation.

SECTION 10: PRIOR UNDERSTANDINGS

10.1 This agreement incorporates and reduces to writing all prior understandings, promises, agreements, commitments, covenants or conditions and constitutes the full and complete understanding and contractual relationship of the parties.

SECTION 11: AMENDMENTS OR MODIFICATIONS OF AGREEMENT

11.1 No changes, revisions, amendments or alterations in the manner, scope of type of work or compensation to be paid by the DEPARTMENT shall be effective unless reduced to writing and executed by the parties with the same formalities as are observed in the execution of this Agreement.

SECTION 12: RECORDS

12.1 The Sponsor is to maintain all books, documents, papers, accounting records and other evidence pertaining to costs incurred and to make such materials available at its respective offices at all reasonable times, during the Agreement period and for three (3) years from the date of final payment under the Agreement for inspection by the DEPARTMENT and the State Auditor and Inspector, and copies thereof shall be furnished to the DEPARTMENT, if requested.

SECTION 13: HEADINGS

10.1 Article headings used in this Agreement are inserted for convenience of reference only and shall not be deemed a part of this Agreement for any purpose.

SECTION 14: BINDING EFFECTS

14.1 This contract shall be binding upon and inure to the benefit of the ODOT and the Sponsor and shall be binding upon their successors and assigns subject to the limitations of Oklahoma law.

SECTION 15: SEVERABILITY

15.1 If any provision, clause or paragraph of this Agreement or any document incorporated by reference shall be determined invalid by a court of competent jurisdiction, such determination shall not affect the other provisions, clauses or paragraphs of this Agreement which are not affected by the determination. The provisions, clauses or paragraphs of this Agreement and any documents incorporated by reference are declared severable.

SECTION 16: EFFECTIVE DATE

16.1 This agreement shall become effective on the date of execution by the Department's Director or his designee.

IN WITNESS WHEREOF, the Director of the Department of Transportation, pursuant to authority vested in him by the State Transportation Commission, has hereunto subscribed his name as Director of the Department of Transportation and the Sponsor has executed same pursuant to authority prescribed by law for the Sponsor.

The Sponsor, _____ on this ____ of _____, 20____, and the Department on the ____ day of _____, 20 ____.

THE CITY OF MIDWEST CITY

APPROVED AS TO FORM
AND LEGALITY

By _____
City Attorney

By _____
Mayor

By _____
Attest: City Clerk

(SEAL): Approved – THE CITY OF
MIDWEST CITY

STATE OF OKLAHOMA
DEPARTMENT OF TRANSPORTATION

Recommended for Approval

Local Government Division Manager

Director of Capital Programs

APPROVED AS TO FORM
AND LEGALITY

APPROVED

General Counsel

Deputy Director



CITY of MIDWEST CITY
COMMUNITY DEVELOPMENT DEPARTMENT
ENGINEERING DIVISION

Billy Harless, Community Development Director
Brandon Bundy, P.E., City Engineer

ENGINEERING DIVISION
Brandon Bundy, P.E., City Engineer
CURRENT PLANNING DIVISION
Kellie Gilles, AICP, Manager
COMPREHENSIVE PLANNER
Petya Stefanoff, Comprehensive Planner
BUILDING INSPECTION DIVISION
Christine Brakefield, Building Official
GIS DIVISION
Greg Hakman, GIS Coordinator

TO : Honorable Mayor and Council

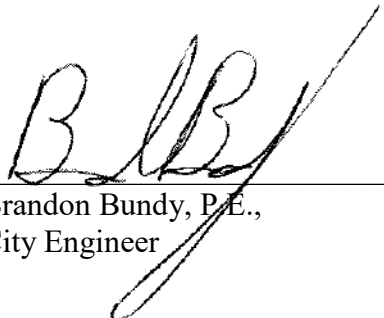
FROM : Brandon Bundy, P.E., City Engineer

DATE : May 25th, 2021

SUBJECT : Discussion and consideration of accepting a grant of Temporary Easement from Douglas Development Corporation across a certain parcel of land located within the corporate boundaries of Midwest City, being part of the Southeast Quarter (SE/4) of Section Two (2), Township Eleven (11) North, Range Two (2) West of the Indian Meridian, Oklahoma County, Oklahoma.

The temporary easement is required as part of the signal project, ODOT JP 35192(04), for the purposes of making the drive ADA compliant. The existing drive has an excessive cross slope and must be corrected with the project. This is the west leg of the intersection of Douglas Boulevard and Wonga Drive.

Staff recommends accepting the easement.



Brandon Bundy, P.E.,
City Engineer

Attachment

22nd day of March, 2021, personally appeared

Daryush Valanejad as President

of Douglas Development Corporation for, to me known to be the identical person who executed

the within and foregoing instrument and acknowledged to me that he executed the same as his

free and voluntary act and deed and as the free and voluntary act of Douglas Development

Corporation for the uses and purposes set out herein.

WITNESS, my hand and seal this 22nd day of March, 2021.



My Commission expires: 4-30-23

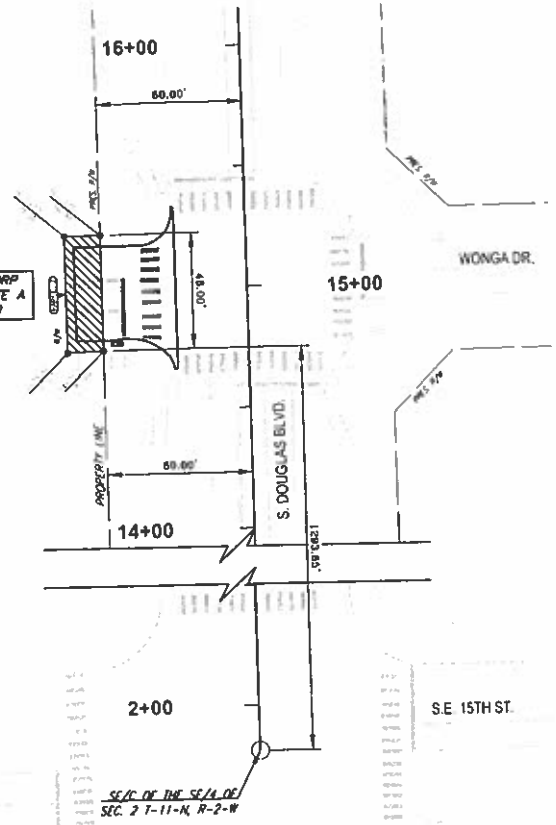
Shelly Sue Gonzales
NOTARY PUBLIC

Approved by City Attorney _____ Date: _____

Approved by City Council _____ Date: _____

DOUGLAS DEVELOPMENT CORP
1113 S DOUGLAS BLVD, SUITE A
MIDWEST CITY, OK 73130

SEC. 2, T-11-N, R-2-W



LEGAL DESCRIPTION FOR PARCEL #2
Attachment "A"

A strip, piece or parcel of land lying in part of the S.E. $\frac{1}{4}$ of Section 2, T-11-N, R-2-W 1M, in Oklahoma County, Oklahoma. Said parcel of land being described by metes and bounds as follows:

Commencing at a point of beginning 1293.85 feet north along the eastern section line and 60.00 feet West parallel to the southern section line of the Southeast Corner of said Southeast Quarter; thence S 89° 33' 12.0" W for a distance of 15.00 feet; thence N 00° 26' 48.0" W for a distance of 48.00 feet; thence N 89° 33' 12.0" E for a distance of 15.00 feet; thence S 00° 26' 48.0" E a distance of 48.00 feet to the point of beginning.

Containing 720.00 square feet (0.0165 acres) more or less of new temporary easement.

525 CENTRAL PARK DRIVE
SUITE 107
OKLAHOMA CITY, OK 73105
PHONE: (405) 384-5127
OK CA #5860, Exp. 06/30/2021

LEE ENGINEERING

FILENAME: PARCEL 2.dwg
DATE: 2/2021
MIDWEST CITY SIGNAL UPGRADE
TEMPORARY EASEMENT
OKLAHOMA COUNTY
PARCEL # 2
ATTACHMENT "A"
STATE JP NO. 35192(04)



CITY of MIDWEST CITY
COMMUNITY DEVELOPMENT DEPARTMENT
ENGINEERING DIVISION

Billy Harless, Community Development Director
Brandon Bundy, P.E., City Engineer

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Christine Brakefield, Building Official
GIS DIVISION
Greg Hakman, GIS Coordinator

TO : Honorable Mayor and Council

FROM : Brandon Bundy, P.E., City Engineer

DATE : May 25th, 2021

SUBJECT : Discussion and consideration of approving and entering into a project agreement for Federal-aid Project Number STP-255D(479)AG, State Job Number 33124(04), with the Oklahoma Department of Transportation to receive \$1,919,920 in federal funds (80% Matching) for the Reno Avenue Resurfacing Project; from Midwest Boulevard to Blake Drive.

Federal funds were granted through the ACOG STP funding program to resurface Reno Avenue from Midwest Boulevard to Blake Drive. Besides resurfacing, this project will also address the following:

- Reconstruction of the guardrail and curbing at the box culvert over Soldier Creek.
- Replacing the pedestrian bridge over Soldier Creek, just south of Reno Avenue.
- Reconstruct the existing trail along Reno Avenue from Asphalt to Concrete.
- Reconstruct some of the worst curb and gutter where overlays into the gutter pan have reduced drainage capacity.
- Rebuild curb inlets that are visually deteriorating and not up to current standards for grates and hoods

In June 2020, the City retained GUY Engineering Services, Inc. to finish and submit design documents for ODOT bidding.

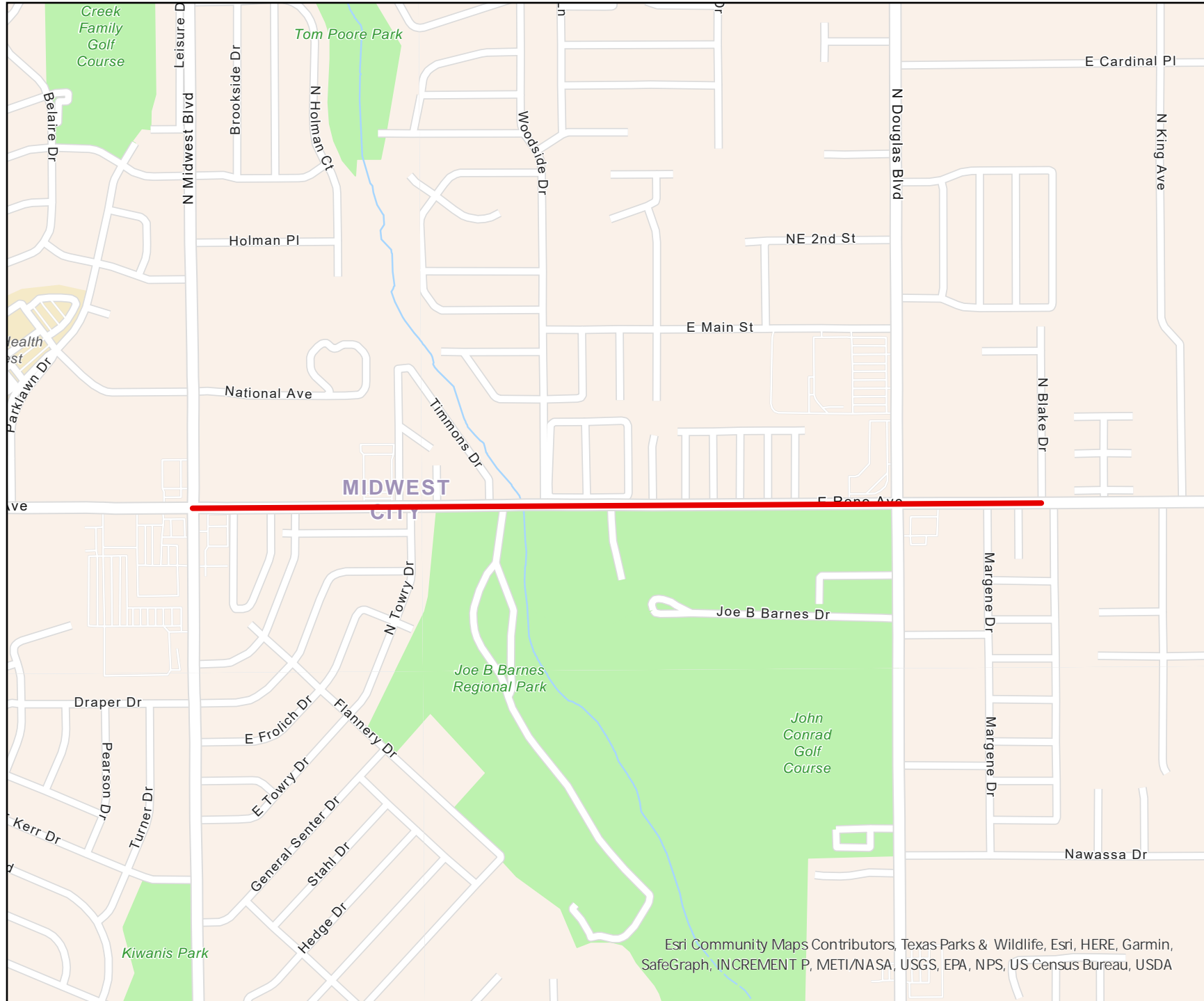
The attached agreement references design 33124(05), right-of-way 33124(06), and utilities 33124(07). Those portions were completed with City funds in order to receive the construction funding. At this time the project is scheduled to bid winter of 2021 with construction beginning in early 2022. This project is 80% federally funded up to a cap of \$1,919,920.00. The 20% funding of \$479,980 and anything over the cap will be the responsibility of the City which is budgeted as Projects #091710, #092006, and #571902.

Staff recommends approval.

Brandon Bundy, P.E.,
City Engineer

Attachment

E Reno Avenue Resurfacing - N Midwest Boulevard to Blake Drive



1 in = 1,000 ft
when printed actual size
on 8-1/2"x11" paper

DISCLAIMER
This map is a general information public resource. The City of Midwest City makes no warranty, representation or guarantee as to the content, accuracy, timeliness or completeness of any of the information provided on this map. Any party's use or reliance on this map, or any information on it, is at that party's own risk and without liability to the City of Midwest City, its officials or its employees for any discrepancies, errors or variances that may exist.

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**STATE OF OKLAHOMA
DEPARTMENT OF TRANSPORTATION
PROJECT MAINTENANCE, FINANCING, AND RIGHT-OF-WAY AGREEMENT**

RESURFACING OF RENO AVE BETWEEN MIDWEST BLVD AND DOUGLAS BLVD,
LOCATED WITHIN THE CITY OF MIDWEST CITY

Project No.: STP-255D(479)AG

State Job No.: 33124(04)(05)(06)(07)

This agreement, made the day and year last written below, by and between the City of MIDWEST CITY, hereinafter referred to as the Sponsor, and the Department of Transportation of the State of Oklahoma, hereinafter referred to as the Department, for the following intents and purposes and subject to the following terms and conditions, to wit:

WITNESSETH

WHEREAS, The Sponsor requested that certain street improvements be approved by the Oklahoma Transportation Commission, as were previously programmed by the Sponsor and described as follows:

Project Type	Div.	County	JP No	Project No.	Work Type	Description
ACOG-STBG	04	OKLAHOMA	33124(04)	STP-255D(479)AG	RESURFACE	RESURFACING OF RENO AVE BETWEEN MIDWEST BLVD AND DOUGLAS BLVD, LOCATED WITHIN THE CITY OF MIDWEST CITY

WHEREAS, the Department is charged under the laws of the State of Oklahoma with construction and maintenance of State Highways; and,

WHEREAS, the Department is, by terms of agreements with the Federal Highway Administration, responsible for the management and construction of certain federally funded projects within the corporate limits of cities within the State of Oklahoma; and,

WHEREAS, the Sponsor has been identified as the beneficiary and sub-recipient of such federally funded project; and,

WHEREAS, receipt of the benefits of this project will require that the Sponsor assume certain financial responsibilities; and,

WHEREAS, the Sponsor is a municipal corporation created and existing under the constitution and laws of the State of Oklahoma; and

WHEREAS, the laws and constitution of the State of Oklahoma impose financial restrictions on the Sponsor and its ability to ensure financial obligations; and,

WHEREAS, the Parties hereto recognize those financial limitations and agree that the financial obligations assumed by the Sponsor, by the terms of this Agreement, are enforceable only to the extent as may be allowed by law or as may be determined by a court of competent jurisdiction; and,

WHEREAS, it is understood that, by virtue of the Article 10, Section 26 of the Oklahoma Constitution, the payment of Sponsor funds in the future will be limited to appropriations and available funds in the then current Sponsor fiscal year.

NOW, THEREFORE: the Department and the Sponsor, in consideration of the mutual covenants and stipulations as set forth herein, do mutually promise and agree as follows:

SECTION 1: PROJECT AGREEMENT

1.1 If applicable, the Department will recommend approval of the project by the Federal Highway Administration.

1.2 The Sponsor agrees to comply with Title VI of the Civil Rights Act of 1964, 78 Stat. § 252, 42 U.S.C. § 2000d et seq., and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Part 21 - "Nondiscrimination in federally assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act 1964".

1.3 The DEPARTMENT and SPONSOR mutually recognize that each party is a governmental entity subject to the provisions of the Governmental Tort Claims Act (51 O.S. § 151 et seq.). The DEPARTMENT and SPONSOR hereby mutually agree that each is and may be held severally liable for any and all claims, demands, and suits in law or equity, of any nature whatsoever, paying for damages or otherwise, arising from any negligent act or omission of any of their respective employees, agents or contractors which may occur during the prosecution or performance of this Agreement to the extent provided in the Governmental Tort Claims Act. Each party agrees to severally bear all costs of investigation and defense of claims arising under the Governmental Tort Claims Act and any judgments which may be rendered in such cause to the limits provided by law. Nothing in this section shall be interpreted or construed to waive any legal defense which may be available to a party or any exemption, limitation or exception which may be provided by the Governmental Tort Claims Act.

1.4 The Sponsor understands that should it fail to fulfill its responsibilities under this Agreement, such a failure will disqualify the Sponsor from future Federal-aid funding

participation on any proposed project. Federal-aid funds are to be withheld until such a time as an engineering staff, satisfactory to the Department has been properly established and functioning, the deficiencies in regulations have been corrected or the improvements to be constructed under this Agreement are brought to a satisfactory condition of maintenance.

SECTION 2: ENGINEERING RESPONSIBILITIES

2.1 The Sponsor shall provide professional engineering services for the development of the Plans, Specifications and Estimates (PS&E) for this project. Design engineering for this project will be performed under the supervision of the Sponsor. Sponsor warrants to the Department that they will review the plans and will certify that the plans are acceptable to the Sponsor and are in full compliance with current standards and specifications.

2.2 Progress payments will be made to the consultant by the DEPARTMENT upon receipt of a properly executed claim form, approved by the SPONSOR, accompanied by suitable evidence of the completion of the work claimed, as detailed in the engineering contract.

2.3 The SPONSOR agrees to hold the Federal Government and the DEPARTMENT harmless from, and shall process and defend at its own expense, all claims, demands, or suits, whether at law or equity brought against the SPONSOR, the DEPARTMENT, or Federal Government, arising from the SPONSOR's execution, performance, or failure to perform any of the provisions of this Agreement, or arising by reason of the participation of the DEPARTMENT or Federal Government in the project, PROVIDED, nothing herein shall require the SPONSOR to reimburse the DEPARTMENT or Federal Government for damages arising out of bodily injury to persons or damage to property caused by or resulting from the sole negligence of the Federal Government or the DEPARTMENT.

2.4 When any alleged act, omission, negligence, or misconduct may be subject to the limitations, exemptions, or defenses which may be raised under the Governmental Tort Claims Act, 51 O.S. Sec. 151, et seq., all such limitations, exemptions, and defenses shall be available to and may be asserted by the SPONSOR. No liability shall attach to the DEPARTMENT or Federal Government except as expressly provided herein.

2.5 The Sponsor agrees to the location of the subject project and agrees to adopt the final plans for said project as the official plans of the Sponsor for the streets, boulevards, arterial highways and/or other improvements contained therein; and further, the Sponsor affirmatively states that it has or shall fully and completely examine the

plans and shall hereby warrant to the Department, the Sponsor's complete satisfaction with these plans and the fitness of the plans to construct aforesaid project.

2.6 The Sponsor certifies that the project design plans shall comply, and the project when completed will comply, with the requirements of the Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. §§ 12101 – 12213), 49 CFR Parts 27, 37 and 38 and 28 CFR parts 35 and 36. The Sponsor shall be exclusively responsible for integrated ADA compliance planning for all Sponsor streets, sidewalks and other facilities provided for public administration, use and accommodation, which is required of recipients and sub-recipients by 49 CFR § 27.11. State highways continued through corporate limits of the Sponsor shall be included in the Sponsor's comprehensive compliance plans.

2.7 To the extent permitted by law, all data prepared under this agreement shall be made available to the Department without restriction or limitation on their further use, with exception of any documents or information that would be considered attorney/client privileged by the Sponsor.

2.8 The Department will conduct the environmental studies and prepare the National Environmental Protection Act documents as required for federally funded projects.

2.9 The Department will forward the environmental documents to FHWA for approval if applicable.

SECTION 3: LAND ACQUISITION AND UTILITY RELOCATION

3.1 The Sponsor warrants to the Department that, they have or will acquire all land, property, or rights-of-way needed for complete implementation of said project, free and clear of all obstructions and encumbrances and in full accordance with the Department's guidelines for Right-of-Way Acquisition on Federal-Aid Projects, the Uniform Relocation Act, the National Environmental Protection Act and all other applicable local, state and federal regulations.

3.2 The Sponsor shall be responsible for ensuring all proper tax documentation is filed and issued to recipients of funds paid on behalf of the Sponsor for Right-of-Way acquisition for this project.

3.3 The Sponsor warrants to the Department that it is knowledgeable of and will comply with the provisions of 42 U.S.C.A., Section 4601-4655 and 23 U.S.C.A., Section 323 (as amended) and 49 C.F.R. Part 24 in the acquisition of all right-of-way and the relocation of any displacees.

3.4 The Sponsor shall remove, at its own expense, or cause the removal of, all encroachments on existing streets as shown on said plans, including all buildings, porches, fences, gasoline pumps, islands, and tanks, and any other such private installations and shall further remove or remediate any existing environmental contamination of soil and water from any source, known or unknown.

3.5 If the acquisition of Right of way for this project causes the displacement of any person, business or non-profit organization, the Sponsor warrants it will provide and be responsible for the Relocation Assistance Program and all costs associated with the relocation assistance program. The Department, upon request, will provide a list of service providers who have been prequalified to administer the Relocation Assistance Program. The Sponsor agrees to employ a service provider from the prequalified list provided by the Department. Prior to any relocation assistance payments to the Sponsor, all files with parcels requiring relocation assistance shall be submitted to the Department for audit and compliance review. The Sponsor shall notify the Department within seven (7) days of the date of an offer to acquire being provided to a property owner(s) on any parcel which will require relocation assistance. Written notifications regarding service providers, in-house personnel, appeals, offers to acquire or other related correspondence shall be properly addressed and remitted as follows:

Oklahoma Department of Transportation
Operations Division
200 N.E. 21st Street
Oklahoma City, Oklahoma 73105-3204

3.6 The Sponsor warrants that any procurement, using federal funds, of property, goods or professional and personal services required for this project will be acquired by the Sponsor in compliance with the federal procurement Regulations at 40 USC 1101-1104 (Brooks Act) and the Regulations for Administration of Engineering and Design Related Service Contracts at 23 C.F.R. Part 172, as well as provisions of State purchasing laws applicable to the Sponsor.

3.7 The Sponsor will certify to the Department prior to establishing a letting date that all existing utility facilities (if any) have been properly adjusted in full accordance with the Department's Right-of-Way and Utilities Division policies and procedures to accommodate the construction of said project; and will be solely responsible for payment of any and all contractor expenses, claims, suits and/or judgments directly resultant from any actual utility relocation delays.

3.8 The Sponsor shall have the authority pursuant to 69 O.S. 2001 § 1001 and 69 O.S. 2001 § 1004 to sell any lands, or interest therein, which were acquired for highway

purposes as long as such sale is conducted in accordance with the above cited statutes.

3.9 The Sponsor agrees that if any property acquired utilizing Federal funding is disposed of or is no longer used in the public interest the Sponsor shall reimburse the Department at the current fair market value.

3.10 The Sponsor agrees to;

- Transmit copies of the instruments, including all deeds and easements, to the Department prior to the advertisement of bids for construction.
- Comply with the provisions of 42 U.S.C.A. § 4601-4655 and 23 U.S.C.A. § 323 (as amended) and, further comply with 49 C.F.R. Part 24 in the acquisition of all necessary right-of-way and relocation of all displacees.
- Convey title to the State of Oklahoma on all tracts of land acquired in the name of the Sponsor if the project is located on the State Highway System.

SECTION 4: FUNDING SUMMARY

4.1 The Department and the Sponsor agree that the project will be financed at a **not-to-exceed**, ACOG-STBG total estimated cost of **\$1,919,920** as described below:

FUNDING SOURCE =>			ACOG-STBG		MIDWEST CITY	
STATE JOB PIECE NO.	DESCRIPTION	TOTAL ESTIMATED COST	SHARE (%)	AMOUNT	SHARE (%)	AMOUNT
33124(05)	Design -				100	
33124(06)	Right-of-Way -				100	
33124(07)	Utilities -				100	
33124(04)	Construction - (With 6% Inspection)	\$2,399,900	80 up to a limit of	\$1,919,920	Remainder	\$479,980
Total		\$2,399,900	Total=>	\$1,919,920	Total=>	\$479,980

4.2 Furthermore, the Department and the Sponsor agree that actual AGOC-STBG costs incurred by project phases (**JP 33124(04,05,06,07)**) may exceed initial estimates. Costs between these project phases will be administratively adjusted based on actual cost of each phase, within the total cost of this agreement, without formal supplemental agreement, in so far as the total project agreement is not exceeded.

4.3 It is understood by the Sponsor and the Department that the funding participation stipulated herein may be altered due to bid prices, actual construction supervision costs and non-participating costs incurred during construction. The Sponsor will be responsible for payment of any estimated local funding prior to advertising the project for bid. Upon final acceptance of this project, the total project cost will be determined, and the final amount of local funds (if any) will be determined by the Department's Comptroller per the terms of this agreement. A refund will then be made by the Department to the Sponsor or additional funding will be requested. The Sponsor agrees to make arrangements for payment of any Department invoice within 45 days of receipt.

SECTION 5: CONSTRUCTION RESPONSIBILITIES

5.1 The Sponsor agrees to comply with all applicable laws and regulations necessary to meet the Oklahoma Department of Environmental Quality (ODEQ) requirements for pollution prevention including discharges from storm water runoff during the planning and design of this project. Further, the Sponsor agrees and stipulates as stated in the ODEQ's *General Permit OKR10*, dated September 13, 2017 or latest revision, to secure a storm water permit with the ODEQ for utility relocations, when required. It is also agreed that the storm water management plan for the project previously described in the document includes project plans and specifications, required schedules for accomplishing the temporary and permanent erosion control work, the site specific storm water pollution prevention plan and the appropriate location map contained in the utility relocation plans.

5.2 The Sponsor's responsibility for environmental cleanup will be a continuing responsibility to remediate any and all known and unknown environmental damage throughout the duration of this contract with the Department in compliance with State and federal regulations.

5.3 The roadway improvements and all devices specified herein shall not be altered, removed, or cease to be operative without mutual written consent of the Department and the Sponsor.

5.4 Upon approval of this AGREEMENT and the plans, specifications, and estimates by the Sponsor, the Department, and the Federal Highway Administration (if applicable), the Department will advertise and let the contract for this project in the usual and customary legal manner. It is agreed that the projects herein contemplated are proposed to be financed as previously described, and that this agreement, all plans, specifications, estimate of costs, acceptance of work, payments, and procedure in general hereunder are subject in all things at all times to all local, state and Federal laws, regulations, orders, approvals as may be applicable hereto.

5.5 The Department shall provide a copy of the executed construction contract to the Sponsor, upon receipt of a written request.

5.6 The Department will notify the Sponsor of pre-bid dates, bid opening dates, and Transportation Commission award dates in writing upon receipt of a written request.

5.7 The Sponsor agrees that prior to the Department's advertising of the project for bids (as to that part of the project lying within the present corporate limits) it will:

- Grant to the Department and its contractors, the right-of-entry to all existing streets, alleys, and Sponsor owned property when required, and other rights-of-way shown on said plans.
- Remove at its own expense, or cause the removal of, all encroachments on existing streets as shown on said plans, including all signs, buildings, porches, awnings, porticos, fences, gasoline pumps and islands, and any other such private installations.
- Prohibit parking on that portion of the project within the corporate limits of the Sponsor, except as may be indicated in the plans or hereafter approved by agreement with the Department. The Sponsor further agrees not to install, or permit to be installed, any signs, signals or markings not in conformance with the standards approved by the Federal Highway Administration and Manual on Uniform Traffic Control Devices (MUTCD).
- Comply with the Department's standards for construction of driveway entrances from private property to the highway, in accordance with the Department's manual entitled "Policy on Driveway Regulation for Oklahoma Highways", Rev. 5/96, 69 O.S. (2001) § 1210.
- Maintain all right of way acquired for the construction of this project, as shown on said plans, in a manner consistent with applicable statutes, codes, ordinances and regulations of the Department and the State of Oklahoma.
- The Sponsor shall have the authority pursuant to 69 O.S. 2001 § 1001 and 69 O.S. 2001 § 1004 to sell any lands, or interest therein, which were acquired for highway purposes as long as such sale is conducted in accordance with the above cited statutes. Prior written approval by the Chief, Right-of-Way Division for the Department shall be required before any sale is made.

5.8 The Sponsor further agrees and warrants to the Department that, subsequent to the construction of said project, the Sponsor will:

- 1) Erect, maintain and operate traffic control devices, including signals, signs and pavement markings only in accordance with 47 O.S. 2011 §§ 15-104- 15-106, and subject to agreement of the Department:
 - a) In the event that any traffic signal installed hereunder is no longer needed for the purposes designated herein, then the traffic signal installed hereunder shall not be removed by the Sponsor to any other point other than that which is approved by the Department prior to such removal.
 - b) In the event there is no mutually agreed location for the reinstallation, the Sponsor will assume complete ownership of the equipment following removal if the installation is ten (10) years old or older. If the installation is less than ten (10) years old and:
 - 1) In the event the Sponsor desires total ownership of the equipment, the Sponsor shall reimburse the Department the original federal funding percentage share for the original equipment cost only, amortized for a ten(10) year service life, interest ignored, and assuming straight line depreciation.
 - 2) In the event the Sponsor does not desire total ownership of the equipment, the Sponsor shall sell the equipment at public auction to the highest bidder. The Sponsor shall reimburse the Department the original federal funding percentage share of the proceeds of such sale.
- 2) Subject to agreement with the Department, regulate and control traffic on said project, including but not limited to, the speed of vehicles, parking, stopping and turns only in accordance with 47 O.S. 2011 §§ 15-104- 15-106, and to make no changes in the provisions thereof without the approval of the Department. It shall be the responsibility of the Sponsor to notify the Department of any changes necessary to ensure safety to the traveling public.
- 3) Maintain all drainage systems and facilities constructed, installed, modified or repaired in conjunction with this project or as may be otherwise necessary to ensure proper drainage for road surfaces constructed under the terms of this Agreement.
- 4) Maintain all curbs and driveways abutting road surfaces constructed under the terms of this Agreement and all sidewalks adjacent thereto.

- 5) Maintain all right-of-way areas adjacent to road surfaces, including erosion control and period mowing of vegetation, in a manner consistent with applicable codes, ordinances and regulations.
- 6) For any portion of the project encompassed under this agreement that is part of the State Highway System, the Sponsor shall maintain all that part of said project within the corporate limits of the Sponsor between the gutter lines and the right-of-way lines, and if no gutter exists, between the shoulder lines and the right-of-way lines, including storm sewers, all underground facilities, curbs and mowing, all in accordance with 69 O.S. Supp. 1994 §901 and all other applicable law.
- 7) On limited access highways where county roads or city streets extend over or under the highway or public roads are constructed on state rights-of-way but there is no immediate ingress and egress from the highway, responsibility shall be as follows:
 - a. The public roads as defined in OAC 730:35-1-2 shall be maintained by the city or county and shall be included in their roadway mileage inventory.
 - b. Where county roads or city streets extend over the highway, the roadway, approaches and bridge surfaces, including the deck, shall be maintained by the city or county. The approach guardrail, bridge structure, and highest clearance posting on the structure shall be maintained by the Department.
 - c. Where county roads or city streets extend under the highway, the roadway approaches and advance signing shall be maintained by the city or county. The Department shall maintain the approach guardrail, bridge structure and surface, and the height clearance posting on the structure.

5.9 The Sponsor further agrees and warrants to the Department concerning any sign and highway facility lighting included as part of this project:

- 1) The Sponsor will, upon notice from the Department Engineer, provide at its own expense all required electrical energy necessary for all preliminary and operational tests of the highway lighting facilities.
- 2) Upon completion of the construction of said project, the Sponsor will be responsible for the maintenance and cost of operation of these highway lighting facilities, including all appurtenances thereto and including the sign lighting facilities.

- 3) It is specifically understood and agreed that the highway lighting and sign lighting facilities specified hereunder shall be continuously operated during the hours of darkness, between sunset and sunrise, and shall not be altered, removed or be allowed to cease operation without the mutual written consent of the Department and the Sponsor.
- 4) The Sponsor agrees to provide, on a periodic schedule, an inspection, cleaning and re- lamping maintenance program to assure the maximum efficiency of the highway lighting facilities.
- 5) In the event that the highway lighting facilities installed hereunder are no longer needed for the purposes designated herein, then the highway lighting facilities installed hereunder shall not be removed by the Sponsor to any point other than which is approved by the Department prior to such removal.
- 6) In the event there is no mutually agreed location for reinstallation, the Sponsor will assume complete ownership of the equipment following removal if the installation is twenty (20) years old or older. If the installation is less than twenty years old and:
 - a) In the event the Sponsor desires total ownership of the equipment, the Sponsor shall reimburse the Department the original federal funding percentage share of the original equipment costs only, amortized for a twenty (20) year service life, interest ignored, and assuming straight line depreciation.
 - b) In the event the Sponsor does not desire total ownership of the equipment, the Sponsor shall sell the equipment at public auction to the highest bidder. The Sponsor shall reimburse the Department the original federal funding percentage share of the proceeds of such sale.

5.10 The Department will appoint competent supervision and inspection of the construction work performed by the construction contractor and will provide such engineering, inspection and testing services as may be required to ensure that the construction of the project is accomplished in accordance with the approved Plans, Specifications and Estimates. The Department reserves the right to make such changes in said plans as may be necessary for the proper construction of said project.

- 1) The Sponsor agrees to provide such competent supervision as the Sponsor deems necessary during times that the work is in progress to insure the completion of the

project to the Sponsor's satisfaction and the Sponsor's representatives and the Department's representatives will cooperate fully to the end of obtaining work strictly in accordance with the plans and specifications.

- 2) The Sponsor will make ample provisions annually for the proper maintenance of said project, including the provision of competent personnel and adequate equipment, specifically, to provide all required maintenance of the project during the critical period immediately following construction and to keep the facility in good and safe condition for the benefit of the traveling public.
- 3) The Sponsor warrants to the Department that it will periodically review the adequacy of the aforesaid project to ensure the safety of the traveling public and should the Sponsor determine that further modifications or improvements be required, the Sponsor shall take such actions as are necessary to make such modifications or improvement. When operation modifications are required which in the opinion of the Department exceed the capability of the Sponsor's staff, the Sponsor agrees to retain, at the sole expense of the Sponsor, competent personnel for the purpose of bringing the improvement up to the proper standard of operation.
- 4) The Sponsor warrants and agrees that upon completion of the aforesaid project, the Sponsor assumes any and all financial obligations for the operation, use, and maintenance of the aforesaid project.

SECTION 6: NON-DISCRIMINATION CLAUSE

6.1 During the performance of this Agreement, the Sponsor, for itself, its assignees and successors in interest, agrees as follows:

1) **Compliance with Regulations:**

The Sponsor shall comply with the regulations relative to nondiscrimination in federally-assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

2) **Nondiscrimination:**

The Sponsor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, sex, age, national origin, disability/handicap, or income status, in the selection and retention of contractors or subcontractors, including procurements of materials and leases of equipment. The Sponsor shall not participate either directly or indirectly, in the discrimination

prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in appendix B of the Regulations.

3) **Solicitations for Subcontracts, Including Procurement of Materials and Equipment:**

In all solicitations, either by competitive bidding or negotiation, made by the Sponsor for work to be performed under a contract or subcontract, including procurements of materials or leases of equipment, each potential contractor or subcontractor or supplier shall be notified by the Sponsor of the Sponsor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, sex, age, national origin, disability/handicap, or income status.

4) **Information and Reports:**

The Sponsor shall provide all information and reports required by the Regulations, or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the State Department of Transportation or the Federal Highway Administration to be pertinent to ascertain compliance with such Regulations or directives. Where any information required of a Sponsor is in the exclusive possession of another who fails or refuses to furnish this information, the Sponsor shall so certify to the State Department of Transportation, or the Federal Highway Administration, as appropriate, and shall set forth what efforts it has made to obtain the information.

5) **Sanctions for Noncompliance:**

In the event of the Sponsor's noncompliance with the nondiscrimination provisions of this contract, the State Department of Transportation shall impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including but not limited to:

- a. Withholding of payments to the Sponsor under the contract until the Sponsor complies and/or
- b. Cancellation, termination, or suspension of the contract in whole or in part.

6) **Incorporation of Provisions:**

The Sponsor shall include the provisions of paragraphs 1 through 6 in every contract or subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The Sponsor shall take such action with respect to any contract or

subcontract or procurement as the State Department of Transportation or the Federal Highway Administration may direct as a means of enforcing such provisions, including sanctions for noncompliance provided, however, that in the event a Sponsor becomes involved in, or is threatened with, litigation by a subcontractor or supplier as a result of such direction, the Sponsor may request the State Department of Transportation to enter into such litigation to protect the interests of the State; and, in addition, the Sponsor may request the United States to enter into such litigation to protect the interests of the United States.

SECTION 7: TERMINATION

7.1 This agreement may be terminated by any of the following conditions:

- a) By mutual agreement and consent, in writing of both parties.
- b) By the Department by written notice to the Sponsor as a consequence of failure by the Sponsor to perform the services set forth herein in a satisfactory manner.
- c) By either party, upon the failure of the other party to fulfill its obligations as set forth herein.
- d) By the Department for reasons of its own and not subject to the mutual consent of the Sponsor upon five (5) days written notice to the Sponsor.
- e) By satisfactory completion of all services and obligations described herein.

7.2 The termination of this agreement shall extinguish all rights, duties, obligations and liabilities of the Department and the Sponsor under this agreement. If the potential termination of this agreement is due to the failure of either the Department or the Sponsor to fulfill their obligation as set forth herein, the non-breaching party will notify the party alleged to be in breach that possible breach of agreement has occurred. The party alleged to be in breach should make a good faith effort to remedy that breach as outlined by non-breaching party within a period mutually agreed by each party.

SECTION 8: GOVERNING LAW AND VENUE

8.1 Any claims, disputes or litigation relating to the solicitation, execution, interpretation, performance, or enforcement of this Contract shall be governed by the laws of the State of Oklahoma and the applicable rules, regulations, policies and procedures of

the Oklahoma Transportation Commission. Venue for any action, claim, dispute or litigation, mediation or arbitration shall be in Oklahoma County, Oklahoma.

SECTION 9: DISPUTE RESOLUTION

9.1 The parties hereto have entered into this Agreement in the State of Oklahoma and the laws of the State of Oklahoma shall apply. The parties agree to bargain in good faith in direct negotiation to achieve resolutions of any dispute and, if such efforts are unsuccessful, to retain a neutral mediation service to mediate the dispute prior to the filing of any court action. Mediation shall be conducted in the Oklahoma City area and the costs of such mediation shall be borne equally by the parties. If mediation is not successful, venue for any action brought to enforce the terms of this Agreement shall be in Oklahoma County, State of Oklahoma. Each party shall bear any cost and attorney fees incurred by the party in such litigation.

SECTION 10: PRIOR UNDERSTANDINGS

10.1 This agreement incorporates and reduces to writing all prior understandings, promises, agreements, commitments, covenants or conditions and constitutes the full and complete understanding and contractual relationship of the parties.

SECTION 11: AMENDMENTS OR MODIFICATIONS OF AGREEMENT

11.1 No changes, revisions, amendments or alterations in the manner, scope of type of work or compensation to be paid by the DEPARTMENT shall be effective unless reduced to writing and executed by the parties with the same formalities as are observed in the execution of this Agreement.

SECTION 12: RECORDS

12.1 The Sponsor is to maintain all books, documents, papers, accounting records and other evidence pertaining to costs incurred and to make such materials available at its respective offices at all reasonable times, during the Agreement period and for three (3) years from the date of final payment under the Agreement for inspection by the DEPARTMENT and the State Auditor and Inspector, and copies thereof shall be furnished to the DEPARTMENT, if requested.

SECTION 13: HEADINGS

10.1 Article headings used in this Agreement are inserted for convenience of reference only and shall not be deemed a part of this Agreement for any purpose.

SECTION 14: BINDING EFFECTS

14.1 This contract shall be binding upon and inure to the benefit of the ODOT and the Sponsor and shall be binding upon their successors and assigns subject to the limitations of Oklahoma law.

SECTION 15: SEVERABILITY

15.1 If any provision, clause or paragraph of this Agreement or any document incorporated by reference shall be determined invalid by a court of competent jurisdiction, such determination shall not affect the other provisions, clauses or paragraphs of this Agreement which are not affected by the determination. The provisions, clauses or paragraphs of this Agreement and any documents incorporated by reference are declared severable.

SECTION 16: EFFECTIVE DATE

16.1 This agreement shall become effective on the date of execution by the Department's Director or his designee.

IN WITNESS WHEREOF, the Director of the Department of Transportation, pursuant to authority vested in him by the State Transportation Commission, has hereunto subscribed his name as Director of the Department of Transportation and the Sponsor has executed same pursuant to authority prescribed by law for the Sponsor.

The Sponsor, _____ on this ____ of _____, 20____, and the Department on the ____ day of _____, 20____.

THE CITY OF MIDWEST CITY

APPROVED AS TO FORM AND LEGALITY

By _____
City Attorney

By _____
Mayor

By _____
Attest: City Clerk

(SEAL): Approved – THE CITY OF
MIDWEST CITY

STATE OF OKLAHOMA
DEPARTMENT OF TRANSPORTATION

REVIEWED AND APPROVED AS TO
FORM AND LEGALITY:

RECOMMENDED:

ODOT General Counsel

Local Government Division

APPROVED BY:

STATE OF OKLAHOMA DEPARTMENT
OF TRANSPORTATION:

Director of Capital Programs

Deputy Director



The City of
MIDWEST CITY
COMMUNITY DEVELOPMENT DEPARTMENT

Christine Brakefield, Chief Building Official

ENGINEERING DIVISION
Patrick Menefee, City Engineer
CURRENT PLANNING DIVISION
Kellie Gilles, Current Planning Manager
COMPREHENSIVE PLANNING
Comprehensive Planner
BUILDING INSPECTION DIVISION
Christine Brakefield, Building Official
GIS DIVISION
Greg Hakman, GIS Coordinator

Date: May 25, 2021

To: Honorable Mayor and City Council

From: Christine Brakefield, Chief Building Official

Subject: Discussion and consideration of the appointment of Steven Bagwell, and the re-appointment of Steve Franks to the Plumbing, Gas and Mechanical Board for three-year terms.

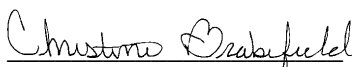
The terms of Steve Franks and Jerry White expired on March 13, 2021. Steve Franks wishes to be considered for reappointment. Steven Bagwell wishes to be considered for appointment to replace the vacancy left by Jerry White's retirement. Mr. Bagwell began his career in the mechanical industry 31 years ago. He began Comfort Pro, Inc, his Midwest City based company in 2009 and is an active and well respected member of the community.

In accordance with Sec. 9-190 of the Municipal Code, the Plumbing, Gas and Mechanical Board shall consist of six (6) members (one of each trade) to be appointed by the mayor and approved by the city council. The members of the board shall be chosen from the residents of the city at large with reference to their fitness for such office. Ownership, operation or involvement in the plumbing, gas and mechanical trade within the city shall qualify to serve on the board.

Current members include:

Steve Foster – Gas (expires 11.9.21)
Dale Milburn – Plumbing (expires 3.26.22)
Gary Perkins – Plumbing (expires 3.26.22)
Steve Franks – Mechanical (expired 2.9.21)
Jerry White – Mechanical (expired 2.9.21)
Vacant – Mechanical

Action is at the Council's discretion.


Christine Brakefield, MPA, CBO
Chief Building Official



The City of
MIDWEST CITY
COMMUNITY DEVELOPMENT DEPARTMENT

Christine Brakefield, Chief Building Official

ENGINEERING DIVISION
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Kellie Gilles, Current Planning Manager
COMPREHENSIVE PLANNING
Comprehensive Planner
BUILDING INSPECTION DIVISION
Christine Brakefield, Building Official
GIS DIVISION
Greg Hakman, GIS Coordinator

Date: May 25, 2021

To: Honorable Mayor and City Council

From: Christine Brakefield, Chief Building Official

Subject: Discussion and consideration of the re-appointment of Allen Clark, Charlie Hartley and Jim Campbell to the Builders Advisory Board for three-year terms.

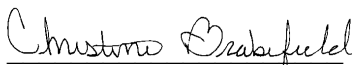
The terms of Allen Clark and Charlie Hartley expired on January 12, 2021, and the term of Jim Campbell ended on April 13, 2021. They all wish to be considered for reappointment.

In accordance with Sec. 9-17 of the Municipal Code, the Builders Advisory Board shall consist of seven (7) members to be appointed by the mayor and approved by the city council. The members of the board shall be chosen from the residents of the city at large with reference to their fitness for such office. Ownership, operation or involvement in the building, construction or development business within the city shall also qualify one to serve on the board.

Current members include:

Chris Clark (expire 7.28.23)
Joel Bryant (expires 3.22.22)
Jim Campbell (expired 4.13.21)
Steve Merriman (expire 7.28.23)
Allen Clark (expired 1.12.21)
Jim McWhirter (expires 3.12.22)
Charlie Hartley (expired 1.12.21)

Action is at the Council's discretion.


Christine Brakefield, MPA, CBO
Chief Building Official



Information Technology
100 N. Midwest Boulevard
Midwest City, OK 73110
Office 405.739.1374
Fax 405.869.8602

MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Allen Stephenson, Information Technology Director

DATE: May 25, 2021

SUBJECT: Discussion and consideration of 1) declaring various computer equipment obsolete items of city property on the attached list surplus; and 2) authorizing their disposal by public auction, sealed bid or other means as necessary.

The following computer equipment and peripheral devices are obsolete, defective or have been replaced.



Information Technology
 100 N. Midwest Boulevard
 Midwest City, OK 73110
 Office 405.739.1374
 Fax 405.869.8602

MISCELLANEOUS			
Quantity	MIS #	Hardware Type	Serial Number
2		Box of Misc. Microphones	N/A
2		Box of Misc. Headphones	
2		Box of misc. wire	
1		TWR Flash Beacon E-1DBSL	42228
8		MISC Radio Racks	N/A
3		Misc. Radio Equipment Cabinet	N/A
1		Motorola XTL2500 Mobile	514CHK0576
1		Motorola XTL2500 Mobile	514CHK0577
1		Motorola XTL2500 Mobile	514CHK0578
1		Motorola XTL2500 Mobile	514CHK0579
1		Motorola XTL2500 Mobile	514CHK0580
1		Motorola XTL2500 Mobile	514CHK0581
1		Motorola XTL2500 Mobile	514CHK0582
1		Motorola XTL2500 Mobile	514CHK0583
1		Motorola XTL2500 Mobile	514CHK0584
1		Motorola XTL2500 Mobile	514CHK0585
1		Motorola XTL2500 Mobile	514CHK0586
1		Motorola XTL2500 Mobile	514CHK0587
1		Motorola XTL2500 Mobile	514CHK0588
1		Motorola XTL2500 Mobile	514CHK0589
1		Motorola XTL2500 Mobile	514CHK0590
1		Motorola XTL2500 Mobile	514CHK0591
1		Motorola XTL2500 Mobile	514CHK0592
1		Motorola XTL2500 Mobile	514CHK0593
1		Motorola XTL2500 Mobile	514CHK0594
1		Motorola XTL2500 Mobile	514CHK0595
1		Motorola XTL2500 Mobile	514CHK0596
1		Motorola XTL2500 Mobile	514CHK0597
1		Motorola XTL2500 Mobile	514CHK0598
1		Motorola XTL2500 Mobile	514CHK0599
1		Motorola XTL2500 Mobile	514CHK0600
1		Motorola XTL2500 Mobile	514CHK0601
1		Motorola XTL2500 Mobile	514CHK0602
1		Motorola XTL2500 Mobile	514CHK0603
1		Motorola XTL2500 Mobile	514CHK0604
1		Motorola XTL2500 Mobile	514CHK0605
1		Motorola XTL2500 Mobile	514CHK0606
1		Motorola XTL2500 Mobile	514CHK0607



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1		Motorola XTL2500 Mobile	514CHK0608
1		Motorola XTL2500 Mobile	514CHK0618
1		Motorola XTL2500 Mobile	514CHK0619
1		Motorola XTL2500 Mobile	514CHK0620
1		Motorola XTL2500 Mobile	514CHK0621
1		Motorola XTL2500 Mobile	514CHK0622
1		Motorola XTL2500 Mobile	514CHK0623
1		Motorola XTL2500 Mobile	514CHK0624
1		Motorola XTL2500 Mobile	514CHK0625
1		Motorola XTL2500 Mobile	514CHK0626
1		Motorola XTL2500 Mobile	514CHK0627
1		Motorola XTL2500 Mobile	514CHK0628
1		Motorola XTL2500 Mobile	514CHK0629
1		Motorola XTL2500 Mobile	514CHK0630
1		Motorola XTL2500 Mobile	514CHK0631
1		Motorola XTL2500 Mobile	514CHK0632
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1		Motorola XTL2500 Mobile	514CHK0634
1		Motorola XTL2500 Mobile	514CHK0635
1		Motorola XTL2500 Mobile	514CHK0636
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1		Motorola XTL2500 Mobile	514CHK0638
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1		Motorola XTL2500 Mobile	514CHK0654
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1		Motorola XTL2500 Mobile	514CHK0656
1		Motorola XTL2500 Mobile	514CHK0657
1		Motorola XTL2500 Mobile	514CHK0658



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1		Motorola XTL2500 Mobile	514CHK0659
1		Motorola XTL2500 Mobile	514CHK0660
1		Motorola XTL2500 Mobile	514CHK0661
1		Motorola XTL2500 Mobile	514CHK0662
1		Motorola XTL2500 Mobile	514CHK0663
1		Motorola XTL2500 Mobile	514CHK0664
1		Motorola XTL2500 Mobile	514CHK0665
1		Motorola XTL2500 Mobile	514CHK0666
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1		Motorola XTL2500 Mobile	514CHK0668
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1		Motorola XTL2500 Mobile	514CHK0670
1		Motorola XTL2500 Mobile	514CHK0671
1		Motorola XTL2500 Mobile	514CHK0672
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1		Motorola XTL2500 Mobile	514CHK0688
1		Motorola XTL2500 Mobile	514CHK0689
1		Motorola XTL2500 Mobile	514CHK0690
1		Motorola XTL2500 Mobile	514CHK0691



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1		Motorola XTL2500 Mobile	514CHK0692
1		Motorola XTL2500 Mobile	514CHK0693
1		Motorola XTL2500 Mobile	514CHK0694
1		Motorola XTL2500 Mobile	514CHK0695
1		Motorola XTL2500 Mobile	514CHK0696
1		Motorola XTL2500 Mobile	514CHK0697
1		Motorola XTL2500 Mobile	514CHK0698
1		Motorola XTL2500 Mobile	514CHK0699
1		Motorola XTL2500 Mobile	514CHK0700
1		Motorola XTL2500 Mobile	514CKP0001
1		Motorola XTL2500 Mobile	514CKP0002
1		Motorola XTL2500 Mobile	514CKP0004
1		Motorola XTL2500 Mobile	500CHK0505
1		Motorola XTL2500 Mobile	500CHK0506
1		Motorola XTL2500 Mobile	500CHK0507
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1		Motorola XTL2500 Mobile	500CHK0509
1		Motorola XTL2500 Mobile	500CHK0510
1		Motorola XTL2500 Mobile	514CLV2475
1		Motorola XTL2500 Mobile	514CKT0226
1		Motorola XTL2500 Mobile	514CKT0231
1		Motorola XTL2500 Mobile	514CLV2467
1		Motorola XTL5000Consollete	276CHF0369
1		Motorola XTL5000Consollete	276CHF0370
1		Motorola XTL5000Consollete	276CHF0498
1		Motorola XTL5000Consollete	276CGR0328
1		Motorola XTL5000Consollete	276CGR0334
1		Motorola XTL5000Consollete	514CKP0000
1		Motorola XTL5000Consollete	514CKP0003
1		Motorola XTL5000Consollete	276CHF0371
1		Motorola XTL5000Consollete	276CHF0372
1		Motorola XTL5000Consollete	276CHF0492
1		Motorola XTL5000Consollete	276CHF0493
1		Motorola XTL5000Consollete	276CHF0494
1		Motorola XTL5000Consollete	276CHF0495
1		Motorola XTL5000Consollete	276CHF0496
1		Motorola XTL5000Consollete	276CHF0497
1		Motorola XTL5000Consollete	500CKH1299
1		Motorola XTL5000Consollete	500CKH1300
1		Motorola XTL5000Consollete	276CKH0636
1		Motorola XTL5000Consollete	276CKH0637
1		Motorola Maratrac	776TXL9533



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1		Motorola Maratrac	776TXL0822
1		Motorola Maratrac	776TZE1091
1		Motorola Maratrac	776TZE1004
1		Motorola Maratrac	776TZE0819



DISCUSSION ITEMS





The City of
MIDWEST CITY
COMMUNITY DEVELOPMENT DEPARTMENT

Billy Harless, Community Development Director

ENGINEERING DIVISION
Brandon Bundy, City Engineer
CURRENT PLANNING DIVISION
Kellie Gilles, Manager
COMPREHENSIVE PLANNING
Petya Stefanoff, Comprehensive Planner
BUILDING INSPECTION DIVISION
Christine Brakefield, Building Official
GIS DIVISION
Greg Hakman, GIS Coordinator

To: Honorable Mayor and City Council
From: Billy Harless, Community Development Director
Date: May 25, 2021

Subject: (PC-2059) Public hearing with discussion and consideration of an ordinance to redistrict from C-3, Community Commercial to SPUD, Simplified Planned Unit Development, governed by the C-4, General Commercial subject to staff comments, for the properties described as Lots 1 and 2 of Block A of the Marydale Acres Addition, addressed as 1101 and 1107 N. Post Rd. This item was continued from the January 12, 2021 and April 27, 2021 City Council meetings.

The applicant has requested to withdraw this application per the attached email.

No action is required.

Billy Harless, AICP
Community Development Director

KG

From: Aaron Peeler <aaron@icsrecon.com>
To: <KGilles@midwestcityok.org>
CC: Arnold Sefcik <arnold@icsrecon.com>
Date: 5/4/2021 3:04 PM
Subject: SPUD application

Kellie- per our conversation on the phone this is a follow up to confirm that we are no longer interested in moving forward with this application.



The City of
MIDWEST CITY
COMMUNITY DEVELOPMENT DEPARTMENT

Billy Harless, Community Development Director

ENGINEERING DIVISION
Brandon Bundy, City Engineer
CURRENT PLANNING DIVISION
Kellie Gilles, Planning Manager
COMPREHENSIVE PLANNING
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BUILDING INSPECTION DIVISION
Christine Brakefield, Building Official
GIS DIVISION
Greg Hakman, GIS Coordinator

To: Honorable Mayor and City Council

From: Billy Harless, Community Development Director

Date: May 25, 2021

Subject: (PC – 2076) Public hearing with discussion and consideration of an ordinance to amend the Soldier Creek Industrial Park (SCIP) Planned Unit Development governed by the C-4, General Commercial district and I-2, Moderate Industrial district for the property described as a part of the N/2 of Section 27, T-12-N, R-2-W, of the Indian Meridian, Oklahoma County, OK.

Executive Summary

This PUD Amendment is being requested in order to allow staff to better market the site for future development. The amendment includes adding one (1) allowable use in Phase I for a part of the Soldier Creek Industrial Park. The additional allowable use proposed is for Automotive and equipment: Light. This use is being requested to be allowed within Phase 1 due to potential prospects that have inquired about locating in SCIP. The proposed additional use is for the single lot and would not apply to any other lots of Soldier Creek Industrial Park. Action is at the discretion of the City Council

Dates of Hearing: Planning Commission – May 4, 2021
City Council – May 25, 2021

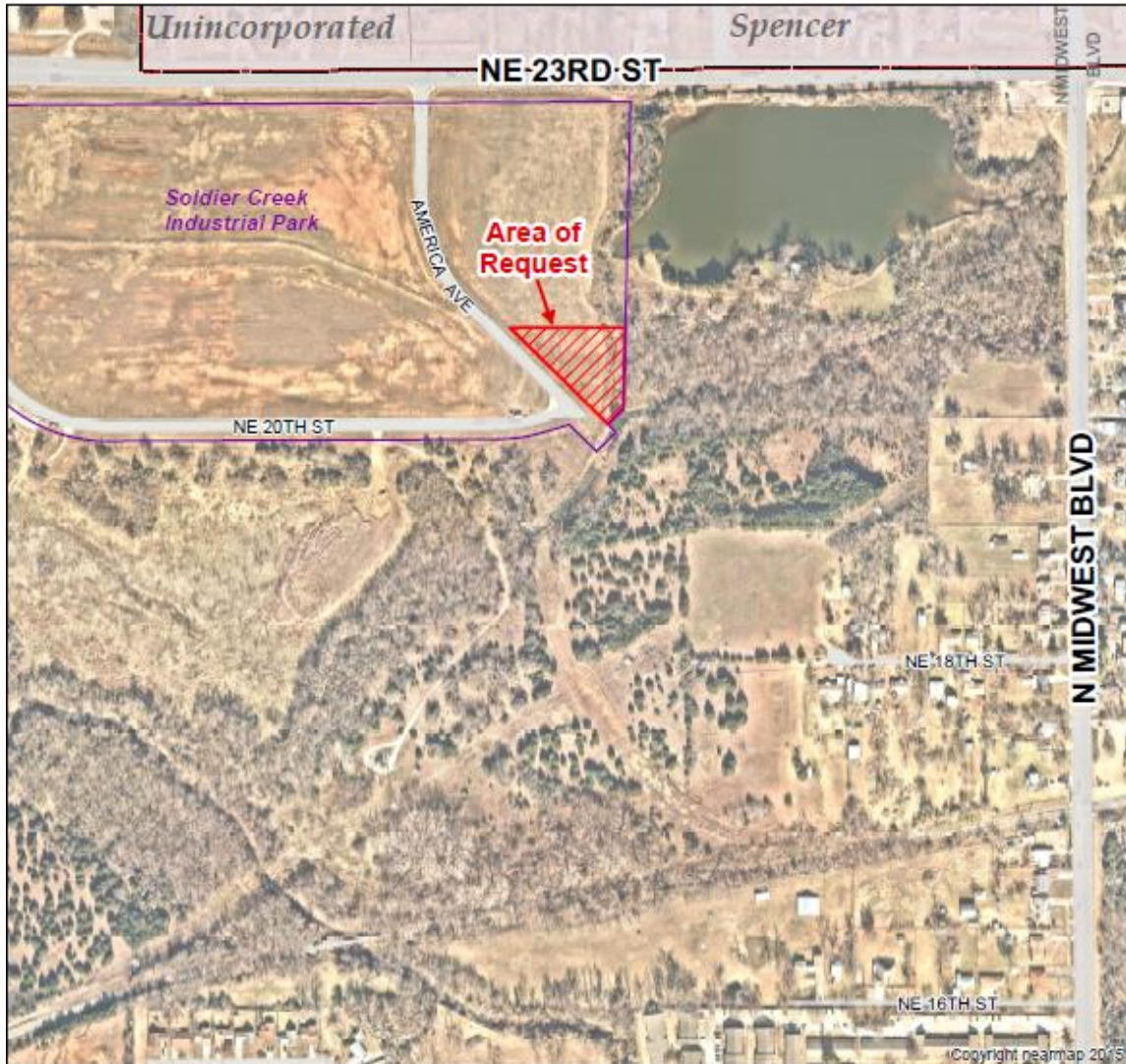
Council Ward: Ward 5, Christine C. Price Allen

Owner/Applicant: Midwest City Utilities Authority Public Trust

Proposed Use: Commercial and Industrial Park

Size:

The area of request has a frontage along American Avenue of approximately 529.02 feet, containing an area of 1.1243 acres, more or less.



Zoning Districts:

Area of Request – PUD
North, South, and West - PUD
East – A-1, Agriculture

Land Use:

Area of Request – Vacant
North, South, East and West - Vacant

Municipal Code Citation:

2.25 PUD, Planned Unit Development

2.25.1 General Provisions

The planned unit development, herein referred to as PUD, is a special zoning district category that provides an alternate approach to conventional land use controls to produce unique, creative, progressive, or quality land developments.

The PUD may be used for particular tracts or parcels of land that are under common ownership and are to be developed as one unit according to a master development plan.

The PUD is subject to special review procedures within the PUD application and review and once approved by the City Council it becomes a special zoning classification for the property it represents.

2.25.2 Intent and Purpose

The intent and purpose of the PUD provisions are as follows:

(A) Innovative land development

Encourage innovative land development while maintaining appropriate limitations on the character and intensity of use, assuring compatibility with adjoining and proximate properties, and following the guidelines of the comprehensive plan.

(B) Flexibility within developments

Permit flexibility within the development to maximize the unique physical features of the particular site.

(C) Efficient use of land

Encourage efficient use of land, facilitate economic arrangements of buildings and circulation systems, and encourage diversified living environments and land uses.

(D) Function, design and diversity

Achieve a continuity of function and design within the development and encourage diversified living environments and land uses.

(E) Modifications to development requirements

Provide a vehicle for negotiating modifications in standard development requirements in order to both encourage innovative development and protect the health, safety and welfare of the community.

History:

1. This area was rezoned on May 22, 2012 to a PUD governed by the I-2, Moderate Industrial and C-4, General Commercial Districts (PC-1766).
2. Council approved a preliminary plat for this area on November 22, 2016 (PC-1888).
3. Council approved a final plat for this area on June 26, 2018 (PC-1954).
4. Council approved the Amended PUD for this area on October 22, 2019 (PC-2022).
5. Council approved the revised Preliminary Plat for the Soldier Creek Industrial Park on January 14, 2020 (PC-2036).
6. The Soldier Creek Industrial Park Final Plat was approved October 6, 2020 (PC-2055).
7. The Planning Commission recommended approval of this item May 4, 2021.

Staff Comments:

Engineering Comments:

Note: No engineering improvements are required with this application.

Water Supply and Distribution

An eight (8) inch public water main is located along the frontage of America Avenue. Any new building will be required to tie into the public water system as outlined in Municipal Code 43-32.

Sanitary Sewerage Collection and Disposal

There is an eight (8) inch public sanitary sewer terminating just in front of the proposed parcel. Any future building permit will require a sanitary sewer connection as outlined in Municipal Code 43-109.

Streets

Access to the area of request exists off America Avenue. America Avenue is classified as a local road in the 2008 Comprehensive Plan. NE 20th Street and the future extension of America Avenue is classified as a Collector which is adjacent to the property.

Drainage and Flood Control, Wetlands, and Sediment Control

The area of request is currently existing vacant land. The area of request is does have an area designated as flood zone AE (the 100-year floodplain) as shown on the effective Flood Insurance Rate Map (FIRM) number 40109C0310H, dated December 18th, 2009. This area is contained on the south portion of the property. Any development in the designated floodplain will be subject to floodplain permits.

Easements and Right-of-Way

No further easements or right of way would be required with this application.

Fire Marshal's Comments:

PC-2076 is a request to amend a small portion of the SCIP PUD to allow the use of Automotive and Equipment: Light (automotive repair shop) in Phase 1 of SCIP. The property is required to meet and maintain the requirements of Midwest City Ordinances Section 15. If a fire suppression system is required the Fire Department Connection shall be located within 50 feet of a fire hydrant.

Plan Comments:

The area was zoned to a PUD for the Soldier Creek Industrial Park (SCIP) in 2012. Since that time all of the required infrastructure has been installed and the City has had many inquiries about potential businesses wanting to locate within the park.

The proposed amendment will allow for a prospective business that is currently working with staff to ascertain the proper zoning to locate within SCIP. The original PUD stated that Phase I targets future commercial and light industrial business. Allowing the uses of Automotive and equipment: Light is consistent with the original intent of SCIP as a commercial and industrial park. .

No other changes from the original PUD are requested. The remaining information below is copied from the original PUD.

This proposed Planned Unit Development is entitled the Soldier Creek Industrial Park. A portion for the funding to hire the engineers and planners to develop the design and concept of the PUD was from a grant promoting the economic growth of the area. That grant requires that any development funded by its monies increase the opportunities for the growth of small businesses and the blue collar labor force in the area.

As noted within the Design Statement, several uses within the C-4 and I-2 districts have been excluded from development in the area. It is staffs vision to have the frontage along

NE 23rd Street develop in more of a commercial nature while the moderate industrial uses and more unsightly and intense commercial uses to be located behind the commercial development.

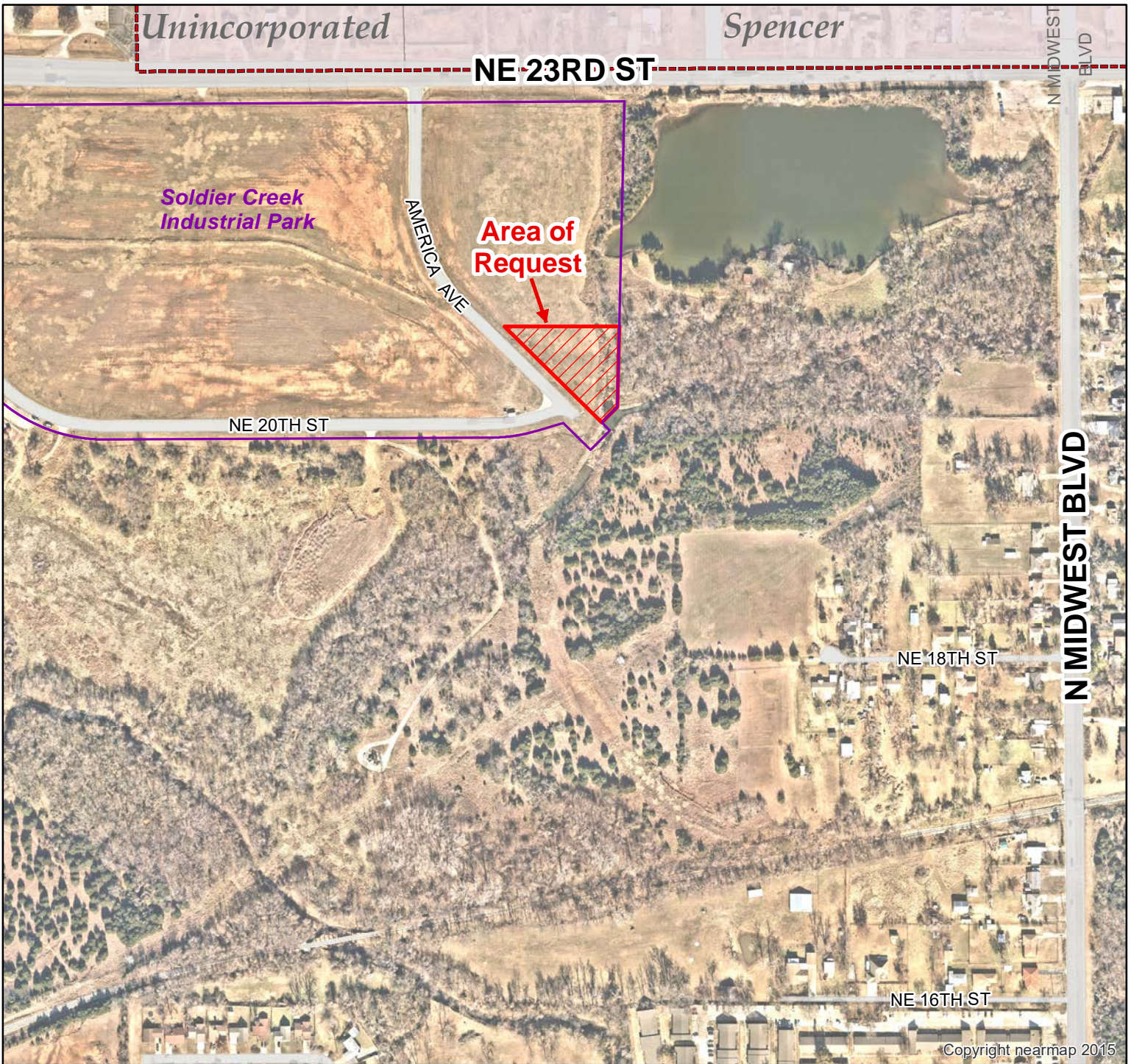
The site is identified as Commercial and Industrial in the 2008 Comprehensive Plan and a large portion of the funding for this development is through a grant to promote the economic growth of the area. It is believed that because of the relative isolation of the area from large concentrations of residential developments, the proposed development would be beneficial to the area.

Action Required: Approve or reject an ordinance to amend the Planned Unit Development for the property noted in this report and subject to staff's comments as found in the May 25, 2021 agenda packet, and as noted in PC – 2076 file.

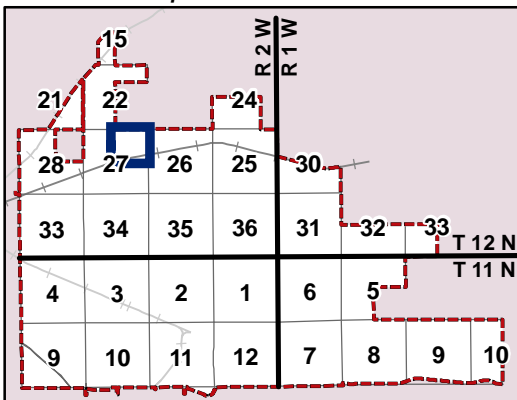
A handwritten signature in black ink, appearing to read "Billy Harless". The signature is fluid and cursive, with a long horizontal stroke at the end.

Billy Harless, AICP
Community Development Director

SS:KG



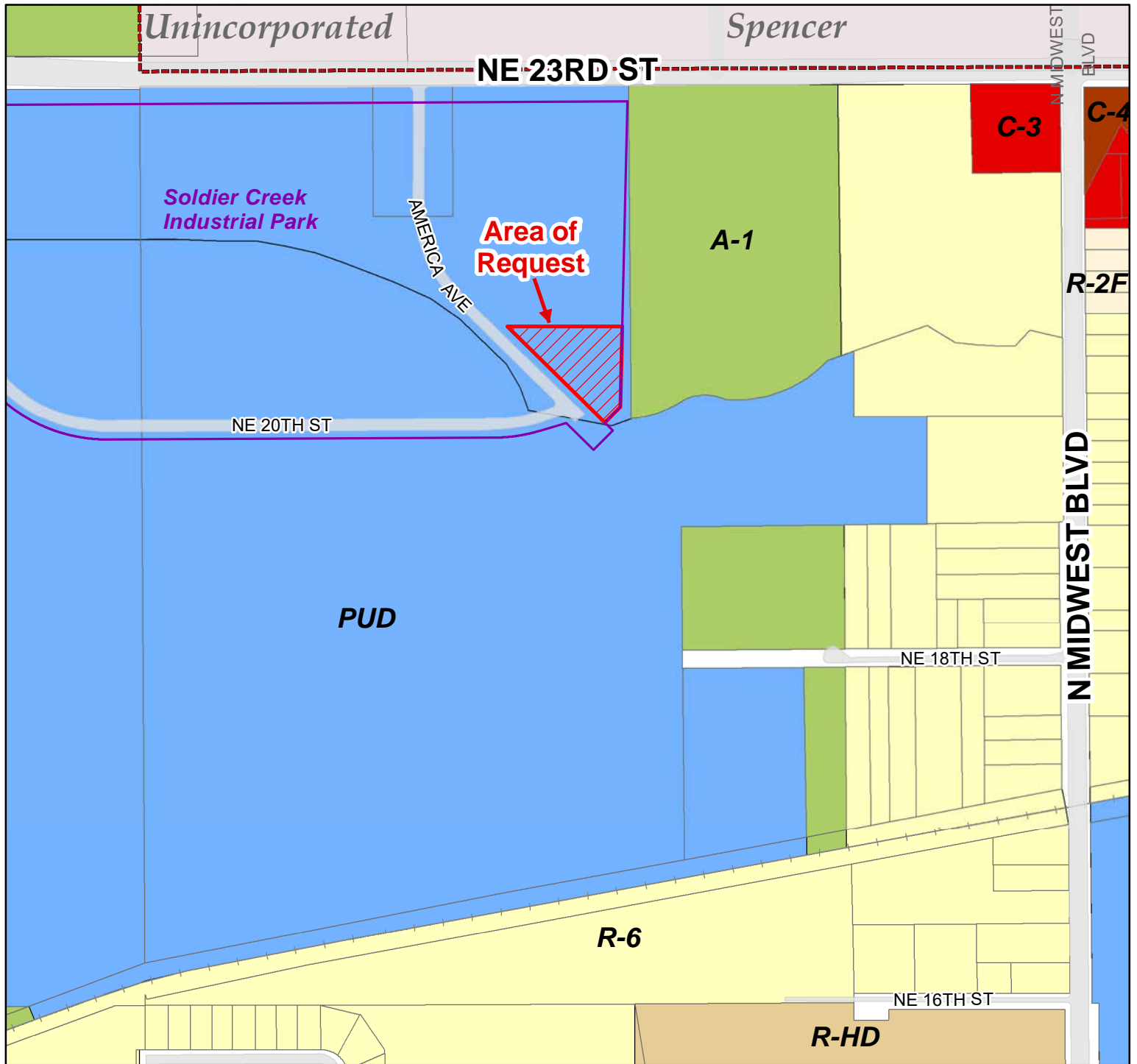
Locator Map



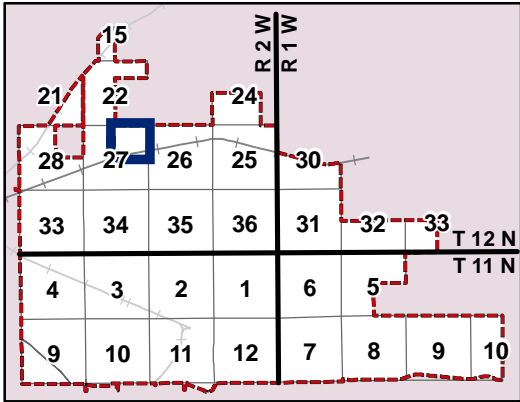
**12/2020 NEARMAP AERIAL VIEW FOR
PC-2076
(NE/4, Sec. 27, T12N, R2W)**



THIS MAP IS A GENERAL INFORMATION PUBLIC RESOURCE. THE CITY OF MIDWEST CITY MAKES NO WARRANTY, REPRESENTATION OR GUARANTEE AS TO THE CONTENT, ACCURACY, TIMELINESS OR COMPLETENESS OF ANY OF THE INFORMATION PROVIDED ON THIS MAP. ANY PARTY'S USE OR RELIANCE ON THIS MAP OR ANY INFORMATION ON IT IS AT THAT PARTY'S OWN RISK AND WITHOUT LIABILITY TO THE CITY OF MIDWEST CITY, ITS OFFICIALS OR ITS EMPLOYEES FOR ANY DISCREPANCIES, ERRORS OR VARIANCES THAT MAY EXIST.



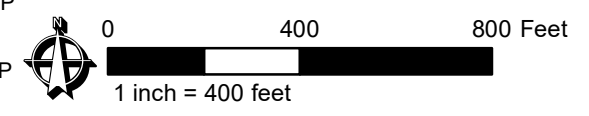
Locator Map



Current Zoning Legend

A-1	I-2 SUP	R-35
A-1 SUP	I-3	R-2F
C-1	O-1	R-MD
C-1 SUP	O-1 SUP	R-MD SUP
C-2	O-2	R-HD
C-3	O-2 SUP	R-HD SUP
C-3 SUP	R-6	R-MH-1
C-4	R-6 SUP	R-MH-2
C-4 SUP	R-8	PUD
I-1	R-10	SPUD
I-2	R-22	HOS
		HOS SUP

ZONING MAP FOR PC-2076 (NE/4, Sec. 27, T12N, R2W)



THIS MAP IS A GENERAL INFORMATION PUBLIC RESOURCE. THE CITY OF MIDWEST CITY MAKES NO WARRANTY, REPRESENTATION OR GUARANTEE AS TO THE CONTENT, ACCURACY, TIMELINESS OR COMPLETENESS OF ANY OF THE INFORMATION PROVIDED ON THIS MAP. ANY PARTY'S USE OR RELIANCE ON THIS MAP OR ANY INFORMATION ON IT IS AT THAT PARTY'S OWN RISK AND WITHOUT LIABILITY TO THE CITY OF MIDWEST CITY, ITS OFFICIALS OR ITS EMPLOYEES FOR ANY DISCREPANCIES, ERRORS OR VARIANCES THAT MAY EXIST.

Design Statement for:

**The Soldier Creek Industrial Park
(SCIP)**

Located in 7900 Block of NE 23rd Street

Midwest City, Oklahoma

April 26, 2012

Amended

October 22,

2019

Amended

May, 2021

Prepared by:

MWC Community Development Dept.

1

B-7-15

Section 1. This development shall be titled as the NE 23rd Soldier Creek Industrial Park – SCIP.

Section 2. The owner of the property is the Midwest City Utilities Authority, whose mailing address is 100 N. Midwest Blvd., Midwest City Oklahoma 73110.

Section 3. This site, being 166.7 acres, is located in the 7500 block of NE 23rd Street, roughly in the middle of the mile. It is ideal for the development as an industrial park facility as it is served by a 5 lane arterial street (NE 23rd) and abuts an existing / active rail way right-of-way that can be easily extended into and throughout the development area. City water and sewer services are located within the site and will be extended as needed for domestic and fire protection purposes.

The entire area will be governed by the C-4, General Commercial and the I-2, Moderate Industrial districts as they exist in the MWC Zoning Codes, with the additions and exclusions as noted herein..

The site is impacted by the floodplain and floodway of Soldier Creek, thus creating a natural buffer along the western side of Phases 1 and 2 of the proposed development.

The present land use of the site is open pasture land with one single family residence (manufactured home) located along NE 23rd Street. Also, there are presently 5 active oil / gas wells located throughout the 166.7 acres, 4 of which will remain in operation. An OG&E transmission line crosses the southern portion of the site from the west to the east.

To the north of the site is the location of Oklahoma County facilities and a few residences; to the east, open area and few residences; to the south, the existing railroad right-of-way and then single family homes of the Quail View Addition; and to the west, open area and one residence on a large tract.

This site and the surrounding properties have sat undeveloped for years; no future / proposed use of the surrounding properties are known.

Section 4. The concept of this development is to provide flexible lot areas ready for commercial and industrial users.

Phase 1

Phase 1 as proposed, encompasses an area of approximately 37.29 acre, more or less. These parcels are to be developed by both General Commercial and Light Industrial district uses as noted in Section 6 of this statement. This phase will also consist of the installation of the looped access street as shown on the Master Plan Map as well as a looped water line providing service and fire protection to the future tenants. All required utilities will be extended at the time of development of each phase unless otherwise noted. If needed, the rail line can be extended to serve the tenants of this site. Initially, a base grade for the rail service and switch mechanism will be constructed with this phase.

Within Phase 1, as per the Zoning Code, 60% of the exterior of all industrial buildings shall be masonry. Buildings will be designed to have a focal point and, for those buildings proposed to be greater than 15,000 sq ft in area, wall facades shall have a minimum of a 3 ft articulation every 25 ft of surface length.

Commercial buildings within Phase 1 shall consist of 80% masonry exteriors and observe the same wall articulation requirements and noted above.

All buildings within Phase 1 shall meet the present building, fire and safety codes as adopted by the City of Midwest City. Each building will be a free-standing structure, situated in a campus-like setting with ample landscaping to serve each structure. Common / shared parking and access among the structures will be provided to limit the number of curb cuts onto the arterial street. Where curb cuts are proposed, care will be taken regarding their placement as the rolling elevations along NE 23rd Street could cause some sight distance concerns for traffic. To accomplish this, we are asking that the curb cuts be shown on the preliminary plat and the time of platting. When curb cuts are needed, there shall be a minimum separation

of 150 ft between such and placement of cuts on common property lines will be encouraged.

It is proposed that the uses within Phase 1 be those of a more commercial nature, as this area is along NE 23rd Street frontage. Please note the uses listed in Section 6 of this report that have been identified as being approved for this phase.

Phase 2

Phase 2 as proposed contains an area of approximately 122 acres, more or less.

The parcel within this phase shall be developed by uses permitted in the Commercial and Moderate Industrial district as noted in Section 6 of this statement. This area is the site of 4 active oil / gas wells and is the site of an electrical transmission line. Access to this site will be from the new street serving the development. The construction of two long cul-de-sacs will also be completed with phase 2, providing access to all building sites. Utilities will be installed to serve the future tenants. A railway line or lines may be extended into Phase 2 to serve the future tenants.

As noted herein, the building exteriors shall meet the architectural requirements of the MWC Zoning Codes. Also as noted, each building will be a free-stand structure however, shared and cross access parking areas shall be designed. Where proposed uses are to abut residential uses there shall be a 50 ft setback from any developed residential properties and evergreen landscaping, low level exterior lighting not exceeding 20 ft in height and, where practical, earth berming shall be used to further buffer the development impact. Also, no trucks docks and / or open storage of materials shall be permitted within 100 ft of any residentially zoned property.

The southeastern portion of phase 2 does abut the existing sub-standard street of NE 18th. No truck access will be permitted from the industrial park area onto NE 18th Street. However, that street will remain open and could be used as a point of emergency access if needed.

The southwestern portion of Phase 2 abuts a presently un-named and un-improved but dedicated street right-of-way running east from the 1900 block of N. Air Depot. Development of this phase will include construction of a new street crossing Soldier Creek connecting to the new street from Phase 1. All utilities will be extended to serve the proposed structures as required by code.

A green space area along Soldier Creek will be designed to provide for walking trails along Soldier Creek and other means of pedestrian access, as noted within the adopted Trails Master Plan, providing sidewalks and space for the tenants to establish tables for employees to lunch. This is also the site of a proposed overflow channel for Soldier Creek. This construction will be developed as an earthen and grass lined channel, however, care will be taken to maintain the creek channel in a natural state as much as possible but still addressing the floodplain issues.

It is proposed that the uses within Phase 2 be those of a heavier commercial and moderate industrial nature. Please note the uses in Section 6 of this report that have been identified as being approved for this phase.

Section 5. There is not an existing PUD zoning districts within or abutting this site.

Section 6. Except as noted within this section, the development of this site will be governed by the C-4, General Commercial codes and the I-2, Moderate Industrial codes that are in effect within the Midwest City Zoning Ordinance at the time of approval of this request.

Permitted uses:

Property and buildings in the proposed PUD shall be used for the purposes as listed below. These uses are taken from the C-4 and I-2 district use including some of the special use permits.

- Public service or utility: Light - Phase 1 and 2
- Public service or utility: Moderate - Phase 1 and 2
- Community recreation: General - Phase 1 and 2
- Administrative and professional office - Phase 1
- Agricultural supplies and services - Phase 2

Alcoholic beverage retail sales - Phase 1 and 2
Animals: Grooming and sales – Phase 1 and 2
Animal sales and services: Kennels and veterinary, restricted – Phase 1 and 2
Automotive and equipment: Light – Phase 1 and 2
Automotive sales and rentals: Light – Phase 1 and 2
Automotive and equipment: Storage – Phase 2
Building maintenance services – Phase 1 and 2
Business support services – Phase 1 and 2
Communication services: Limited - Phase 1 and 2
Construction sales and services - Phase 1 and 2
Convenience sales and personal services – Phase 1 and 2
Eating establishments: Drive-in – Phase 1 and 2
Eating establishments: Fast foods – Phase 1 and 2
Eating establishments: Sit down, alcoholic beverages not permitted - Phase 1 and 2 Food
and beverage retail sales – Phase 1
Gasoline sales: General - Phase 1
Laundry services – Phase 2
Medical services: General - Phase 1 and 2
Participant recreation and entertainment: Indoor, alcoholic beverages permitted - Phase 2
Personal services: General Phase 1 and 2
Repair services: Consumer – Phase 1 and 2
Research services – Phase 2
Retail sales and services: General – Phase 1 and 2
Tourist accommodations: Lodging – Phases 1 and 2
Custom manufacturing – Phase 2
Light industrial: Restricted – Phase 1 and 2
Wholesaling, storage and distribution: Restricted – Phase 2
Horticulture – Phase 2
Eating establishments: Sit down, alcoholic beverages permitted – Phase 1 and 2
Accessory parking – Phase 1 and 2
Automotive and equipment: Heavy – Phase 2
Automotive and equipment sales and rentals: Heavy – Phase 2
Communication services: Towers Phase 2
Drinking establishments: Sit down, alcoholic beverages permitted (2.4.2 1) – Phase
1 and 2
Participant recreation and entertainment: Outdoor – Phase 1 and 2
Light industrial - Phase 1 and 2
Moderate industrial – Phase 2
Transportation facilities: Freight, restricted – Phase 2
Agricultural processing: General – Phase 2
Wholesaling, storage, and distribution: General – Phase 2
Reserved.

Those additional uses listed in the Zoning Code as Moderate, Heavy or Hazardous Industrial may be permitted within this development but only upon review and approval of a Special Use Permit and defined in the Zoning Code.

Outdoor storage of hazardous materials will be prohibited throughout the development. No loose materials that the wind may disturb will be permitted to be stored in an open – air enclosure.

One monument sign will be allowed per tenant. The maximum allowable height of the monument signs shall be 7'4" and the maximum surface area shall be 80 square feet. At each side of the two dedicated streets into this site from NE 23rd Street, there shall be created a common signage area for the placement of a main I. D. multiple tenant sign. Such sign(s) shall comply with MWC Codes as to height and area but permit the advertising of the tenants occupying spaces not along the street right-of-way of NE 23rd Street.

Off premise (billboards) advertising structures will not be permitted. The one existing billboard on the western portion of the site will be removed.

All new signs permitted will comply with MWC Codes regarding height, area, location and design, except as noted herein. Signs attached to the exterior walls of the buildings will also be permitted. These wall signs will be limited to 250 sq ft in area and meet the MWC codes regarding their placement. No commercial sign, whether free-standing or wall signs, will be permitted within 150 ft of any developed residential property.

Section 7. All proposed streets within the PUD are to be developed with the phases of construction will meet Midwest City standards regarding right-of-way widths. Proper widths for large truck turning movements will be designed and developed where needed. All streets will be dedicated to the public.

As to construction of the proposed streets, the approaches from NE 23rd will meet MWC Codes; as to the internal streets, it is requested to use gravel on an interim basis.

Section 8. The site, as it exists today, has been maintained as pasture land for numerous years. The tree growth that does exist is that along the natural drainage channels and along Soldier Creek. The elevation varies but

generally slopes from a high on the east to the west. See the submitted exhibits detailing the drainage and topographic characteristics.

Section 9. See attached exhibit.

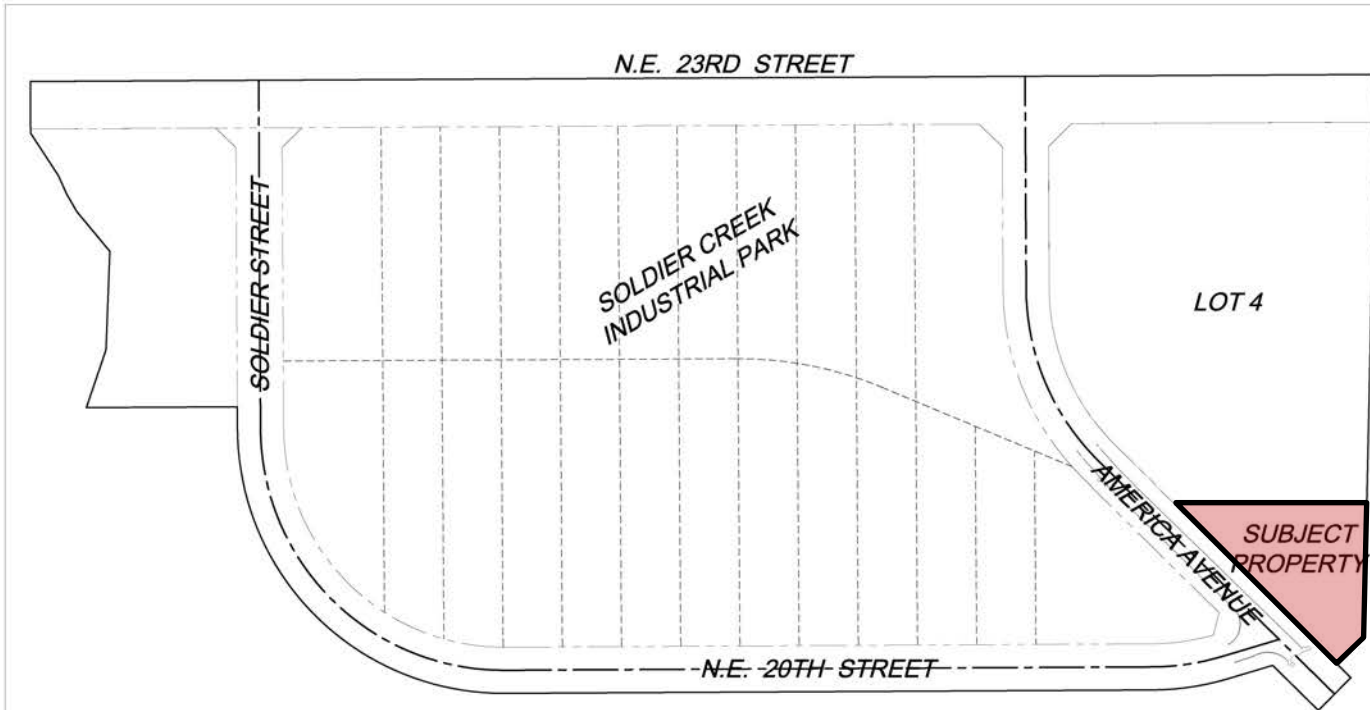
Section 10. All future buildings will be served by the necessary utilities needed to operate properly. City water and sewer lines will be extended through out the development as needed at the time of the various phases. Storm water drains will also be installed to properly route run-off water to Soldier Creek.

Section 11. As noted, the buildings are proposed to be free-standing meeting the exterior architectural requirements as noted in the MWC Zoning Codes. The sq ft of the proposed buildings is not known at this time as they will be built for the market specific tenant. However, all landscaping codes, parking codes and other open space requirements will be met at each phase of construction.

Section 12. The sequence of development is proposed to occur in 2 phases as shown on the Master Development Plan.

FACILITY PREDEVELOPMENT PLANS HARD LUCK AUTOMOTIVE SERVICES

A PART OF LOT 4 OF THE UNRECORDED PLAT OF SOLDIER CREEK INDUSTRIAL PARK
LOCATED IN THE NORTH HALF OF SECTION 27,
TOWNSHIP 12 NORTH, RANGE 2 WEST, 1.M.
MIDWEST CITY, OKLAHOMA COUNTY, OKLAHOMA



PLAN SHEET INDEX

SHEET NO.	DESCRIPTION
1	TITLE SHEET
2	CIVIL SITE PLAN
3	ARCHITECTURAL SITE PLAN
4	ARCHITECTURAL ELEVATIONS
5	ARCHITECTURAL RENDERING

LEGAL DESCRIPTION
A PART OF LOT 4, OF UNPLATTED SOLDIER CREEK INDUSTRIAL ADDITION

A tract of land lying in the North Half (N/2) of Section Twenty-seven (27), Township Twelve (12) North, Range Two (2) West of the Indian Meridian, Oklahoma County, Oklahoma, being more particularly described as follows, to-wit:

COMMENCING at the Northeast Corner of the Northeast Quarter (NE1/4) of said Section Twenty-seven (27);

THENCE South 89°42'13" West, along the North line of said Northeast Quarter (NE1/4) a distance of 1255.32 feet;

THENCE South 01°18'58" West a distance of 724.94 feet to the POINT OF BEGINNING;

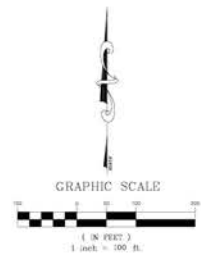
THENCE continuing South 01°18'58" West a distance of 227.48 feet;

THENCE South 44°34'57" West a distance of 62.30 feet;

THENCE North 45°25'00" West a distance of 387.15 feet;

THENCE North 90°00'00" West a distance of 324.89 feet to the POINT OF BEGINNING.

Said described tract of land contains an area of 48,975 square feet or 1.1243 acres, more or less.



PRELIMINARY

OKLAHOMA CITY
1000 N. WESTERN BLVD., SUITE 100
MIDWEST CITY, OK 73102
PH: 405.438.1234
WWW.SRBENGINEERING.COM

OKLAHOMA
REGISTERED PROFESSIONAL ENGINEER
NO. 10000
EXPIRES 06/30/2025

CERTIFICATE OF AUTHORIZATION NO. 2945 EXPIRES 06/30/2025

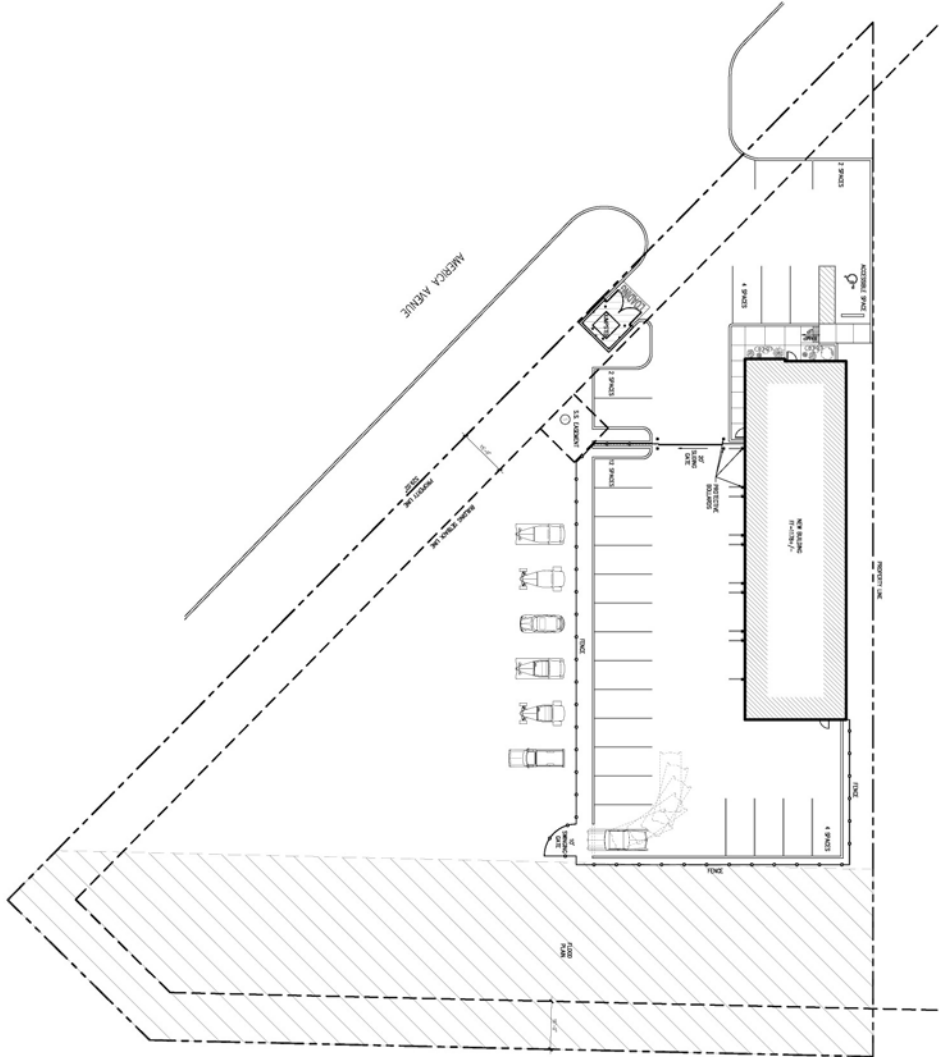


Hard Luck Automotive Services Preliminary Development Plans

America Avenue, Soldier Creek Industrial Park, Midwest City, OK

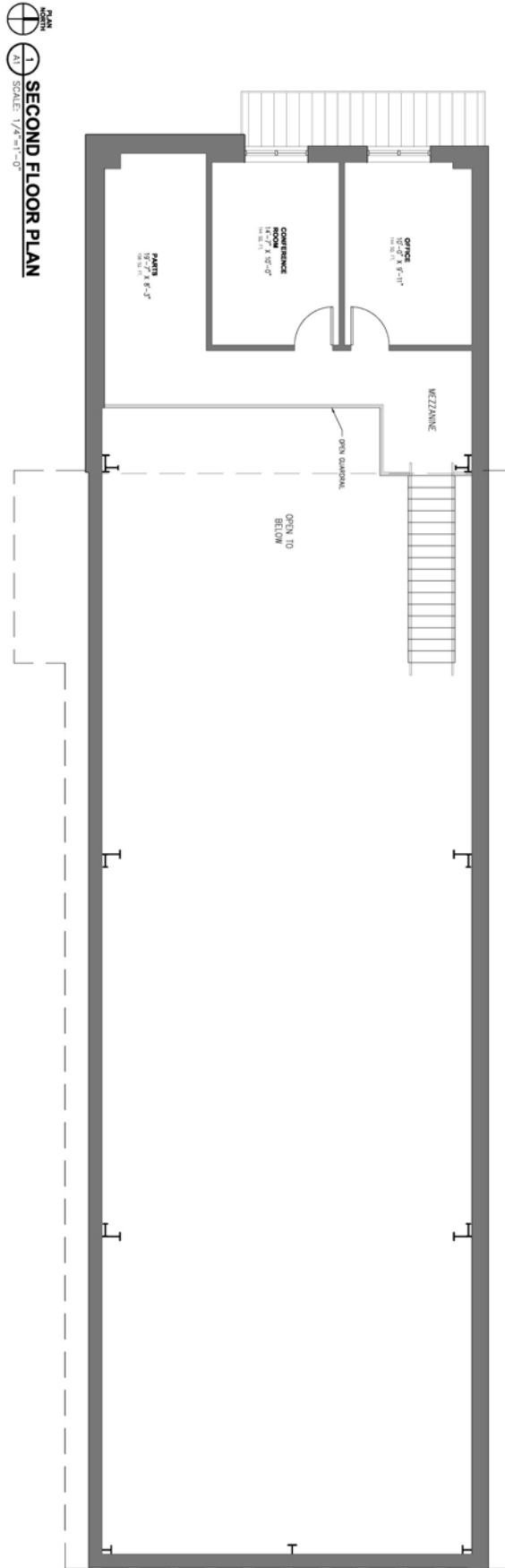


 NORTH
 1" = 20'
ARCHITECTURAL SITE PLAN

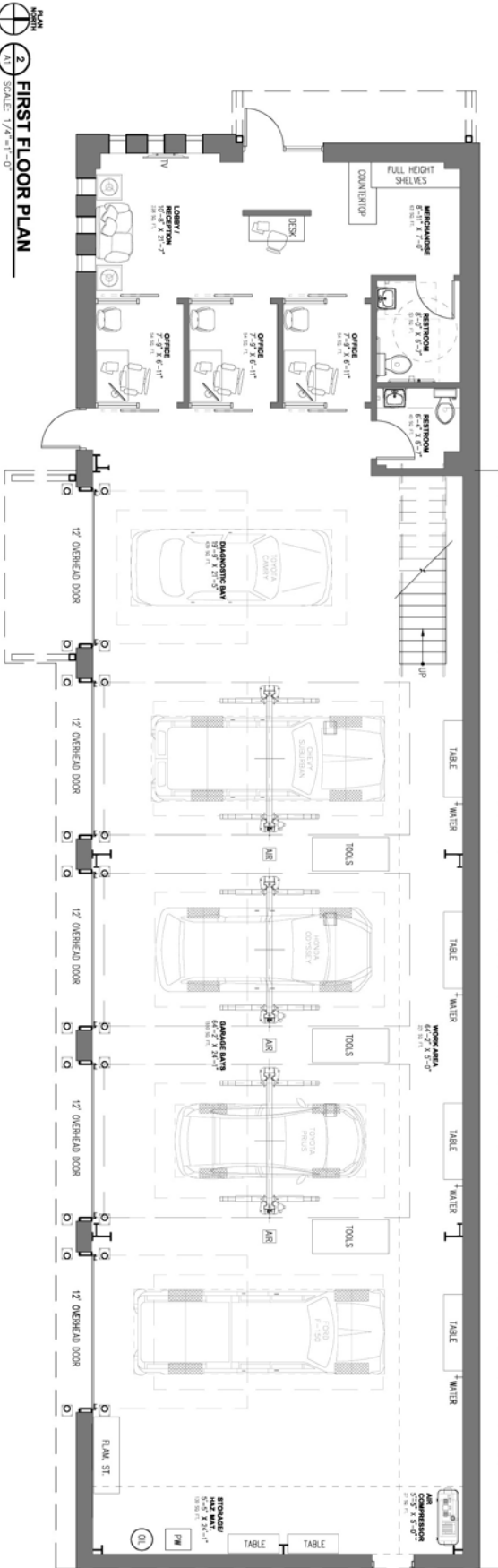


HARD LUCK AUTOMOTIVE SERVICES

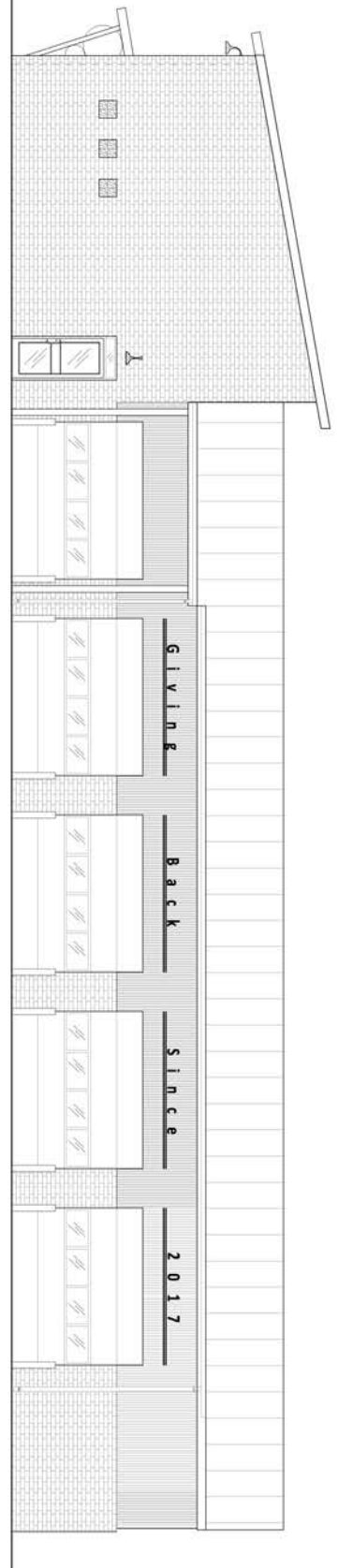
1 SECOND FLOOR PLAN
SCALE: 1/4" = 1'-0"



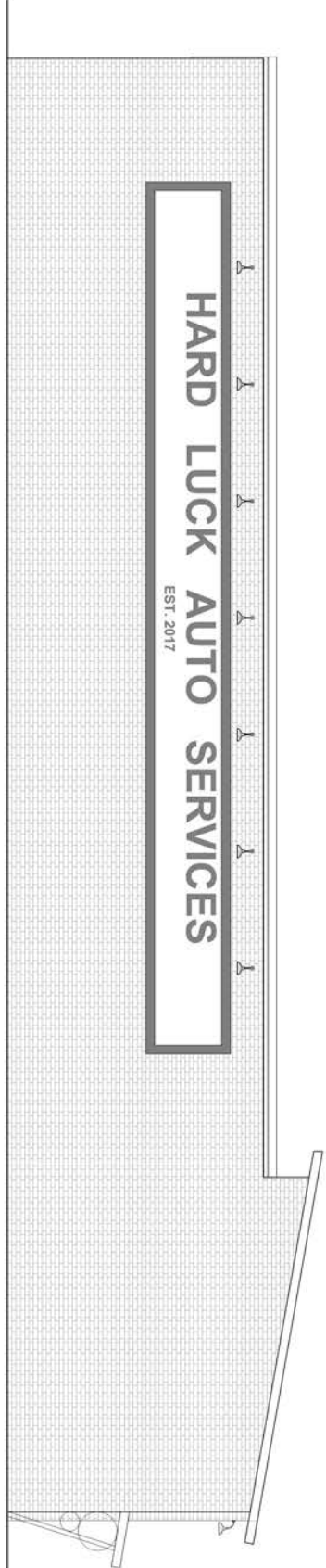
2 FIRST FLOOR PLAN
SCALE: 1/4" = 1'-0"



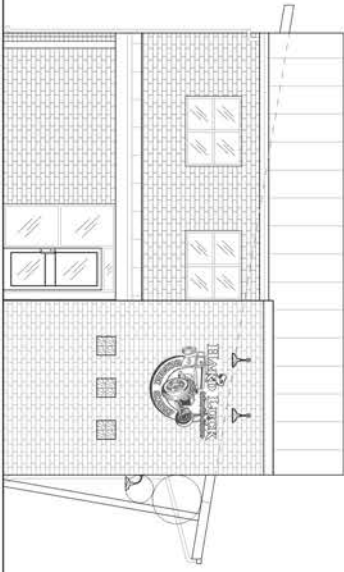
HARD LUCK AUTOMOTIVE SERVICES



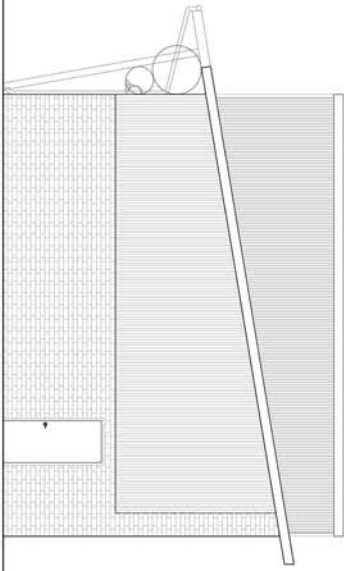
1 SOUTH ELEVATION
SCALE: 1/4"=1'-0"



2 NORTH ELEVATION
SCALE: 1/4"=1'-0"



3 WEST ELEVATION
SCALE: 1/4"=1'-0"



4 EAST ELEVATION
SCALE: 1/4"=1'-0"

HARD LUCK AUTOMOTIVE SERVICES

2 ORDINANCE NO. _____

3 AN ORDINANCE RECLASSIFYING THE ZONING DISTRICT OF THE PROPERTY
4 DESCRIBED IN THIS ORDINANCE TO AMENDED PUD, PLANNED UNIT DEVELOPMENT,
5 AND DIRECTING AMENDMENT OF THE OFFICIAL ZONING DISTRICT
6 MAP TO REFLECT THE RECLASSIFICATION OF THE PROPERTY'S ZONING DISTRICT;
AND PROVIDING FOR REPEALER AND SEVERABILITY

7 BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MIDWEST CITY, OKLAHOMA:

8 ORDINANCE

9 SECTION 1. That the zoning district of the following described property is hereby reclassified
10 to Amended PUD, Planned Unit Development, subject to the conditions contained in the PC-
11 2076 file, and that the official Zoning District Map shall be amended to reflect the reclassification
of the property's zoning district as specified in this ordinance:

12 A tract of land lying in the North Half (N/2) of Section Twenty-seven (27), Township
13 Twelve (12) North, Range Two (2) West of the Indian Meridian, Oklahoma County,
Oklahoma, being more particularly described as follows, to-wit:
14 COMMENCING at the Northeast Corner of the Northeast Quarter (NE/4) of said
Section Twenty-seven (27); THENCE South 89°42'13" West, along the North line of said
15 Northeast Quarter (NE/4) a distance of 1255.32 feet; THENCE South 01°18'58" West a
distance of 724.94 feet to the POINT OF BEGINNING; THENCE continuing South
16 01°18'58" West a distance of 227.48 feet; THENCE South 44°34'57" West a distance of
62.30 feet; THENCE North 45°25'03" West a distance of 387.15 feet; THENCE North
17 90°00'00" East a distance of 324.69 feet to the POINT OF BEGINNING.

18 Said described tract of land contains an area of 48,975 square feet or 1.1243 acres,
19 more or less.

20 SECTION 2. REPEALER. All ordinances or parts of ordinances in conflict herewith are
21 hereby repealed.

22 SECTION 3. SEVERABILITY. If any section, sentence, clause or portion of this ordinance is
23 for any reason held to be invalid, such decision shall not affect the validity of the remaining portions
of the ordinance.

24 PASSED AND APPROVED by the Mayor and Council of the City of Midwest City, Oklahoma,
25 on the _____ day of _____, 2021.

26 THE CITY OF MIDWEST CITY, OKLA-
27 HOMA

28 _____
29 MATTHEW D. DUKES II, Mayor

30 ATTEST:

31 _____
32 SARA HANCOCK, City Clerk

33 APPROVED as to form and legality this _____ day of _____, 2021.

34 _____
35 DONALD MAISCH, City Attorney
36



The City of
MIDWEST CITY
COMMUNITY DEVELOPMENT DEPARTMENT

Billy Harless, Community Development Director

ENGINEERING DIVISION
Brandon Bundy, City Engineer
CURRENT PLANNING DIVISION
Kellie Gilles, Planning Manager
COMPREHENSIVE PLANNING
Petya Stefanoff, Comprehensive Planner
BUILDING INSPECTION DIVISION
Christine Brakefield, Building Official
GIS DIVISION
Greg Hakman, GIS Coordinator

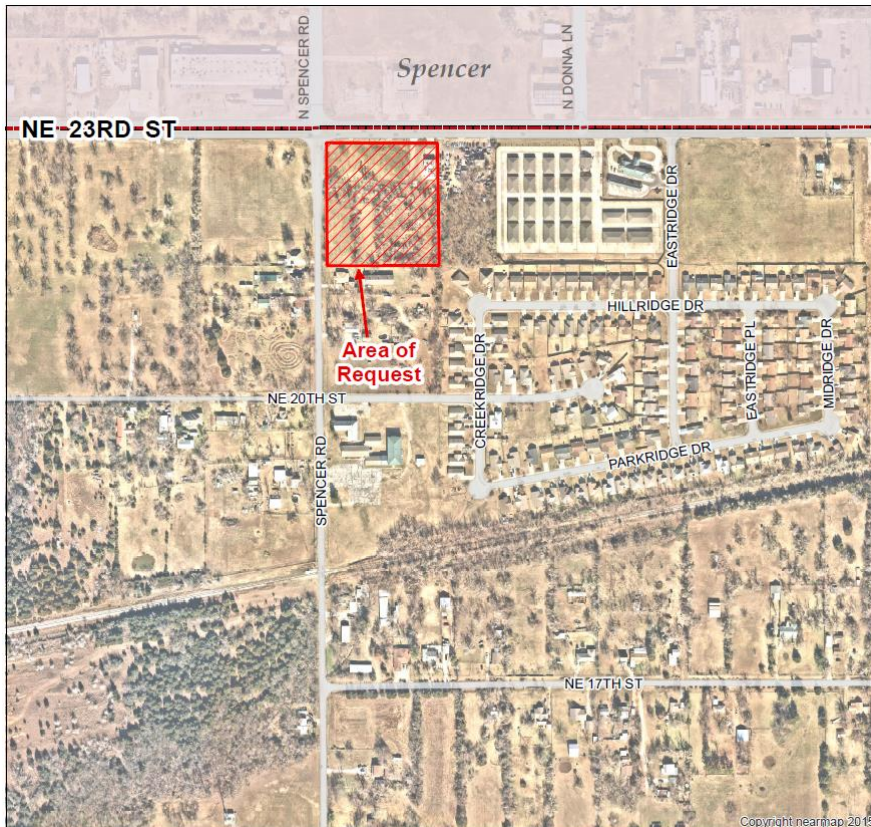
TO: Honorable Mayor and City Council

FROM: Billy Harless, Community Development Director

DATE: May 25, 2021

SUBJECT: (PC –2077) Public hearing with discussion and consideration of approval of a resolution for a Special Use Permit to allow the use of Eating Establishment: Sit-Down, Alcoholic Beverages Permitted in the C-3, Community Commercial district, for the properties described as a part of the NE/4 of Section 26 T12N, R2W, addressed as 8508 and 8538 NE 23rd Street.

Executive Summary: The parcel is currently zoned C-3, Community Commercial. Viaggio's restaurant is located on this parcel. The applicant is proposing to sell alcoholic beverages within the restaurant which is the reason for this Special Use Permit application. A Site Plan was not required with this application as the building is existing. Notice was sent to all property owners within 300 feet of the area of request. Staff has not received any calls or letters of protest at the time of this writing. Action is at the discretion of the City Council.



DATES OF HEARINGS:

Planning Commission –
May 4, 2021
City Council –
May 25, 2021

COUNCIL WARD: Ward 5,
Christine C. Price
Allen

OWNER:
Jamil Adams

APPLICANT:
LaMarr Adams

PROPOSED USE:

Eating Establishment: Sit-Down, Alcoholic Beverages Permitted

DEVELOPMENT PROPOSED BY COMPREHENSIVE PLAN:

Area of Request – COMM, Commercial

North – Spencer

South – LDR, Low Density Residential

East and West – COMM, Commercial

ZONING DISTRICTS:

Area of Request – C-3, Community Commercial

North – Spencer

South and West – R-6, Single Family Residential

East – C-4, General Commercial and R-6, Single Family Residential

LAND USE:

Area of Request – Viaggio’s restaurant

North – Family Dollar

South – single family residence

East – auto sales lot

West – single family residence and vacant

COMPREHENSIVE PLAN CITATION:

Commercial

Areas designated for commercial land use are intended for a variety of commercial uses and establishments with outside storage, display and sales. Examples of such uses include automobile-related services, manufactured home sales, self-storage units, welding shops, and pawnshops. Commercial uses often located along major thoroughfares not because they need the visibility, as retail uses generally do, but because they need the accessibility. The challenge lies in the face that commercial uses often have a greater need for outside storage areas and these areas tend to lessen the visual quality of major thoroughfares.

MUNICIPAL CODE CITATION:

2.20 Community Commercial

2.20.1. General Description

This commercial district is intended for the conduct of business activity which is located at the edge of residential areas but which serves a larger trade area than the immediately surrounding residential neighborhoods.

Business uses will most often be found in a wide variety of commercial structures, normally on individual sites with separate ingress, egress, and parking. Because of the varied uses permitted, it is important to be separated as much as possible visually and physically from any nearby residential areas and to limit the harmful effects of increased traffic, noise, and general nonresidential activity which will be generated.

Traffic generated by the uses permitted shall be primarily passenger vehicles and only those trucks and commercial vehicles required for stocking and delivery of retail goods.

7.6. Special Use Permit

7.6.1. Special Use Permit

The uses listed under the various districts as special use permits are so classified because they more intensely dominate the area in which they are located than do other uses permitted in the district.

(A) Consideration for compatibility

With consideration given to the setting, physical features, compatibility with surrounding land uses, traffic, and aesthetics, certain uses may locate in an area where they will be compatible with existing or planned land uses.

(B) Review and approval

The Planning Commission shall review each case on its own merit, apply the criteria established herein, and recommend either approval or denial of the special use permit to the City Council. Following the Planning Commission's recommendation, the City Council shall review each case on its own merit, apply the criteria established herein, and, if appropriate, authorize said use by granting a special use permit.

(C) Use identified by individual zoning district

If a special use permit is granted it shall be for all the uses permitted in the specified district plus the special use permit requested.

7.6.3 Criteria for Special Use Permit Approval

(A) Special use permit criteria

The City Council shall use the following criteria to evaluate a special use permit:

- 1) Whether the proposed use shall be in harmony with the policies of the comprehensive plan.
- 2) Whether the proposed use shall be in harmony with the general purpose and intent of the applicable zoning district regulations.
- 3) Whether the proposed use shall not adversely affect the use of neighboring properties.
- 4) Whether the proposed use shall not generate pedestrian and vehicular traffic that is hazardous or in conflict with the existing and anticipated traffic in the neighborhood.
- 5) Whether utility, drainage, parking, loading, signs, lighting access and other necessary public facilities to serve the proposed use shall meet the adopted codes of the city.

NOTIFICATION:

1. Written notice was mailed to owners of real property within 300 feet of the exterior boundaries of the subject property.

HISTORY:

1. The area of request was rezoned in April 2015 from C-1, Restricted Commercial and R-6, Single Family Residential to C-3, Community Commercial. (PC-1829).
2. The Planning Commission recommended approval of this item May 4, 2021.

STAFF COMMENTS:

Planning Division:

As noted in the Executive Summary, this Special Use Permit is required as the applicant is proposing to sell alcoholic beverages within the existing restaurant.

As of this writing, staff has not received any calls or letters of protest regarding this rezoning request.

The proposed use is classified within the Midwest City Zoning Ordinance as Eating Establishments: Sit-Down, Alcoholic Beverages Permitted. This category states that on premise consumption of alcohol is accessory to the restaurant operation.

As mentioned above, criteria for special use permit approval is outlined in 7.6.3. of the Midwest City Zoning Ordinance. Below are staff's opinions as to how this application meets or does not meet the required criteria:

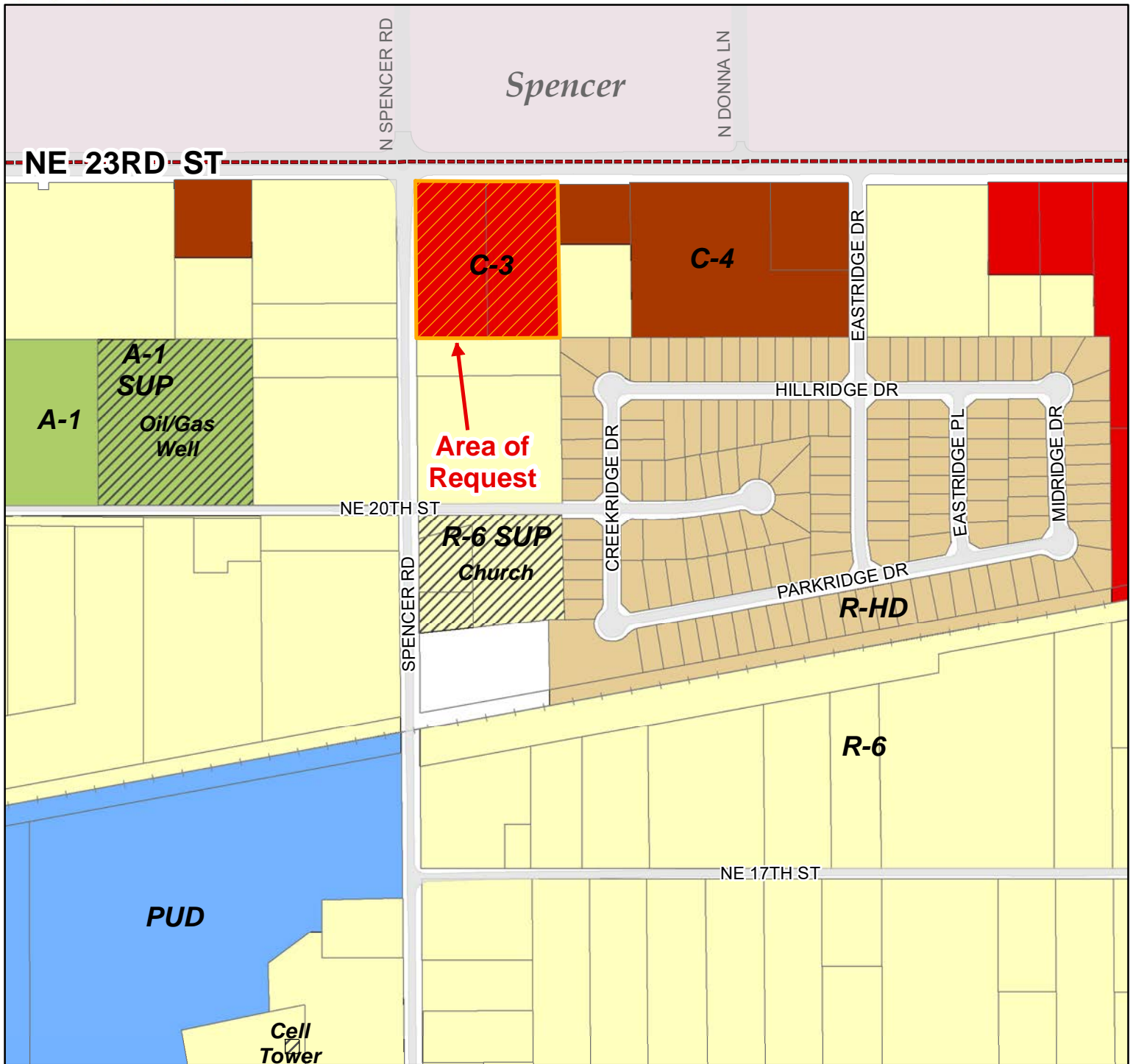
1. The Comprehensive Plan states that one of the three basic targets of economic development programming retaining and increasing the viability of existing local businesses. Allowing this Special Use Permit will allow this existing business to offer a wider variety of products and is consistent with the targets of the Comprehensive Plan.
2. The proposed use is in harmony with the general purpose and intent of the C-3 zoning district regulations as it is located along an arterial street and neighbors other commercial properties.
3. The proposed use is not likely to adversely affect the neighboring properties. The applicant will be required to adhere to all laws regarding serving alcoholic beverages to patrons.
4. The use is not expected to generate pedestrian and vehicular traffic that is hazardous or in conflict with the existing and anticipated traffic in the neighborhood. The area of request is already zoned C-3 and the traffic generated from this use would likely not change much from the existing daily traffic.
5. Utility, drainage, parking, loading, signs, lighting access and other necessary public facilities are all existing and will not be affected by this proposed use.

Action is at the discretion of the City Council.

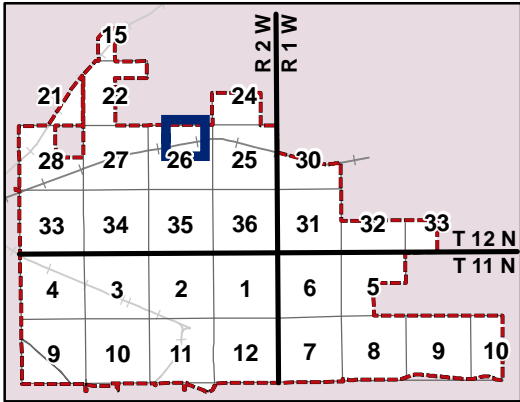
Action Required: Approve or reject the resolution for a Special Use Permit for the property as noted herein, subject to the staff comments as found in the May 25, 2021 agenda packet and made a part of PC-2077 file.



Billy Harless, AICP
Community Development Director
KG



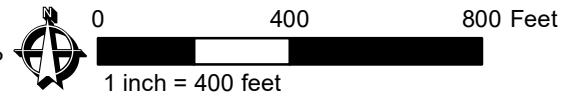
Locator Map



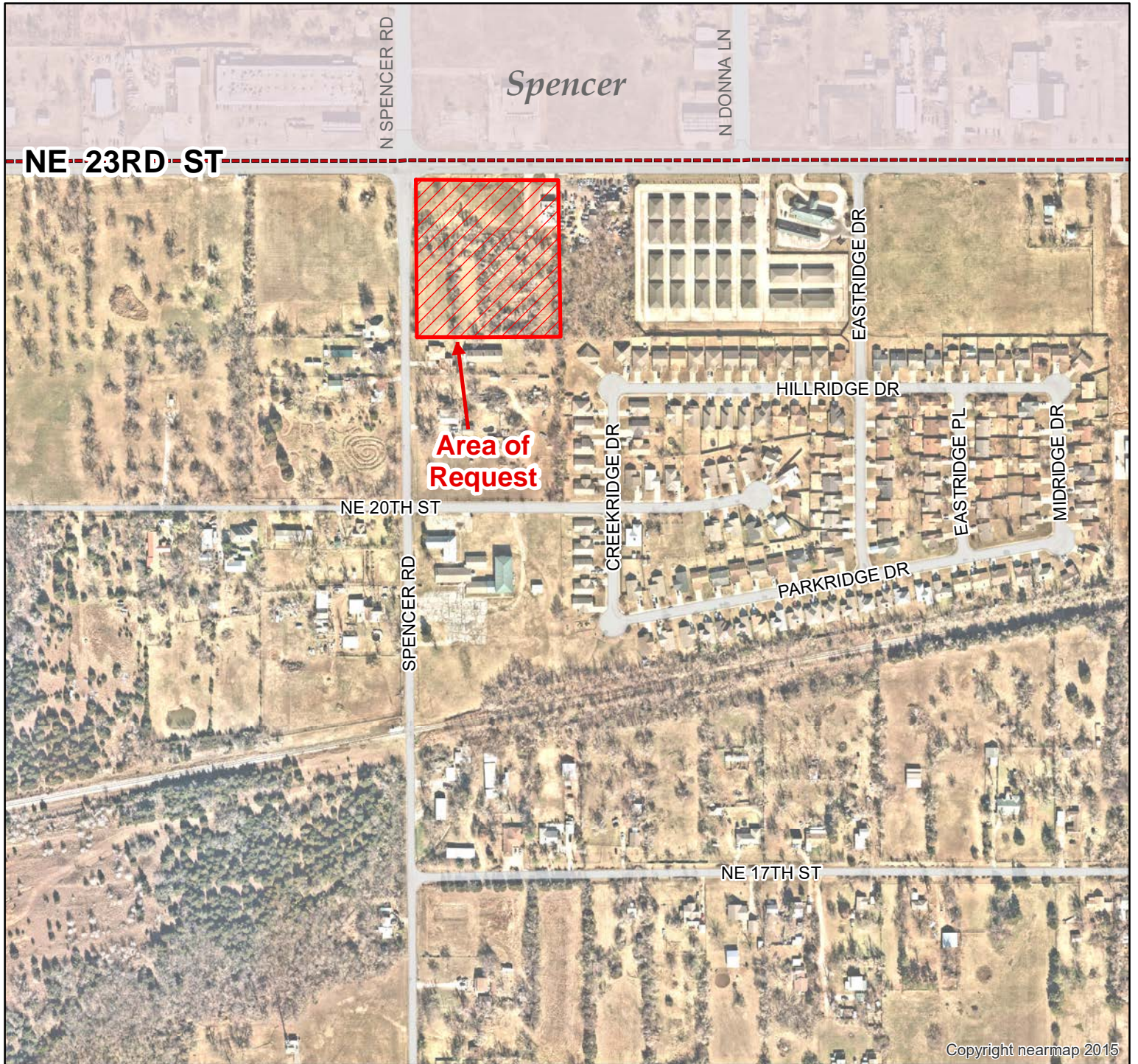
Current Zoning Legend

A-1	I-2 SUP	R-35
A-1 SUP	I-3	R-2F
C-1	O-1	R-MD
C-1 SUP	O-1 SUP	R-MD SUP
C-2	O-2	R-HD
C-2 SUP	O-2 SUP	R-HD SUP
C-3	R-6	R-MH-1
C-3 SUP	R-6 SUP	R-MH-2
C-4	R-8	PUD
C-4 SUP	R-10	SPUD
I-1	R-22	HOS
I-2		HOS SUP

**ZONING MAP FOR
PC-2077
(NE/4, Sec. 26, T12N, R2W)**

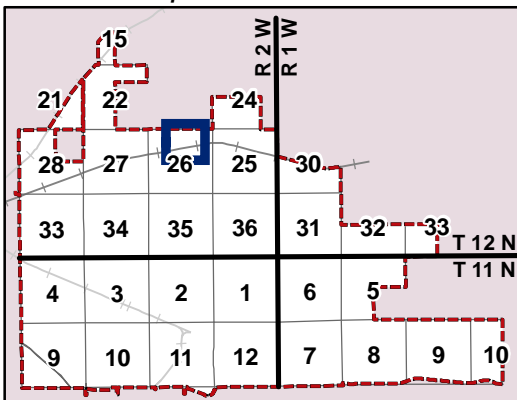


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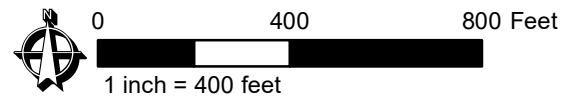


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Locator Map



**12/2020 NEARMAP AERIAL VIEW FOR
PC-2077
(NE/4, Sec. 26, T12N, R2W)**



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2 RESOLUTION NO. _____

3 A RESOLUTION APPROVING A SPECIAL USE PERMIT TO ALLOW EATING ES-
4 TABLISHMENT: SIT-DOWN, ALCOHOLIC BEVERAGES PERMITTED AND DIRECT-
5 ING AMENDMENT OF THE OFFICIAL ZONING DISTRICT MAP TO REFLECT
6 THE RECLASSIFICATION OF THE PROPERTY’S ZONING DISTRICT; AND
7 PROVIDING FOR REPEALER AND SEVERABILITY

8 WHEREAS, the Zoning Map of Midwest City, Oklahoma, 2010, shows the following described
9 property with a classification of C-3, Community Commercial:

10 A part of the NE/4 of Section 26, T-12-N, R-2-W of the Indian Meridian, Oklahoma
11 County, Oklahoma, being more particularly described as follows: Beginning at a point 43
12 feet South and 230 feet East of the Northwest Corner of said Northeast Quarter; Thence
13 South 452 feet; Thence East 205 feet; Thence North 452 feet; Thence West 205 feet to
14 the point of beginning.

15 WHEREAS, it is the desire of the Midwest City Council to grant a Special Use
16 Permit for said property.

17 NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF MID-
18 WEST CITY, OKLAHOMA COUNTY, STATE OF OKLAHOMA:

19 That the above described property located in Midwest City, Oklahoma be and is
20 hereby granted a Special Use Permit to allow the use of Eating Establishment: Sit-
21 Down, Alcoholic Beverages Permitted.

22 PASSED AND APPROVED by the Mayor and Council of the City of Midwest City, Okla-
23 homa, on the _____ day of _____, 2021.

24 THE CITY OF MIDWEST CITY, OKLAHOMA

25 _____
26 MATTHEW D. DUKES II, Mayor

27 ATTEST:

28 _____
29 SARA HANCOCK, City Clerk

30 APPROVED as to form and legality this _____ day of _____, 2021.

31 _____
32 DON MAISCH, City Attorney

33
34
35
36



The City of
MIDWEST CITY
COMMUNITY DEVELOPMENT DEPARTMENT

Billy Harless, Community Development Director

ENGINEERING DIVISION
Brandon Bundy, City Engineer
CURRENT PLANNING DIVISION
Kellie Gilles, Manager
COMPREHENSIVE PLANNING
Petya Stefanoff, Comprehensive Planner
BUILDING INSPECTION DIVISION
Christine Brakefield, Building Official
GIS DIVISION
Greg Hakman, GIS Coordinator

To: Honorable Mayor and City Council

From: Billy Harless, Community Development Director

Date: May 25, 2021

Subject: (PC – 2078) Discussion and consideration of approval of the revised Preliminary Plat of the Turtlewood Addition described as a part of the SE/4 of Section 7, T-11-N, R-1-W.

Executive Summary:

This application is a revision of the preliminary plat for the Turtlewood Addition. Much of the entire area has been developed, with additional development planned for the two (2) areas identified on the map below. This revision is requested in order for the developer to add additional land to the subdivision for the purpose of detention. Maintenance of the new area for detention will be the responsibility of the HOA as with the other common areas/detention ponds throughout the Turtlewood/Aspen Ridge Addition. As the original plat was heard under the previous Subdivision Regulations, this application will be heard in accordance with those regulations as well. The installation of public water, sewer and streets and sidewalks is a requirement throughout the remaining undeveloped area within this preliminary plat. Action is at the discretion of the City Council.

Dates of Hearing:

Planning Commission – May 4, 2021

City Council – May 25, 2021

Owner: Shaz Investment, Inc.

Applicant/Engineer: SMC Consulting Engineers – Chris Anderson

Proposed Use: 148 single family residential development

Size:

The area of request encompasses an area of 34.30 acres, more or less.

Zoning Districts:

Area of Request – R-6, Single Family Detached Residential and PUD, Planned Unit Development

North and West – R-6, Single Family Detached Residential

East - R-6, Single Family Detached Residential and I-2 Moderate Industrial

South – R6, Single Family Detached Residential, Planned Unit Development and I-2, Moderate Industrial and R-6 with a Special Use Permit for a church



Land Use:

Area of Request – vacant and new construction for Aspen Ridge Section 3
North, East and West – single family residences
South – Dolese, vacant land and industrial uses

Municipal Code Citation:

Chapter 38.81. (c) of the Municipal Code (prior to the 2012 update) reads in part, “A final plat must be in substantial compliance with the approved preliminary plat in order to be heard by the planning commission. A revised preliminary plat may be required if changes to the final plat are considered by the director to be substantial. Changes which may be considered to be substantial include the following:

- (1) Changes in lot dimensions;
- (2) Changes resulting in higher density;
- (3) Changes in circulation network;
- (4) Changes in drainage patterns;
- (5) Change in relationship between uses of land; and
- (6) Land use in general

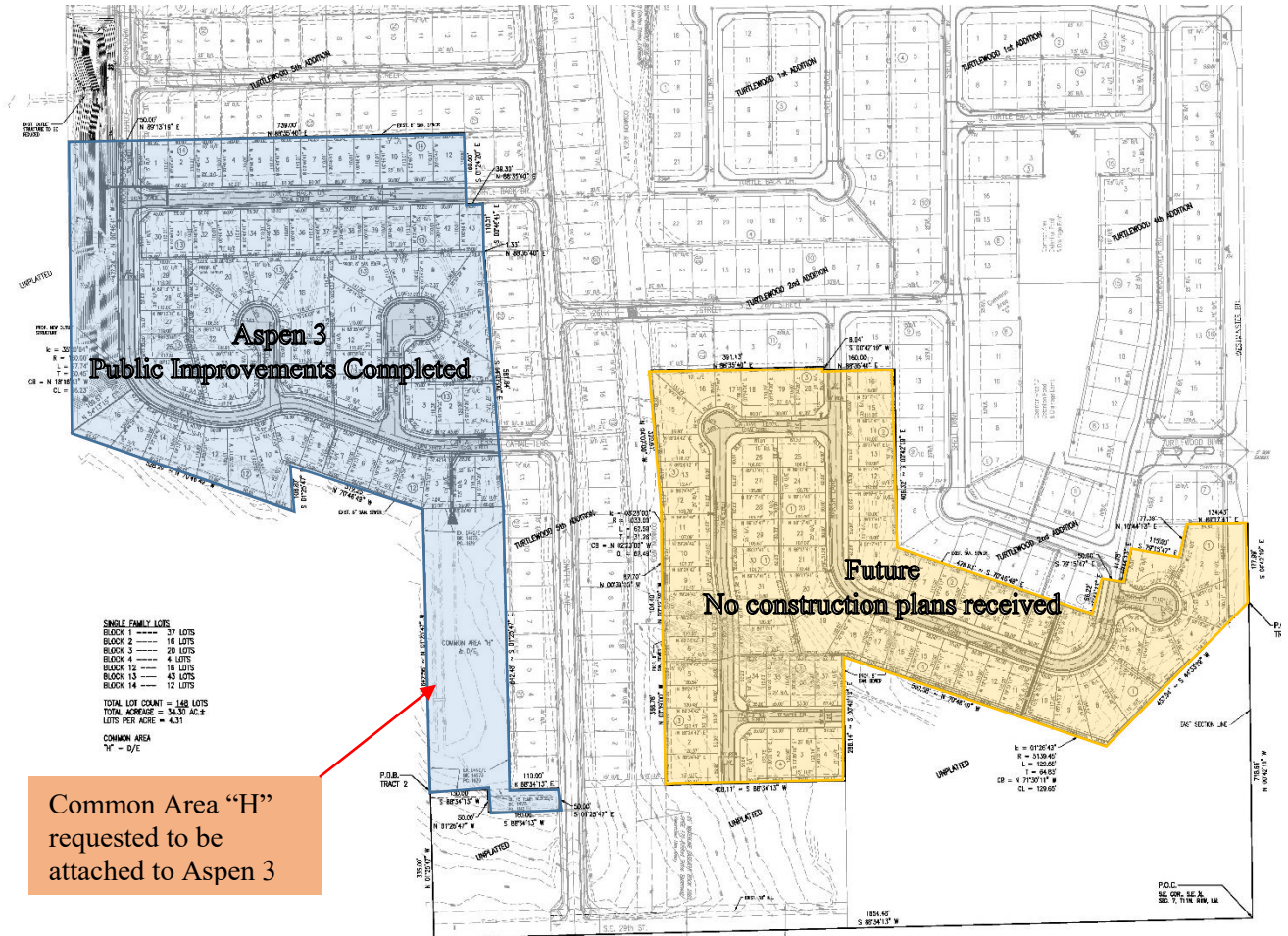
History:

1. April 2004 – (PC-1529) Preliminary Plat of the Turtlewood Addition was approved.
2. July 2004 – (PC-1552) The Final Plat of Turtlewood Section 1 was approved.
3. September 2004 (PC-1560) The Preliminary Plat of Turtlewood 3rd was approved.
4. May 2006 (PC-1610) The Final Plat for Turtlewood 2nd Addition was approved.
5. July 2006 (PC-1616) A revised Preliminary Plat for the Turtlewood Addition was approved.
6. September 2009 (PC-1701) The Final Plat for Turtlewood Section 3 was approved.
7. December 2009 (PC-1706) The Final Plat for Turtlewood Section 4 was approved.
8. April 2013 (PC-1785) The Final Plat for Turtlewood Section 5 was approved.
9. January 2018 (PC-1929) A revised preliminary plat for the Turtlewood Addition was approved.
10. February 2018 (PC-1932) The Final Plat of Turtlewood Section 6 was approved.
11. September 2019 (PC-2018) The Final Plat of Aspen Ridge Section 3 (formerly known as Turtlewood) was approved.
12. The Planning Commission recommended approval of this item May 4, 2021.

Engineering Comments:

Note: This application is for a revised preliminary plat of the Turtlewood Addition. As the original plat was heard under the previous Subdivision Regulations, this application will be heard in accordance with those regulations as well. The installation of public water, sewer, streets, and sidewalks is a requirement of the remaining undeveloped area within this preliminary plat.

City staff has been working with the developer to include Common Area “H” into the preliminary plat in order to better align the Home Owners Responsibility of maintenance as well as reflect that the detention pond within Common Area “H” is detaining water from Aspen 3 shown as blocks 12, 13, and 14 of the preliminary plat.



The area for Aspen 3 currently has public improvements constructed.
The area shown as blocks 1, 2, 3, and 4 is not being proposed for construction at this time.

Fire Comments:

The property is required to meet and maintain the requirements of Midwest City Ordinances Section 15.

Planning Comments:

This item is being heard under the Subdivision Regulations prior to the 2012 update as the original and first revised preliminary plat applications were heard under those regulations.

As mentioned in the executive summary, this revision is being requested in order to add additional land to the Turtlewood Addition for the sole purpose of detention. No other changes to the previously approved preliminary plat are proposed.

The area being added to the Turtlewood Addition and reason for this revised preliminary plat is currently zoned as a PUD as shown on the map below. This PUD is governed by the C-3 district while also allowing outdoor boat and RV storage. The applicant has added a note on the revised preliminary plat stating that the area identified as common area H will not be developed in accordance with the PUD and will only be used as a detention pond and common area for the addition.

As the use of a detention pond/common area is less intensive than outdoor boat and RV storage, staff will not require a zoning amendment for this area.



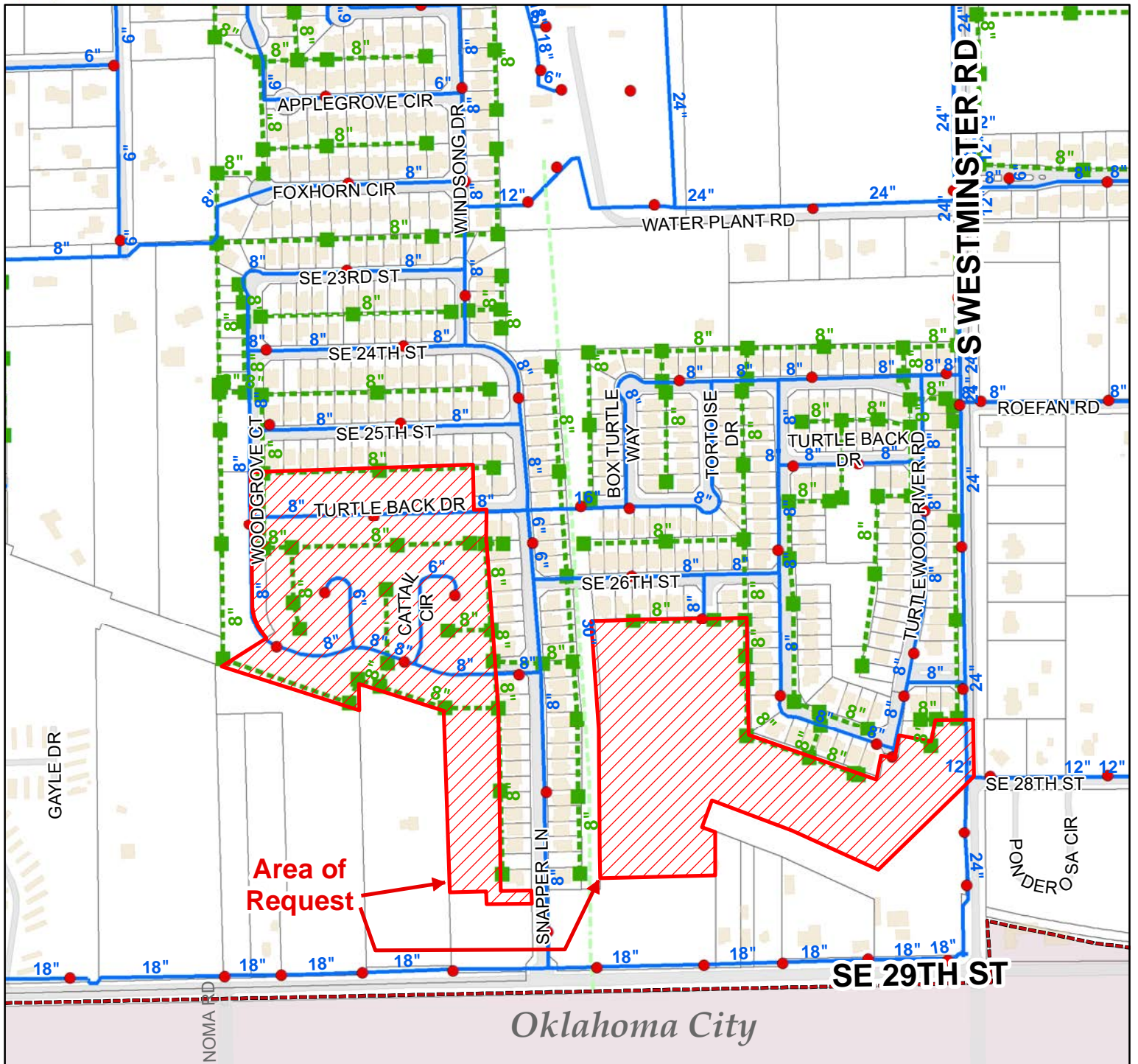
If this revised preliminary plat is approved, the applicant will need to submit an application for a replat/final plat of the Aspen Ridge Section 3 Addition showing this added common area. The note regarding the PUD mentioned above must be included on the replat.

Maintenance of all common areas including common area H is the responsibility of the Homeowners Association. A resident of the Turtlewood Addition attended the Planning Commission meeting and stated that the developer has created two (2) separate HOA's for the entire subdivision. The resident asked if the new detention area would be the responsibility of the Turtlewood HOA or the Aspen Ridge HOA. Following the meeting, staff contacted the developer and confirmed that the new detention area will be the responsibility of the Aspen Ridge HOA.

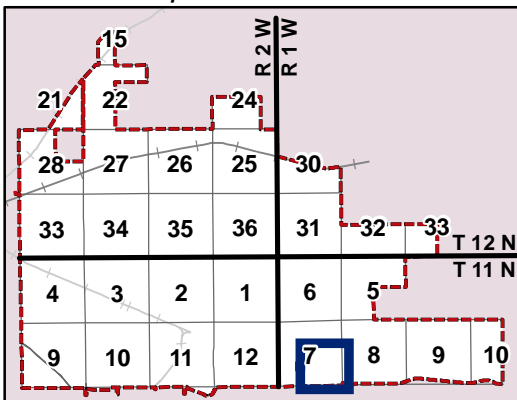
Action is at the discretion of the City Council.

Action Required: Approve or reject revised Preliminary Plat of the Turtlewood Addition located on the property as noted herein, subject to the staff comments and found in the May 25, 2021 agenda packet and made a part of PC-2078 file.

Billy Harless, AICP
Community Development Director
KG



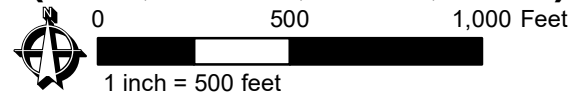
Locator Map



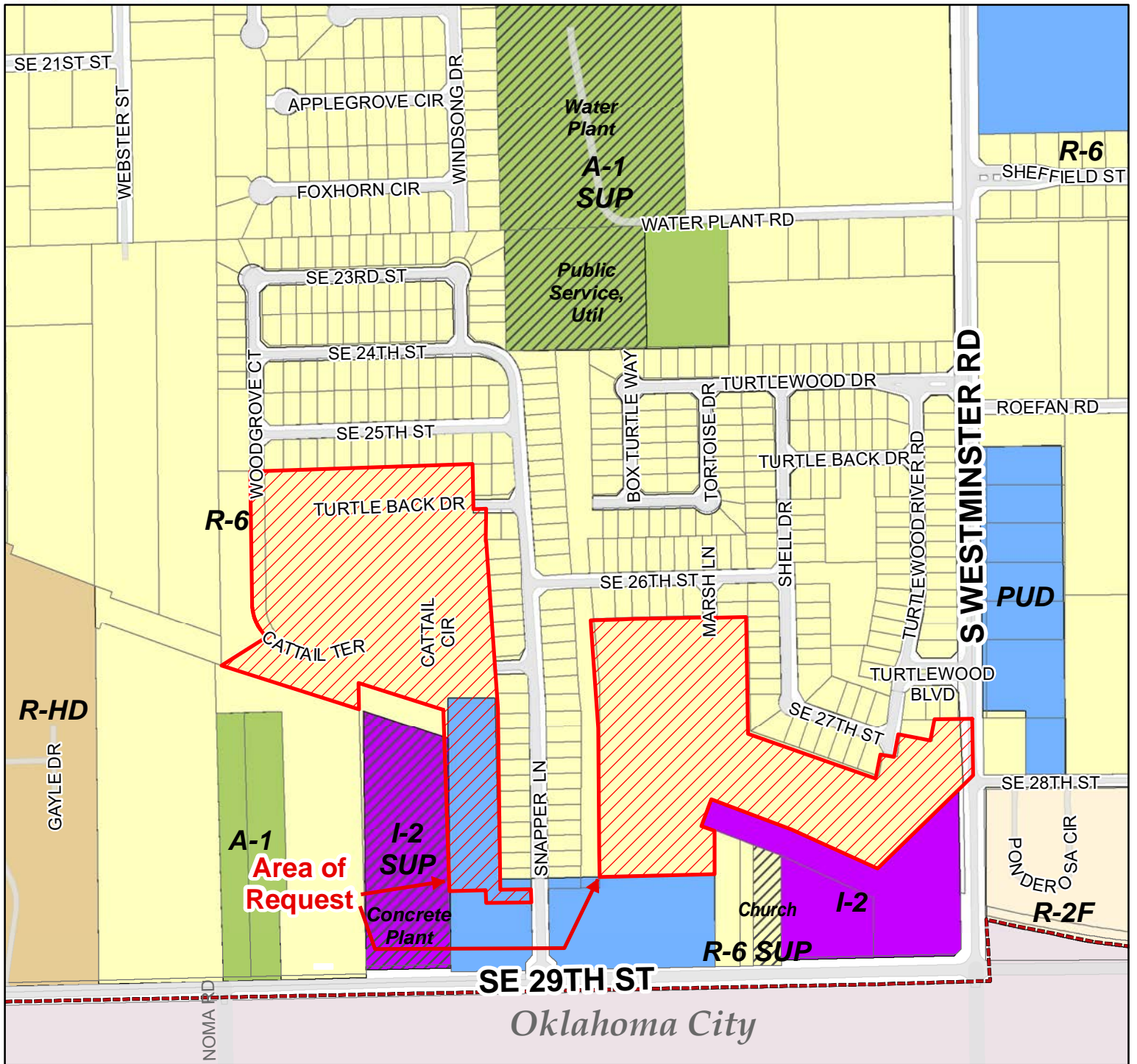
Water/Sewer Legend

- Fire Hydrants
- Water Lines
 - Distribution
 - Well
 - OKC Cross Country
 - Sooner Utilities
 - Thunderbird
 - Unknown
- Sewer Manholes
- Sewer Lines

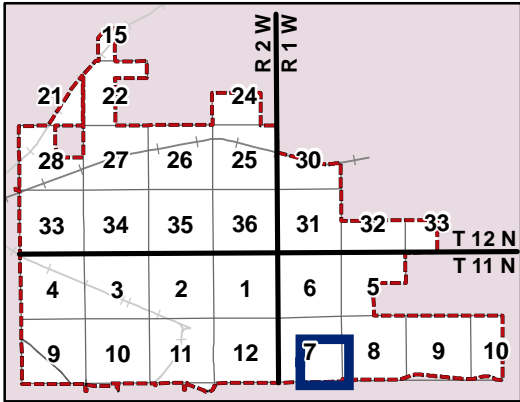
**WATER/SEWER LINE
LOCATION MAP FOR
PC-2078
(SE/4, Sec. 7, T11N, R1W)**



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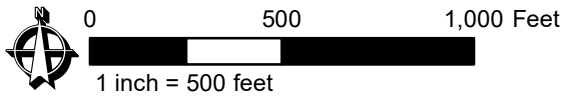
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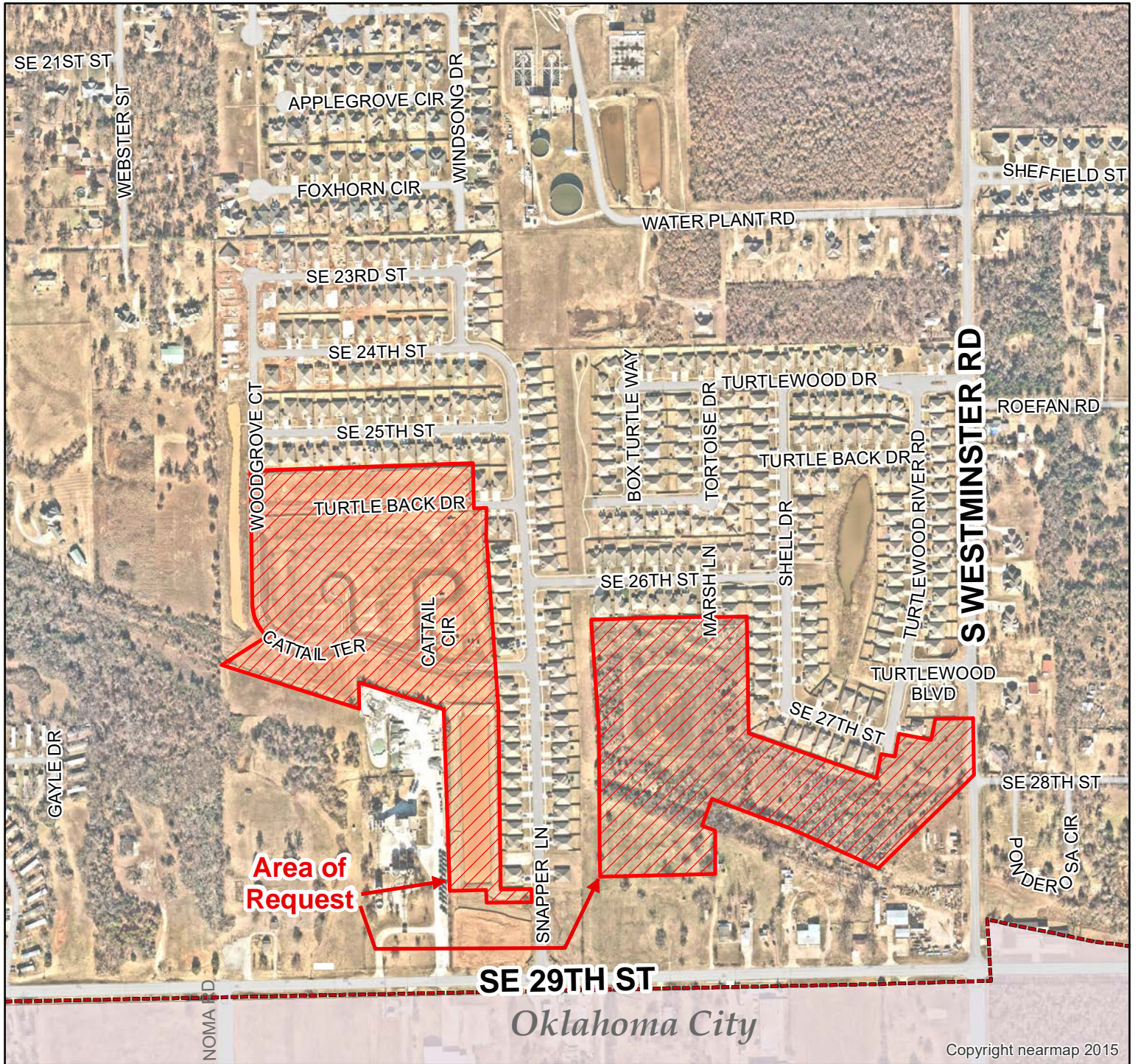
Current Zoning Legend

A-1	I-2 SUP	R-35
A-1 SUP	I-3	R-2F
C-1	O-1	R-MD
C-1 SUP	O-1 SUP	R-MD SUP
C-2	O-2	R-HD
C-3	O-2 SUP	R-HD SUP
C-3 SUP	R-6	R-MH-1
C-4	R-6 SUP	R-MH-2
C-4 SUP	R-8	PUD
I-1	R-10	SPUD
I-2	R-22	HOS
		HOS SUP

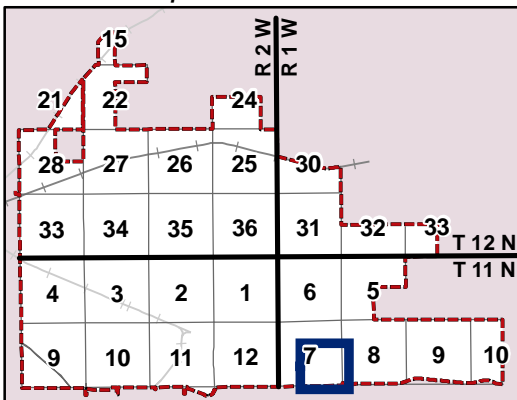
**ZONING MAP FOR
PC-2078
(SE/4, Sec. 7, T11N, R1W)**



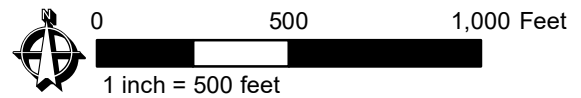
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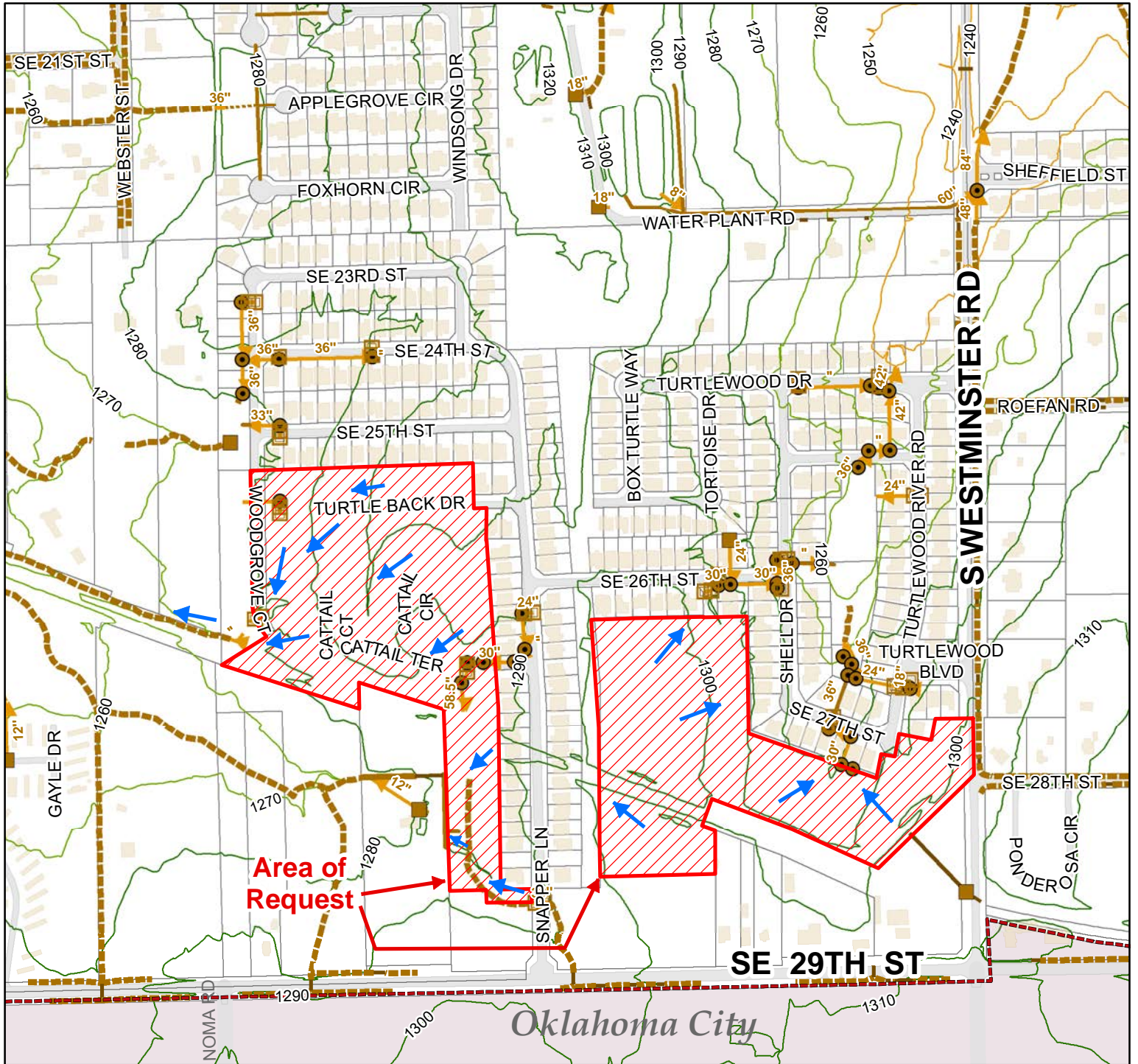
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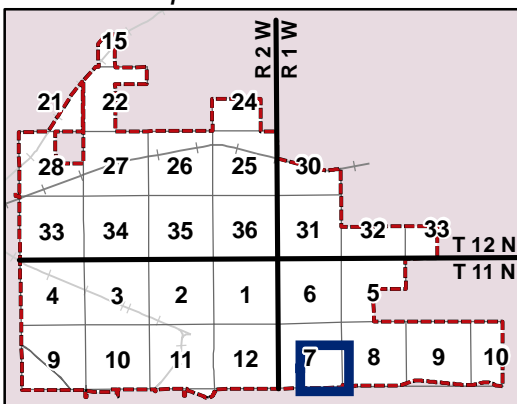
**12/2020 NEARMAP AERIAL VIEW FOR
PC-2078
(SE/4, Sec. 7, T11N, R1W)**



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Locator Map

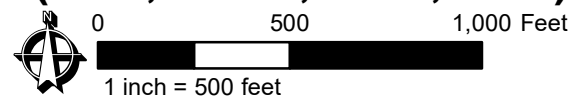


- Drainage Legend**
- Curb Inlets
 - Inlets
 - Junction Box
 - Culverts
 - Flumes
 - Developed Channels
 - Trickle Channels
 - Undeveloped Channels
 - Storm Lines
 - Creeks
- ELEVATION**
- 1166-1204 ft
 - 1204-1228 ft
 - 1228-1250 ft
 - 1250-1278 ft
 - 1278-1324 ft

2009 FEMA Floodplains

- 500-yr floodplain
- 100-yr floodplain
- 2009 FEMA Floodway
- FLOODWAY

DRAINAGE LOCATION MAP FOR PC-2078 (SE/4, Sec. 7, T11N, R1W)



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CITY OF MIDWEST CITY
EXISTING WATER FILTRATION PLANT

WATER PLANT ROAD

REVISED PRELIMINARY PLAT TURTLEWOOD ADDITION

A PART OF THE S.E. 1/4, SECTION 7, T11N, R1W, I.M.
MIDWEST CITY, OKLAHOMA COUNTY, OKLAHOMA

WATER TREATMENT
PLANT EXPANSION

UNPLATTED

LEGAL DESCRIPTION

A tract of land in the Southeast Quarter (S.E. 1/4) of Section Seven (7), Township Eleven (11) North, Range One (1) West of the Indian Meridian, Oklahoma County, Oklahoma, being more particularly described as follows:

TRACT 1

COMMENCING at the Southeast Corner of said S.E. 1/4;
THENCE North 07°42'19" West along the East line of said S.E. 1/4 a distance of 718.66 feet to the POINT OF BEGINNING;

THENCE South 44°52'37" West a distance of 457.84 feet to a point on a non-tangent curve; THENCE around a curve to the right having a radius of 513.45 feet (said curve subtended by a chord which bears North 71°30'11" West, a distance of 129.65 feet) and an arc length of 129.65 feet; THENCE North 70°46'49" West a distance of 230.9 feet; THENCE South 19°17'13" West a distance of 102.02 feet; THENCE South 27°46'49" East a distance of 73.76 feet; THENCE South 02°47'19" East a distance of 180.39 feet; THENCE South 88°34'13" West a distance of 493.3 feet to a point on the East boundary line of the first final plat of TURTLEWOOD 2ND ADDITION (see first to Book 74 of Plats, Page 34); THENCE along the boundary line of said first final plat the following are (6) courses:

- 1) THENCE North 02°39'30" West a distance of 366.79 feet;
- 2) THENCE North 02°12'32" West a distance of 104.43 feet;
- 3) THENCE North 07°39'30" West a distance of 87.70 feet to a point of curvature;
- 4) THENCE around a curve to the left having a radius of 1033.50 feet (said curve subtended by a chord which bears North 02°37'02" West, a distance of 62.48 feet) and an arc length of 62.50 feet;
- 5) THENCE North 04°07'50" West a distance of 52.64 feet;
- 6) THENCE North 88°35'42" East a distance of 291.13 feet to the Southeast corner of Lot 1, Block 11 of the first final plat of TURTLEWOOD 2ND ADDITION (see first to Book 69 of Plats, Page 57).

THENCE along the boundary line of said final plat the following eleven (11) courses:

- 1) South 02°42'18" East a distance of 8.54 feet;
- 2) North 89°17'41" East a distance of 165.02 feet;
- 3) South 02°42'18" East a distance of 106.33 feet;
- 4) South 70°46'49" East a distance of 478.83 feet;
- 5) North 02°42'18" East a distance of 86.23 feet;
- 6) South 79°15'47" East a distance of 50.00 feet;
- 7) North 02°42'18" East a distance of 81.29 feet;
- 8) South 79°15'47" East a distance of 115.02 feet;
- 9) North 02°42'18" East a distance of 177.29 feet;
- 10) North 89°17'41" East a distance of 124.43 feet;
- 11) South 02°42'18" East a distance of 177.29 feet to the POINT OF BEGINNING.

Said tract contains 15.96 acres, more or less.

TRACT 2

COMMENCING at the Southeast Corner of said S.E. 1/4; THENCE South 88°34'13" West along the South line of said S.E. 1/4 a distance of 1854.46 feet; THENCE North 02°42'18" West a distance of 335.02 feet to the POINT OF BEGINNING;

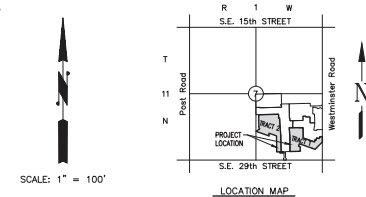
THENCE containing North 02°42'18" West a distance of 638.43 feet; THENCE North 70°46'49" West a distance of 318.25 feet; THENCE South 02°42'18" East a distance of 106.42 feet; THENCE North 70°46'49" West a distance of 538.83 feet; THENCE North 54°12'15" East a distance of 189.41 feet to a point on a non-tangent curve; THENCE around a curve to the right having a radius of 185.02 feet (said curve subtended by a chord which bears North 19°14'42" West, a distance of 86.23 feet) and an arc length of 87.74 feet; THENCE North 02°42'18" West a distance of 474.24 feet to a point on the South line of said first final plat of TURTLEWOOD 2ND ADDITION; THENCE along the boundary line of said first final plat the following ten (10) courses:

- 1) North 89°17'41" East a distance of 50.02 feet;
- 2) North 88°32'42" East a distance of 179.02 feet;
- 3) South 02°42'18" East a distance of 162.00 feet;
- 4) North 88°32'42" East a distance of 39.29 feet;
- 5) South 02°42'18" East a distance of 115.51 feet;
- 6) North 88°32'42" East a distance of 1.23 feet;
- 7) South 02°42'18" East a distance of 581.84 feet;
- 8) South 02°42'18" East a distance of 842.88 feet;
- 9) North 88°34'13" East a distance of 115.02 feet;
- 10) South 02°42'18" East a distance of 50.00 feet.

THENCE South 88°34'13" West a distance of 140.00 feet; THENCE North 02°42'18" West a distance of 50.02 feet; THENCE South 88°34'13" West a distance of 126.18 feet to the POINT OF BEGINNING.

Said tract contains 18.11 acres, more or less.

Total of said tracts of land is 34.07 acres, more or less.



SCALE: 1" = 100'

P.O.B. TRACT 1

N 02°42'18" W

S 02°42'18" E

N 89°17'41" E

S 89°17'41" W

N 02°42'18" W

S 02°42'18" E

N 89°17'41" E

S 89°17'41" W

N 02°42'18" W

S 02°42'18" E

N 89°17'41" E

S 89°17'41" W

N 02°42'18" W

S 02°42'18" E

N 89°17'41" E

S 89°17'41" W

N 02°42'18" W

S 02°42'18" E

N 89°17'41" E

S 89°17'41" W

SINGLE FAMILY LOTS
BLOCK 1 36 LOTS
BLOCK 2 16 LOTS
BLOCK 3 20 LOTS
BLOCK 4 4 LOTS
BLOCK 12 16 LOTS
BLOCK 13 43 LOTS
BLOCK 14 12 LOTS
TOTAL LOT COUNT = 142 LOTS
TOTAL ACRES = 34.07 AC.±
LOTS PER ACRE = 4.31
COMMON AREA
T¹ - D/E

P.O.C.
S.E. COR. S.E. 1/4,
SEC. 7, T11N, R1W, I.M.

1854.46'
S 88°34'13" W

33' UTILITY EASEMENT
INC. 7102, P.C. 967

SMC CONSULTING ENGINEERS, P.C.
312 WEST MAIN STREET
MIDWEST CITY, OKLAHOMA 73104

OWNER / DEVELOPER
SWEET INVESTMENTS, INC.
P.O. BOX 720088
Norman, Oklahoma 73070

ENGINEER
SMC Consulting Engineers, P.C.
312 West Main Street
Midwest City, Oklahoma 73104

TURTLEWOOD ADDITION
S.E. 29TH ST. & WESTMINSTER RD.
MIDWEST CITY, OKLAHOMA

SMC Consulting Engineers, P.C.
312 West Main Street
Midwest City, Oklahoma 73104
PHONE: (405) 731-1111
FAX: (405) 731-1112
WWW: WWW.SMCENGINEERS.COM

PROJECT NO.: 24510
DATE: 04/14/21
SCALE: 1" = 100'
DRAWN BY: JLD
CHECKED BY: G. ANDERSON
P.L. NUMBER: 18088

REVISED PRELIMINARY PLAT
SHEET NO. 1



NEW BUSINESS/
PUBLIC DISCUSSION





EXECUTIVE SESSION





Economic Development
100 N. Midwest Boulevard
Midwest City, OK 73110
Office: 405.739.1218
coleman@midwestcityok.org
www.midwestcityok.org

MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Robert Coleman, Economic Development Director

DATE: May 25, 2021

SUBJECT: Discussion and consideration of 1) entering into executive session, as allowed under 25 O.S. § 307(C)(11), to confer on matters pertaining to economic development, including the transfer of property, financing or the creation of a proposal to entice a business to remain or to locate within the City, and 2) in open session, authorizing the general manager/administrator to take action as appropriate based on the discussion in executive session.

Appropriate information will be dispersed during executive session.

Robert Coleman, Economic Development Director



FURTHER INFORMATION





The City Of Midwest City
Neighborhood Services Department
Neighborhoods In Action • Code Enforcement • Neighborhood Initiative

MEMO

To: Honorable Mayor and Council
From: Mike S. Stroh, Neighborhood Services Director
Date: May 25, 2021
Subject: Review of the monthly Neighborhood Services report for April 2021.

In April 2021, the Code Enforcement Division had six officers back for the month. City Clerk's Code Officer was included in these numbers. We had one code officer retire this month. Together they opened 1,262 new cases, cleared 251 cases, contracted 14 properties, and wrote 7 new citations. This makes 2,615 cases for the year and we currently have 2,159 open cases.

Here is a breakdown of all the violations worked for the month.

	April 2020	Total 2020	April 2021	Total 2021
Other Nuisance	40	1,303	82	274
Rubbish	218	512	526	1,047
Structures	50	1,311	57	153
Tall Grass & Weeds	359	413	148	168
Trash & Debris	250	944	344	729
Vehicles	25	244	105	244

This shows a comparison between 2020 and 2021 of the total cases worked by each ward.

	April 2020	Total 2020	April 2021	Total 2021
Ward 1	264	2,235	530	653
Ward 2	162	336	166	634
Ward 3	125	1,384	38	115
Ward 4	68	142	36	242
Ward 5	240	494	298	454
Ward 6	84	156	194	517

For the total in the Tall Grass & Weeds we only count the one notice type.

For the total in the Rubbish we only count the one notice type.

For the total in the Trash & Debris we only count the one notice type.

For the total in the Other Nuisance we count thirty-two notice types; Alcoholic Beverages, Assistance to Another Officer, Beer License, Coin Amusement Devices, Collection/Donation Boxes-Debris, Collection/Donation Boxes-Maintenance, Collection/Donation Boxes-Registered, Computer Work, Family Amusement License, Garage Sale-Permit Required, Graffiti, Health License, Litter, Misc. Violation, Nuisance Yard, Personal Storage Units (Commercial), Personal Storage Units (Residential), PM-Sewer, PM-Utilities Required-Water, Polycarts, Pool and Billiard Halls, Sight Triangle, Solicitor-Permit Required, Sports Equipment, Temporary Signs, Thank You Cards, Trim Trees, Utilities Required-Sanitation, Zoning-Group Residential, Zoning-Merchandise For Sale, and Zoning-C-3.

For the total in the Structures we count thirteen notice types; Address Numbers, PM-Accessory Structure, PM-Blighting Influence, PM-Boarded Dwellings, PM-Condemned Structure, PM-Exterior Paint, PM-Garage Doors, PM-General Exterior, PM-Open and Unsecure, PM-Roofs & Drainage, PM-Stairways and Porches, PM-Swimming Pools, Spas & Hot Tubs, PM-Vacant (Dilapidated) Structures, and PM-Windows and Glazing.

For the total in the Vehicle we count four notice types; Commercial Soft Surface, Inoperative Vehicle, Parking or Storing Commercial Vehicles, and Soft Surface Parking.

Mike S. Stroh

Mike S. Stroh, Neighborhood Services Director



The City of
MIDWEST CITY
COMMUNITY DEVELOPMENT DEPARTMENT

To: Honorable Mayor and Council

From: Billy Harless, Community Development Director

Date: Tuesday, May 25, 2021

Subject: Monthly Residential and Commercial Building report for APRIL 2021

Residential New Permits are still coming in steady and so are Commercial Remodels.
Due to the time of year we are seeing an increase of Storm Shelter Permits.

Billy Harless, AICP
Community Development Director

BH:ad

Midwest City Building Report
BUILDING REPORT APRIL 2021

11	INDIVIDUAL RESIDENCES	\$	1,497,678.00
	DUPLEXES		
	APARTMENTS REMODEL/NEW **REMODEL**		
	CONDOMINIUMS/TOWNHOUSE/APARTMENTS (STUDENT HOUSING)		
1	RESIDENTIAL REPAIR & EXPANSION	\$	20,000.00
8	FENCES	\$	19,600.00
6	SWIMMING POOLS/HOT TUBS	\$	152,885.00
5	CARPORTS	\$	18,560.00
5	PATIO COVER	\$	8,554.00
	PERSONAL STORAGE UNIT		
11	ACCESSORY BLDG.	\$	1,626,678.00
16	STORM SHELTER	\$	55,542.00
1	DEMOLITION	\$	5,000.00
8	DRIVE WAY		
	HOUSE RELOCATE (MOVE IN) / HOUSE MOVING (OUT)		
5	RETAINING WALL	\$	25,000.00
18	ROOF	\$	222,343.00
	TOTAL VALUE OF RESIDENTIAL	\$	<u>3,651,840.00</u>

INDUSTRIAL AND COMMERCIAL:

	NEW BUSINESS STRUCTURES		
5	BUSINESS STRUCTURES REPAIRED/ EXPANDED	\$	341,400.00
	ACCESSORY BLDG.		
6	SMALL WIRELESS FACILITIES OR TOWERS		
5	SIGNS	\$	31,400.00
	DEMOLITION		
	TENANT FINISH		
	POOLS		
	CANOPY/COVERED PARKING/PATIO COVER		
	FENCE		
	TENTS / SEASONAL BUILDINGS / REVOCABLE		
	DRIVE WAY/ PARKING LOT		
1	RETAINING WALL	\$	26,400.00
3	ROOF	\$	1,226,400.00
	TOTAL VALUE OF INDUSTRIAL/ COMMERCIAL BUILDINGS	\$	<u>1,625,600.00</u>

PUBLIC AND SEMI PUBLIC

	NEW SCHOOL STRUCTURES		
	SCHOOL STRUCTURE REPAIR/ EXPANDED		
	SCHOOL STRUCTURE MOVED IN		
	SIGNS		
	NEW CHURCH		
	NEW CHURCHES (REMODEL EXISTING SPACE)		
1	ACCESSORY BLDG.	\$	50,000.00
	HOTEL NEW OR REMODEL		
	CHURCH REPAIR/ EXPANDED		
	NEW HOSPITAL STRUCTURE		
	HOSPITAL STRUCTURE REPAIR / EXPANDED		
	CITY PROPERTY PAVILION/CANOPY		
	CITY PROPERTY NEW		
	CITY PROPERTY FENCE		
	DEMOLITIONS		
	DRIVE WAY PARKING LOT		
	ROOF		
	TOTAL VALUE OF PUBLIC AND SEMI-PUBLIC BUILDINGS		
	GRAND TOTAL VALUE OF BUILDING PERMITS ISSUED	\$	<u>5,327,440.00</u>

NEW SINGLE RESIDENTIAL BUILDING PERMITS

Apr-2021

ADDRESS	BUILDER/CONTRACTOR	PERMIT #		VALUE
10465 TURTLE BACK DR	HOME CREATIONS INC	21	709	\$168,573.00
10469 TURTLE BACK DR	HOME CREATIONS INC	21	708	\$154,021.00
10473 TURTLE BACK DR	HOME CREATIONS INC	21	676	\$145,000.00
10477 TURTLE BACK DR	HOME CREATIONS INC	21	724	\$148,600.00
10481 TURTLE BACK DR	HOME CREATIONS INC	21	639	\$139,500.00
10485 TURTLE BACK DR	HOME CREATIONS INC	21	635	\$129,000.00
117 W CAMPBELL DR	CHRISTIAN DURON	21	518	\$90,000.00
1513 N POST RD	FLORES, EDGAR	21	550	\$190,000.00
2402 CATTAIL CIR	HOME CREATIONS INC	21	733	\$156,215.00
2403 CATTAIL CIR	HOME CREATIONS INC	21	734	\$142,992.00
2407 CATTAIL CIR	HOME CREATIONS INC	21	735	\$162,777.00

NEW DUPLEX RESIDENTIAL BUILDING PERMITS

ADDRESS	BUILDER/CONTRACTOR	PERMIT #	VALUE
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DEMOLITION or MOVE

ADDRESS	CONTRACTOR	PERMIT #		VALUE
316 N POST RD	M & M WRECKING	21	579	\$5,000.00

REPLACE EXISTING ROOF

ADDRESS	CONTRACTOR	PERMIT #		VALUE
10513 HONEYSUCKLE LN	CANTRELL EXTERIORS FINISHES	21	671	\$7,400.00
10605 REITER DR	PARKER BROTHERS (ESCROW)	21	721	\$12,600.00
10614 TUMILTY AVE	ELLIOTT ROOFING	21	752	\$17,500.00
1112 CHOCTAW RIDGE RD	MITCHELL CONSTRUCTION & RENOVA	21	695	\$22,000.00
116 REMINGTON AVE	ELLIOTT ROOFING	21	754	\$31,000.00
124 GILL DR	ORANGE ELEPHANT ROOFING	21	644	\$7,843.00
2013 GOLDENROD LN	HOTELLA CONSTRUCTION	21	808	\$15,000.00
2020 GERRIE ST	ELLIOTT ROOFING	21	758	\$15,700.00
2048 WESTBURY DR	BASS ROOFING	21	818	\$16,000.00
208 W MIMOSA DR	H2O TECH	21	775	\$3,000.00
244 BEARD DR	ELLIOTT ROOFING	21	753	\$7,500.00
3205 GLENVALLEY DR	OKLAHOMA ROOFING AND CONSTRUCT	21	762	\$12,000.00
3602 MOCKINGBIRD LN	AMBASSADOR CONSTRUCTION	21	854	
709 W IDYLWILD DR	TEXOLA INC	21	784	\$22,000.00
8608 NE 16TH ST	J & M ROOFING & SUPPLY CO	21	730	\$10,000.00
8709 NE 17TH ST	GILLIAM CALVIN GEE	21	660	\$1,800.00
901 W IDYLWILD DR	MHM CONSTRUCTION	21	662	\$10,000.00
9713 WOODROCK PL	TEXOLA INC	21	785	\$11,000.00

BUSINESS CERTIFICATE OF OCCUPANCY/CHANGE OF OWNERSHIP**Apr-21**

ADDRESS	NAME OF BUSINESS	APPLICANT	PERMIT #	
1605 N DOUGLAS BLVD	TABERNACLE OF DAVID	SHELIA & LEROY LOUIS	21	714
1640 S SOONER RD SUITE B	911 PHONE REPAIR +	JUSTIN CLARKSON	21	779
2601 S DOUGLAS BLVD 130	GINGERELLA BOUTIQUE	CASSADY BOSO	21	668
351 N AIR DEPOT BLVD GG	J'MAJ THRIFT		21	796
7456 E RENO AVE	VAPOR DEPOT	EEMAN / TRI CITY TRADING	21	643
9209 NE 23RD ST SUITE 304	BRIELLE'S COUNTRY SMOKE HOUSE	DWAYNE JOHNSON	21	835
9822 NE 23RD ST	GO FIGURE AESTHETICS LLC	ASHLEY THOMPSON/TYSON TUR	21	789

OMMA COMPLIANCE CERTIFICATE

8041 SE 15TH ST	DR TERPZ		21	751
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INDUSTRIAL & COMMERCIAL BUILDINGS NEW**Apr-21**

ADDRESS DESCRIPTION EST. COST CONTRACTOR OR OWNER PERMIT #

REPAIR/ REMODEL/ADD ON

ADDRESS DESCRIPTION EST. COST CONTRACTOR OR OWNER PERMIT #

ADDRESS	DESCRIPTION	EST. COST	CONTRACTOR OR OWNER	PERMIT #
101 N MIDWEST BLVD	Walgreens Remodel	\$250,000.00	WALGREEN CO	21 186
1120 S AIR DEPOT BLVD 10	ADDING AND REMOVING WALLS DIS	\$25,000.00	EFREN LOREA	21 439
218 S SOONER RD	REMODEL FOR DISPENSARY	\$25,000.00		21 536
224 S SOONER RD	adding walls grow / processing	\$15,000.00		21 371
724 S AIR DEPOT BLVD	REMODEL CREST WAREHOUSE	\$26,400.00	CLARK CONSTRUCTION INC	21 774

CELL TOWERS/SMALL WIRELESS FACILITIES

ADDRESS	DESCRIPTION	EST. COST	CONTRACTOR OR OWNER	PERMIT #
2722 S MIDWEST BLVD	SW WIRELESS GRAY METAL POLE		VERIZON WIRELESS	21 826
2990 S MIDWEST BLVD	SM WIRELESS GREY METAL POLE		VERIZON WIRELESS	21 827
300 E MID AMERICA BLVD	SM WIRELESS ON OGE POLE - modify		VERIZON WIRELESS	21 825
6519 SE 29TH ST	SM WIRELESS VERIZON ON OGE WOOD POLE - mod		VERIZON WIRELESS	21 824
6853 PLANET CT	SM WIRELESS OGE WOODEN POLE -modify		VERIZON WIRELESS	21 823
7131 SE 29TH ST	SM WIRELESS BLACK STEALTH POLE		VERIZON WIRELESS	21 828

TENANT FINISH OR WHITE BOX

ADDRESS DESCRIPTION EST. COST CONTRACTOR OR OWNER PERMIT #

DEMOLITION

ADDRESS VALUE

REPLACE EXISTING ROOF

ADDRESS VALUE CONTRACTOR PERMIT #

ADDRESS	VALUE	CONTRACTOR	PERMIT #
337 BIZZELL AVE	\$41,000.00	3 D'S ROOFING & METAL INC	21 850
7015 E RENO AVE	\$1,200,000.00	ALLEY CAPITAL LLC	21 719

PUBLIC & SEMI PUBLIC BUILDINGS

Apr-21

NEW

NEW	ADDRESS	DESCRIPTION	CONTRACTOR OR OWNER	EST. COST	PERMIT #
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SEMI PUBLI BUILDING

REMODEL/ADD ON

REPAIR/ REMODEL	ADDRESS	DESCRIPTION	CONTRACTOR OR OWNER	EST. COST	PERMIT #
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REPLACE EXISTING ROOF

ADDRESS	DESCRIPTION	VALUE	CONTRACTOR	PERMIT #
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DEMOLITION

ADDRESS	DESCRIPTION	VALUE	CONTRACTOR	PERMIT #
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LOCATION / DESCRIPTION OF APPLICATION	NAME OF APPLICANT OR OWNER	PC# or BA#
Replat of Lots 1-5 of Block 2 of the Radford Addition, described as a part of the NW/4 of Section 35, T12N, R2W and addressed as 8708 NE 5 th St.	Lindsay Flesher	PC-2075

STORM WATER QUALITY PERMITS

Apr-2021

DATE	LOCATION / DESCRIPTION	NAME OF CONTRACTOR OR OWNER	PERMIT #
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LAND DISTURBANCE PERMIT

DATE	LOCATION / DESCRIPTION	NAME OF CONTRACTOR OR OWNER	PERMIT #
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04/06/2021	316 N POST RD	M & M WRECKING	21-579
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TOTAL RESIDENTIAL PERMITS 2019

<u>MONTH</u>	<u>NO</u>	<u>ESTIMATED COST</u>
JANUARY	2	\$ 235,000.00
FEBRUARY	11	\$ 1,911,500.00
MARCH	16	\$ 2,472,200.00
APRIL	22	\$ 3,225,000.00
MAY	12	\$ 1,678,500.00
JUNE	25	\$ 3,070,400.00
JULY	13	\$ 1,838,200.00
AUGUST	12	\$ 2,189,900.00
SEPTEMBER	7	\$ 1,236,857.00
OCTOBER	15	\$ 1,809,000.00
NOVEMBER	4	\$ 490,500.00
DECEMBER	12	\$ 1,831,500.00
TOTAL	151	\$ 21,988,557.00

11 Single Family Homes \$1,678,500.00
1 RSC Student Housing \$4,247,440.00

TOTAL RESIDENTIAL PERMITS 2020

<u>MONTH</u>	<u>NO</u>	<u>ESTIMATED COST</u>
JANUARY	12	\$ 1,684,000.00
FEBRUARY	7	\$ 3,268,500.00
MARCH	15	\$ 2,158,000.00
APRIL	12	\$ 2,339,000.00
MAY	9	\$ 1,296,750.00
JUNE	15	\$ 2,361,482.00
JULY	16	\$ 2,399,938.00
AUGUST	8	\$ 1,092,967.00
SEPTEMBER	5	\$ 1,077,720.00
OCTOBER	5	\$ 958,500.00
NOVEMBER	4	\$ 796,000.00
DECEMBER	3	\$ 623,000.00
TOTAL	111	\$ 20,055,857.00

TOTAL RESIDENTIAL PERMITS 2021

<u>MONTH</u>	<u>NO</u>	<u>ESTIMATED COST</u>
JANUARY	3	\$ 687,000.00
FEBRUARY	8	\$ 1,599,857.00
MARCH	14	\$ 2,326,408.00
APRIL	11	\$ 1,626,678.00
MAY		
JUNE		
JULY		
AUGUST		
SEPTEMBER		
OCTOBER		
NOVEMBER		
DECEMBER		
TOTAL	36	\$ 6,239,943.00

TOTAL COMMERCIAL PERMIT-2019 NEW/ADD ON/TF

MONTH	NO	ESTIMATED COST	
JANUARY	6	\$ 2,505,000.00	Comm
JANUARY	1	\$ 1,540,000.00	Church
FEBRUARY	2	\$ 3,025,000.00	
FEBRUARY	0		
MARCH	4	\$ 1,863,500.00	
APRIL	0		
MAY	0		
JUNE	2	\$ 115,000.00	
JULY	2	\$ 467,000.00	
AUGUST	2	\$ 1,540,000.00	add/new
AUGUST	3	\$ 20,000.00	3 TF 2 were rptd on shell
SEPTEMBER	1	\$ 500,000.00	
OCTOBER	3	\$ 635,000.00	
NOVEMBER	0		
DECEMBER	1	\$ 2,400,000.00	Animal Services
TOTAL	27	\$ 14,610,500.00	

TOTAL COMMERCIAL PERMIT-2019 REMODEL/REPAIR

MONTH	NO	ESTIMATED COST	
JANUARY	4	\$292,000.00	Comm
JANUARY	1	\$3,000,000.00	School
FEBRUARY	8	\$22,365.00	
FEBRUARY	1	\$45,000.00	SCHOOL
MARCH	3	\$6,300.00	
APRIL	6	\$359,383.00	
MAY	6	\$755,500.00	
JUNE	4	\$1,025,000.00	
JULY	4	\$563,150.00	
AUGUST	2	\$163,000.00	
AUGUST	1	\$4,700,000.00	School
SEPTEMBER	3	\$59,000.00	
OCTOBER	5	\$1,049,900.00	
NOVEMBER	3	\$16,050.00	
DECEMBER	5	\$84,100.00	
TOTAL	56	\$12,140,748.00	

TOTAL COMMERCIAL PERMIT-2020 NEW/ADD ON/TF

MONTH	NO	ESTIMATED COST	
JANUARY	2	\$ 2,425,000.00	
FEBRUARY	0	-	
MARCH	1	\$ 250,000.00	
APRIL	0		
MAY	0		
JUNE	2	\$ 2,540,000.00	
JUNE	-		
JULY	1	\$ 175,000.00	
AUGUST	0		
SEPTEMBER	0		
OCTOBER	1	\$ 600,000.00	
NOVEMBER	0		
DECEMBER	1	\$850,000.00	
TOTAL	8	\$ 6,840,000.00	

TOTAL COMMERCIAL PERMIT-2020 REMODEL/REPAIR

MONTH	NO	ESTIMATED COST	
JANUARY	10	\$439,000.00	
FEBRUARY	6	\$2,576,671.00	
MARCH	4	\$1,111,406.00	
APRIL	3	\$118,000.00	
MAY	4	\$778,500.00	
JUNE	4	\$684,500.00	
JUNE	1	\$131,000.00	LIBRARY
JULY	2	\$810,000.00	
AUGUST	2	\$23,000.00	
SEPTEMBER	10	\$646,021.00	
OCTOBER	9	\$1,850,880.00	
NOVEMBER	4	\$530,000.00	
DECEMBER	1	\$100,000.00	
TOTAL	60	\$9,798,978.00	

TOTAL COMMERCIAL PERMIT-2021 NEW/ADD ON/TF

MONTH	NO	ESTIMATED COST	
JANUARY	-	-	
FEBRUARY	2	\$ 1,050,000.00	
FEBRUARY	7	\$ 1,713,100.00	city projects
FEBRUARY	-	-	
MARCH	1	\$ 750,000.00	
APRIL			
MAY			
JUNE			
JULY			
AUGUST			
SEPTEMBER			
OCTOBER			
NOVEMBER			
DECEMBER			
TOTAL	10	\$ 3,513,100.00	

TOTAL COMMERCIAL PERMIT-2021 REMODEL/REPAIR

MONTH	NO	ESTIMATED COST	
JANUARY	5	\$2,041,500.00	
FEBRUARY	9	\$753,860.00	
FEBRUARY	1	\$3,400,000.00	hotel
FEBRUARY	1	\$1,200,000.00	school
MARCH	4	\$482,500.00	
APRIL	5	\$341,400.00	
MAY			
JUNE			
JULY			
AUGUST			
SEPTEMBER			
OCTOBER			
NOVEMBER			
DECEMBER			
TOTAL	25	\$8,219,260.00	

Mar-2021

BUILDING INSPECTIONS	CURRENT MONTH	YEAR TO DATE
NUMBER OF BUILDING FINAL INSPECTIONS:	26	101
NUMBER OF BUILDING C/O INSPECTIONS RESIDENTIAL:	12	38
NUMBER OF BUILDING C/O INSPECTIONS COMMERCIAL:	9	52
NUMBER OF MISC BUILDING INSPECTIONS:	3	12
NUMBER OF ENGINEERING SITE INSPECTIONS:	13	39
NUMBER OF STORM SHELTER INSPECTIONS:	13	25
NUMBER OF CITATIONS ISSUED:		
NUMBER OF NOTICE AND ORDERS ISSUED:		
NUMBER OF WARNINGS ISSUED:		
NUMBER OF POSTING/PLACARD:		4
NUMBER OF PENALTIES:	19	51
TOTAL NUMBER OF INSPECTIONS: all inspectors	537	2,102

**MINUTES OF MIDWEST CITY BOARD OF ADJUSTMENT SPECIAL MEETING
May 4, 2021 – 5:30 P.M.**

This special meeting of the Midwest City Board of Adjustment was held in the City Council Chambers, 100 North Midwest Boulevard, Midwest City, Oklahoma County, Oklahoma, on May 4, 2021, with the following members present:

Present: Jess Huskey
 Tammy Cook
 Frank Young
 Charles McDade
 Cy Valandjad

Staff present: Kellie Gilles, Planning Manager
 Sarah Huffine, Associate Current Planner

The meeting was called to order by Huskey at 5:30 P.M.

A. MINUTES:

Huskey noted that there was an error on Item A of the February 2, 2021 minutes. Valanajed was noted as seconding the motion to approve the November 5, 2020 minutes, however, it was McDade who had seconded that motion.

A motion was made by Young, seconded by McDade, to approve the minutes of the meeting of February 2, 2021 as presented. Voting aye: Young, McDade, Valanejad, Cook and Huskey. Nay: none. Motion carried.

B. NEW MATTERS:

1. **(BA-406)** Discussion and consideration of an application for a variance to the required front building line for the property located at 2404 Forest Glen Drive, Lot 10, Block 8 of the Forest Glen North Section 2 Addition.

Staff gave a brief overview of this item. The applicant, Richard Sowder of 14400 SE 29th St., Choctaw, was present and addressed the Board members. There was general discussion about the application.

The Board members addressed the following criteria for the variance:

1. The application of the ordinance to the particular piece of property would create an unnecessary hardship. Is there a motion to make a finding of such an unnecessary hardship? A motion was made by Young, seconded by Cook to make such a finding. Voting aye: Young, McDade, Valanejad, Cook and Huskey. Motion Carried.
2. Such conditions are peculiar to the particular piece of property. Is there a motion to make a finding of such peculiar condition? A motion was made by Young, seconded by

McDade to make such a finding. Voting aye: Young, McDade, Valanejad, Cook and Huskey. Motion Carried.

3. Relief, if granted, would not cause substantial detriment to the public good, or impair the purposes and intent of the ordinance or the comprehensive plan. Is there a motion to make such a finding? A motion was made by McDade, seconded by Young to make such a finding. Voting aye: Young, McDade, Valanejad, Cook and Huskey. Motion Carried.
4. The variance, if granted, would be the minimum necessary to alleviate the unnecessary hardship. Is there a motion to make such a finding? A motion was made by Young, seconded by McDade to make such a finding. Voting aye: Young, McDade, Valanejad, Cook and Huskey. Motion Carried.

A motion was made by Cook, seconded by Young, to approve the variance application. Voting aye: Young, McDade, Valanejad, Cook and Huskey. Voting nay: None. Motion carried.

C. **BOARD DISCUSSION:** None

D. **PUBLIC DISCUSSION:** None.

There being no further business, a motion was made by McDade, seconded by Young, to adjourn the meeting. Voting aye: Young, McDade, Cook, Valanejad and Huskey. Nay: none. Motion carried.

The meeting adjourned at 5:37 P.M.

JESS HUSKEY, Chairman

KG

Notice of regular Midwest City Planning Commission meetings in 2021 was filed for the calendar year with the Midwest City Clerk prior to December 15, 2020 and copies of the agenda for this meeting were posted at City Hall at least 24 hours in advance of the meeting.

MINUTES OF MIDWEST CITY PLANNING COMMISSION MEETING

May 4, 2021 - 7:00 p.m.

This regular meeting of the Midwest City Planning Commission was held in the Council Chambers, 100 North Midwest Boulevard, Midwest City, Oklahoma County, Oklahoma, on May 4, 2021 at 6:00 p.m., with the following members present:

Commissioners present: Russell Smith
 Jess Huskey
 Rick Dawkins
 Jim Smith
 Dean Hinton
 Dee Collins

Commissioner absent: Jim Campbell

Staff present: Billy Harless, Community Development Director
 Kellie Gilles, Current Planning Manager
 Brandon Bundy, City Engineer
 Sarah Steward, Associate Current Planner

A. CALL TO ORDER

The meeting was called to order by Chairperson R. Smith at 6:00 p.m.

B. MINUTES

1. A motion was made by Dawkins, seconded by Huskey, to approve the minutes of the April 6, 2021 Planning Commission meeting as presented. Voting aye: Huskey, R. Smith, Dawkins, Hinton, Collins and J. Smith. Nay: none. Motion carried.

C. NEW MATTERS

1. (PC-2079) Public hearing with discussion and consideration of an ordinance to amend the Soldier Creek Industrial Park (SCIP) Planned Unit Development governed by the C-4, General Commercial district and I-2, Moderate Industrial district for the property described as a part of the N/2 of Section 27, T-12-N, R-2-W, of the Indian Meridian, Oklahoma County, OK.

Staff presented a brief overview of the request. The applicant, Robert Coleman, Midwest City Economic Development Director, was present. There was general discussion. A motion was made by Collins, seconded by Huskey to recommend approval of this item subject to staff comments. Voting aye: Huskey, Dawkins, R. Smith, Hinton, Collins and J. Smith. Nay: none. Motion carried.

2. (PC–2077) Public hearing with discussion and consideration of approval of a resolution for a Special Use Permit to allow the use of Eating Establishment: Sit-Down, Alcoholic Beverages Permitted in the C-3, Community Commercial district, for the properties described as a part of the NE/4 of Section 26 T12N, R2W, addressed as 8508 and 8538 NE 23rd Street.

Staff presented a brief overview of this item. The applicant, LaMarr Adams of 8538 NE 23rd St., Midwest City, was present. A motion was made by Dawkins, seconded by Hinton, to recommend approval of this item subject to staff comments. Voting aye: Dawkins, R. Smith, Huskey, J. Smith, Collins and Hinton. Voting nay: none. Motion carried.

3. (PC–2078) Discussion and consideration of approval of the revised Preliminary Plat of the Turtlewood Addition described as a part of the SE/4 of Section 7, T-11-N, R-1-W.

Staff presented a brief overview of this item. The applicant, Chris Anderson, 815 W. Main St., OKC, was present. There was general discussion. Nicole Randall of 2404 Shell Dr. addressed the Commission. A motion was made by Huskey, seconded by Dawkins to recommend approval of this item subject to staff comments. Voting aye: Dawkins, R. Smith, Huskey, J. Smith, Collins, and Hinton. Voting nay: none. Motion carried.

D. COMMISSION DISCUSSION: General Discussion.

E. PUBLIC DISCUSSION: None.

F. FURTHER INFORMATION: None.

G. ADJOURNMENT

Chairperson R. Smith adjourned the meeting at 6:18 p.m.

(KG)



MUNICIPAL AUTHORITY AGENDA

City Hall - Midwest City Council Chambers, 100 N. Midwest Boulevard

May 25, 2021 – 6:01 PM

Presiding members: Chairman Matt Dukes

Trustee Susan Eads

Trustee Sean Reed

City Manager Tim Lyon

Trustee Pat Byrne

Trustee Christine Allen

City Clerk Sara Hancock

Trustee Española Bowen

Trustee Rick Favors

City Attorney Don Maisch

A. CALL TO ORDER.

B. CONSENT AGENDA. These items are placed on the Consent Agenda so the Trustees, by unanimous consent, can approve routine agenda items by one motion. If any item proposed does not meet with the approval of all Trustees, or members of the audience wish to discuss an item, it will be removed and heard in a regular order.

1. Discussion and consideration to approve the minutes of the April 27, 2021 meeting, as submitted. (Secretary - S. Hancock)
2. Discussion and consideration of supplemental budget adjustments to the following funds for FY 2020-2021, increase: Capital Improvement Revenue Bond Fund, revenue/Transfers In (00) \$106,350; expenditures/Transfers Out (00) \$106,350. Capital Improvement Revenue Bond Fund, expenditures/Debt Service (00) \$52,330. Capital Water Improvement – Walker Fund, expenditures/Transfers Out (49) \$83,200; decrease: expenditures/Capital Water Improvement (49) \$83,200. (Finance - Tiatia Cromar)
3. Discussion and consideration of accepting the report on the current financial condition of the Sheraton Midwest City Hotel at the Reed Center for the period ending April 30, 2021. (City Manager - T. Lyon)

C. NEW BUSINESS/PUBLIC DISCUSSION. The purpose of the "Public Discussion Section" of the Agenda is for members of the public to speak to the Authority on any Subject not scheduled on the Regular Agenda. The Authority shall make no decision or take any action, except to direct the City Manager to take action, or to schedule the matter for discussion at a later date. Pursuant to the Oklahoma Open Meeting Act, the Authority will not engage in any discussion on the matter until that matter has been placed on an agenda for discussion. **THOSE ADDRESSING THE AUTHORITY ARE REQUESTED TO STATE THEIR NAME AND ADDRESS PRIOR TO SPEAKING TO THE AUTHORITY.**

D. ADJOURNMENT.



CONSENT AGENDA



Notice for the Midwest City Municipal Authority meetings was filed for the calendar year with the City Clerk of Midwest City. Public notice of this agenda was accessible at least 24 hours before this meeting at City Hall and on the Midwest City website (www.midwestcityokorg).

Midwest City Municipal Authority Minutes

April 27, 2021

This meeting was held in Midwest City Council Chambers at City Hall, 100 N. Midwest Boulevard, Midwest City, County of Oklahoma, State of Oklahoma.

Chairman Matt Dukes called the meeting to order at 7:43 PM with the following members present:

Trustee Susan Eads		City Manager Tim Lyon
Trustee Pat Byrne	Trustee Christine Allen	Secretary Sara Hancock
Trustee Española Bowen	Trustee Rick Favors	Asst. City Attorney Vicki Floyd
		City Attorney Don Maisch

Absent: Trustee Sean Reed

CONSENT AGENDA. Eads made motion to approve consent agenda, as submitted, seconded by Bowen. Voting Aye: Eads, Byrne, Bowen, Allen, Favors and Chairman Dukes. Nay: None. Absent: Reed. Motion carried.

1. Discussion and consideration to approve the minutes of the March 23, 2021 meeting, as submitted.
2. Discussion and consideration of declaring 75 golf carts and multiple retaining wall blocks from the John Conrad Golf Course on the attached list as surplus and authorizing their disposal by public auction, trade in, sealed bid, or destruction if necessary.
3. Discussion and consideration of 1) declaring the items on the attached list as surplus, 2) Authorizing these inadvertently omitted of items to be added as additional surplus items to the approved February 23, 2021 surplus lists, and 3) authorize their disposal through Binfa investments LLC the successful bidder of the February 23, 2021 surplus items list.

NEW BUSINESS/PUBLIC DISCUSSION. There was no new business or public discussion.

ADJOURNMENT.

There being no further business, Chairman Dukes adjourned the meeting at 6:49 PM.

ATTEST:

MATTHEW D. DUKES II, Chairman

SARA HANCOCK, Secretary



Finance Department

100 N. Midwest Boulevard
Midwest City, OK 73110
cbarron@midwestcity.org
Office: 405-739-1245
www.midwestcityok.org

TO: Honorable Chairman and Trustees
Midwest City Municipal Authority

FROM: Tiatia Cromar, Finance Director

DATE: May 25, 2021

SUBJECT: Discussion and consideration of supplemental budget adjustments to the following funds for FY 2020-2021, increase: Capital Improvement Revenue Bond Fund, revenue/Transfers In (00) \$106,350; expenditures/Transfers Out (00) \$106,350. Capital Improvement Revenue Bond Fund, expenditures/Debt Service (00) \$52,330. Capital Water Improvement – Walker Fund, expenditures/Transfers Out (49) \$83,200; decrease: expenditures/Capital Water Improvement (49) \$83,200.

The first supplement is needed to budget the transfer in from the General Fund/Share of Revenue to the Bond Fund and transfer out to the General Fund that are directly related to the increase in sales & use tax. The second supplement is needed to budget the increase of interest expense on the 2020 Refunding Note. The third supplement is needed to budget the transfer out to Fund 271 2018 GO Bonds Proprietary to pay expenditures for the Booster Station project.

Tiatia Cromar

Tiatia Cromar
Finance Director

SUPPLEMENTS

May 25, 2021

Fund CAPITAL IMP REV BOND (250)		BUDGET AMENDMENT FORM Fiscal Year 2020-2021			
		Estimated Revenue		Budget Appropriations	
<u>Dept Number</u>	<u>Department Name</u>	<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
00	Transfers In	106,350			
00	Transfers Out			106,350	
		<u>106,350</u>	<u>0</u>	<u>106,350</u>	<u>0</u>

Explanation:
To budget the transfer in from the General Fund/Share of Revenue to the Bond Fund & the transfer out from the Bond Fund to the General Fund that are directly related to the increase in sales & use tax.

Fund CAPITAL IMP REV BOND (250)		BUDGET AMENDMENT FORM Fiscal Year 2020-2021			
		Estimated Revenue		Budget Appropriations	
<u>Dept Number</u>	<u>Department Name</u>	<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
00	Debt Service			52,330	
		<u>0</u>	<u>0</u>	<u>52,330</u>	<u>0</u>

Explanation:
To increase budget for the interest expense on the 2020 Refunding Note.

Fund CAP. WATER IMP - WALKER (172)		BUDGET AMENDMENT FORM Fiscal Year 2020-2021			
		Estimated Revenue		Budget Appropriations	
<u>Dept Number</u>	<u>Department Name</u>	<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
49	Transfers Out			83,200	
49	Capital Water Imp				83,200
		<u>0</u>	<u>0</u>	<u>83,200</u>	<u>83,200</u>

Explanation:
To budget the transfer out to Fund 271 2018 GO Bonds Proprietary to pay expenditures for the Booster Station project.



THE CITY OF
MIDWEST CITY

MEMORANDUM

TO: Honorable Chairman and Trustees
Midwest City Municipal Authority

FROM: Tim Lyon, City Manager

DATE: May 25, 2021

RE: Discussion and consideration of accepting the report on the current financial condition of the Sheraton Midwest City Hotel at the Reed Center for the period ending April 30, 2021.

This item is on the agenda at the request of the Authority. Attached to this memorandum is information concerning the status of the Sheraton Midwest City Hotel at the Reed Center.

Any time you have a question concerning the conference center and hotel, please feel free to contact me at 739-1201.

Tim L. Lyon

Tim Lyon
City Manager

Attachment (1)

SHERATON MIDWEST CITY HOTEL AT THE REED CENTER

Fiscal Year 2020-2021	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Revenue												
Budgeted (MTD)	343,261	453,583	525,877	507,546	455,087	297,747	227,478	357,427	514,440	483,447		
Actual (MTD)	209,220	96,171	166,050	141,030	196,284	98,762	110,610	119,566	178,607	183,566		
Budgeted (YTD)	343,261	796,844	1,322,721	1,830,267	2,285,354	2,583,101	2,810,579	3,168,006	3,682,446	4,165,893		
Actual (YTD)	209,220	305,391	471,441	612,471	808,756	907,517	1,018,127	1,137,693	1,316,301	1,499,867		
Expenses												
Budgeted (MTD)	402,630	455,299	469,746	481,160	435,035	370,311	312,141	359,557	443,494	451,607		
Actual (MTD)	206,494	166,450	189,154	173,890	187,703	140,339	168,038	152,009	184,421	208,906		
Budgeted (YTD)	402,630	857,929	1,327,675	1,808,835	2,243,910	2,614,221	2,926,362	3,285,919	3,729,413	4,181,020		
Actual (YTD)	206,494	372,944	562,098	735,987	923,690	1,064,029	1,232,066	1,384,076	1,568,497	1,777,403		
Revenue vs. Expenses												
Budgeted (MTD)	(59,369)	(1,716)	56,131	26,386	20,912	(72,564)	(84,663)	(2,130)	70,946	31,840		
Actual (MTD)	2,726	(68,563)	(23,104)	(32,859)	8,582	(41,577)	(57,428)	(32,443)	(5,814)	(25,340)		
Budgeted (YTD)	(59,369)	(61,085)	(4,954)	21,432	41,444	(31,120)	(115,783)	(117,913)	(46,967)	(15,127)		
Actual (YTD)	2,726	(67,553)	(90,657)	(123,516)	(114,935)	(156,511)	(213,939)	(246,383)	(252,196)	(277,536)		

Key Indicators												
Hotel Room Revenue	168,157	71,699	112,527	109,674	152,555	80,762	105,766	114,664	164,606	136,500		
Food and Banquet Revenue	35,006	17,406	42,681	26,967	42,673	10,407	2,056	2,156	9,742	42,963		

Fiscal Year 2019-2020	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
Revenue												
Budgeted (MTD)	372,710	481,117	410,780	576,778	455,277	300,346	214,831	385,403	579,251	504,981	450,566	500,520
Actual (MTD)	299,162	477,929	466,117	476,300	456,684	291,649	223,347	367,534	351,603	23,119	85,751	163,728
Budgeted (YTD)	372,710	853,827	1,264,677	1,841,348	2,296,625	2,596,971	2,811,802	3,197,205	3,776,456	4,281,437	4,732,003	5,232,523
Actual (YTD)	299,162	777,091	1,243,207	1,719,507	2,176,191	2,467,840	2,691,187	3,058,721	3,410,324	3,433,443	3,519,194	3,682,922
Expenses												
Budgeted (MTD)	389,068	464,352	422,790	486,888	449,400	360,787	341,646	383,600	513,820	454,826	426,083	459,919
Actual (MTD)	386,683	443,824	431,992	432,531	395,742	366,076	320,630	361,002	320,485	112,894	115,303	168,448
Budgeted (YTD)	389,068	853,420	1,276,210	1,786,169	2,235,569	2,596,356	2,938,002	3,321,602	3,835,422	4,290,248	4,716,331	5,176,250
Actual (YTD)	386,683	830,507	1,262,499	1,714,217	2,109,959	2,476,035	2,796,665	3,157,667	3,478,152	3,591,046	3,706,350	3,874,797
Revenue vs. Expenses												
Budgeted (MTD)	(16,358)	16,765	(12,040)	66,812	5,877	(60,441)	(126,815)	1,803	65,431	50,155	24,483	40,601
Actual (MTD)	(87,521)	34,105	34,125	24,582	60,941	(74,426)	(97,283)	6,532	31,118	(89,775)	(29,552)	(4,719)
Budgeted (YTD)	(16,358)	407	(11,633)	55,179	61,056	615	(126,200)	(124,397)	(58,966)	(8,811)	15,672	56,273
Actual (YTD)	(87,521)	(53,416)	(19,291)	5,290	66,232	(8,195)	(105,478)	(98,946)	(67,828)	(157,603)	(187,155)	(191,875)



NEW BUSINESS/
PUBLIC DISCUSSION





MEMORIAL HOSPITAL AUTHORITY AGENDA

City Hall - Midwest City Council Chambers, 100 N. Midwest Boulevard

May 25, 2021 – 6:02 PM

Presiding members: Chairman Matt Dukes

Trustee Susan Eads

Trustee Sean Reed

City Manager Tim Lyon

Trustee Pat Byrne

Trustee Christine Allen

City Clerk Sara Hancock

Trustee Española Bowen

Trustee Rick Favors

City Attorney Don Maisch

A. CALL TO ORDER.

B. CONSENT AGENDA. These items are placed on the Consent Agenda so the Trustees, by unanimous consent, can approve routine agenda items by one motion. If any item proposed does not meet with the approval of all Trustees, or members of the audience wish to discuss an item, it will be removed and heard in a regular order.

1. Discussion and consideration to approve the minutes of the April 27, 2021 meeting, as submitted. (Secretary - S. Hancock)
2. Discussion and consideration of appointing Zac Watts to fill the remaining term of Karen Blanton as the Ward 2 appointee to the Midwest City Memorial Hospital Authority's Board of Grantors for a term ending April 6, 2022. (City Manager - T. Lyon)
3. Discussion and consideration of accepting the management representation letter to Grant Thornton LLP and accepting the draft of the final report of the Financial Statements of Sooner Town Center II, LLC for calendar years ending December 31, 2020 and December 31, 2019. (Finance - T. Cromar)
4. Discussion and consideration of declaring Lot 9, Block 2, Aviation Acres Subdivision (a/k/a 5901 Will Rogers RD) surplus; and to enter into a real estate agreement with Bentwood Investments, LLC, to sell the property for \$98,100 less Closing costs. (Economic Development - R. Coleman)
5. Discussion and consideration of approving an economic development agreement with Bentwood Development, LLC, to construct a multi-family project on Block 2, Aviation Acres Subdivision. (Economic Development - R. Coleman)
6. Discussion and consideration of authorizing Williams, Box, Forshee & Bullard, P.C., Grubbs Consulting, LLC and Bentwood Investments LLC to act as agents for the Midwest City Memorial Hospital Authority in the preparation, filing and representation of zoning amendment and/or platting applications to the City of Midwest City. (Economic Development - R. Coleman)

C. DISCUSSION ITEM.

1. Discussion and consideration of action to reallocate assets, change fund managers or make changes in the Statement of Investment Policy, Guidelines and Objectives.
(Finance - T. Cromar)

D. NEW BUSINESS/PUBLIC DISCUSSION. The purpose of the "Public Discussion Section" of the Agenda is for members of the public to speak to the Authority on any Subject not scheduled on the Regular Agenda. The Authority shall make no decision or take any action, except to direct the City Manager to take action, or to schedule the matter for discussion at a later date. Pursuant to the Oklahoma Open Meeting Act, the Authority will not engage in any discussion on the matter until that matter has been placed on an agenda for discussion. **THOSE ADDRESSING THE AUTHORITY ARE REQUESTED TO STATE THEIR NAME AND ADDRESS PRIOR TO SPEAKING TO THE AUTHORITY.**

E. ADJOURNMENT.





CONSENT AGENDA



Notice for the Midwest Memorial Hospital Authority meetings was filed for the calendar year with the City Clerk of Midwest City. Public notice of this agenda was accessible at least 24 hours before this meeting at City Hall and on the Midwest City website (www.midwestcityokorg).

Midwest City Memorial Hospital Authority Minutes

April 27, 2021

This meeting was held in the Midwest City Chambers at City Hall, 100 N Midwest Blvd, Midwest City, County of Oklahoma, State of Oklahoma.

Chairman Matt Dukes called the meeting to order at 7:44 PM with following members present:

Trustee Susan Eads		City Manager Tim Lyon
Trustee Pat Byrne	Trustee Christine Allen	Secretary Sara Hancock
Trustee Española Bowen	Trustee Rick Favors	Asst. City Attorney Vicki Floyd
		City Attorney Don Maisch

Absent: Trustee Sean Reed

CONSENT AGENDA. Bowen made motion to approve consent agenda, as submitted, seconded by Eads. Voting Aye: Eads, Byrne, Bowen, Allen, Favor and Chairman Dukes. Nay: none. Absent: Reed. Motion carried

1. Discussion and consideration to approve the minutes of the March 23, 2021 meeting, as submitted.
2. Discussion and consideration of supplemental budget adjustments to the following fund for FY 2020-2021, increase: Hospital Authority Fund, expenses/Hospital Authority (90) \$100,000.

DISCUSSION ITEMS.

1. **Discussion and consideration of action to reallocate assets, change fund managers or make changes in the Statement of Investment Policy, Guidelines and Objectives.** No Action Needed
2. **Discussion and consideration of approving the funding recommendations of the Board of Grantors to the eligible and partially eligible FY 2020- 2021 round two grant applicants not to exceed \$340,590.00 as budgeted.** Eads made motion to approve recommendations, as submitted, seconded by Bowen. Voting Aye: Eads, Byrne, Bowen, Allen, Favor and Dukes. Nay: none. Absent: Reed. Motion carried.

NEW BUSINESS/PUBLIC DISCUSSION. There was no new business or public discussion.

At 7:47 PM Eads made motion to recess, seconded by Allen. Voting Aye: Eads, Byrne, Bowen, Allen, Favor and Dukes. Nay: none. Absent: Reed. Motion carried. Trustees returned at 8:05 PM.

EXECUTIVE SESSION.

- 1. Discussion and consideration of 1) entering into executive session, as allowed under 25 O.S. § 307(C)(11), to confer on matters pertaining to economic development, including the transfer of property, financing or the creation of a proposal to entice a business to remain or to locate within the City, and 2) in open session, authorizing the general manager/administrator to take action as appropriate based on the discussion in executive session.**

At 8:05 PM Allen made a motion to enter into Executive Session, seconded by Eads. Voting Aye: Eads, Byrne, Bowen, Allen, Favor and Dukes. Nay: none. Absent: Reed. Motion carried.

At 8:15 PM Allen made motion to return to open session, seconded by Eads. Voting Aye: Eads, Byrne, Bowen, Allen, Favor and Dukes. Nay: none. Absent: Reed. Motion carried.

Byrne made motion to proceed as discussed, seconded by Eads. Voting Aye: Eads, Byrne, Bowen, Allen, Favor and Dukes. Nay: none. Absent: Reed. Motion carried.

ADJOURNMENT.

There being no further business, Chairman Dukes adjourned the meeting at 8:15 PM.

ATTEST:

MATTHEW D. DUKES II, Chairman

SARA HANCOCK, Secretary



City Manager
100 N. Midwest Boulevard
Midwest City, OK 73110
tlyon@midwestcityok.org
Office: 405.739.1201
www.midwestcityok.org

MEMORANDUM

TO: Honorable Chairman and Trustee


FROM: Tim Lyon, City Manager

DATE: May 25, 2021

SUBJECT: Discussion and consideration of appointing Zac Watts to fill the remaining term of Karen Blanton as the Ward 2 appointee to the Midwest City Memorial Hospital Authority's Board of Grantors ending April 26, 2022.

On April 13, 2020, Councilmember Pat Byrne informed our office that his current appointee, Karen Blanton, would be moving out of Ward 2 and would need to step down as a Grantor.

Councilmember Byrne has nominated Mr. Zac Watts, who is active in the Orchard Neighborhood Association as the current President. He believes that he will be a "great addition and represent Ward 2 very well."



Tim L. Lyon, City Manager



Finance Director
100 N. Midwest Blvd.
Midwest City, OK 73110
405-739-1245
tcromar@midwestcityok.org
www.midwestcityok.org

MEMORANDUM

TO: Midwest City Hospital Authority Chairman and Trustees

FROM: Tiatia Cromar, Finance Director

DATE: May 25, 2021

SUBJECT: Discussion and consideration of accepting the management representation letter to Grant Thornton LLP and accepting the draft of the final report of the Financial Statements of Sooner Town Center II, LLC for calendar years ending December 31, 2020 and December 31, 2019.

Attached for your review and approval are the updated management representation letters and financial statements for the entity leasing property associated with Sooner Town Center II, LLC for calendar years 2019 and 2020.

Tiatia Cromar
Finance Director

May 28, 2021

Grant Thornton LLP
201 S. College St., Suite 2500
Charlotte, NC 28244

Dear Sir or Madam:

We are providing this letter in connection with your audits of the financial statements of Sooner Town Center II, LLC (the "Company"), which comprise the balance sheets as of December 31, 2020 and 2019 and the related statements of operations, changes in members' deficit, and cash flows for the years then ended, and the related notes to the financial statements. We understand that your audits were made for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America ("US GAAP") and whether the supplementary information is fairly presented, in all material respects, in relation to the financial statements as a whole.

We have fulfilled our responsibility, as set out in the terms of the Engagement Letter, for the preparation and fair presentation of the financial statements in accordance with US GAAP. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud, including programs and controls to prevent and detect fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered to be material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of the surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves, as of May 28, 2021, the following representations made to you during your audits.

1. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud. We have no knowledge of fraud or suspected fraud affecting the Company involving:
 - a. Management
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
2. We have no knowledge of any allegations of fraud or suspected fraud affecting the Company's financial statements received in communications from employees, former employees, analysts, regulators, short sellers, or others.
3. There are no known violations or possible violations of, or no known instances of noncompliance or suspected noncompliance with, laws and regulations whose effects should be considered by management when preparing the financial statements, as a basis for recording a loss contingency or for disclosure.
4. The Company has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of a noncompliance.
5. The Company has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
6. We have disclosed to you the identity of all the Company's related parties and all related party relationships and transactions of which we are aware. Related party relationships and transactions and related amounts receivable from or payable to related parties (including sales, purchases, loans, transfers, leasing arrangements, and guarantees) have been properly accounted for and disclosed in the financial statements in accordance with US GAAP.

We understand that “related parties” include (1) affiliates of the Company; (2) entities for which investments in their equity securities would be required to be accounted for by the equity method by the investing entity; (3) trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; (4) principal owners of the Company and members of their immediate families; and (5) management of the Company and members of their immediate families.

Related parties also include (1) other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and (2) other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

7. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments whose effects should be considered by management when preparing the financial statements and that should be accounted for and disclosed in accordance with US GAAP (ASC 450, *Contingencies*), and we have not consulted legal counsel concerning such litigation, claims, or assessments.
8. The calculation of participation rent for the year ended December 31, 2020 as determined in the supplementary schedules of net operating income, debt service, net cash flow, and subtenant rents is prepared in accordance with the terms as defined in the Westside General Ground Lease (the Agreement). We have read the supplementary schedules and believe the information presented is consistent with and accurately reflects the provisions contained in the Agreement.
9. The information included in the Leases footnote to the financial statements, which describes the participation rent calculation, is consistent with our understanding of the agreement.
10. The rent expense for the participation rent was \$152,668 for the year ended December 31, 2020.
11. The amounts due for other rent is \$144,243 as of December 31, 2020.
12. Based on the Agreement with the City, the Company is able to factor in a cash reserve to the Net Operating Income section of the Participation Rent Expense calculation. Per the agreement, both parties must agree to any cash reserve amounts. The Company did not reserve a cash balance in 2020.
13. All events subsequent to the date of the financial statements through the date of this letter and for which US GAAP requires recognition or disclosure have been recognized or disclosed.

Very truly yours,

SOONER TOWN CENTER II, LLC

Robert C. Collett, Managing Member

John Cheek, Consultant to Collett as an agent for Sooner Town Center II, LLC



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CHARLOTTE, NC 28204
Mailing: P.O. BOX 36799
CHARLOTTE, NC 28236-6799
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Katherine Fox, Chief Financial Officer of Collett as an agent for Sooner Town Center II, LLC

MIDWEST CITY ECONOMIC DEVELOPMENT AUTHORITY

Matthew D. Dukes II, Chairman

MIDWEST CITY MEMORIAL HOSPITAL AUTHORITY

Matthew D. Dukes II, Chairman

BROKERAGE



DEVELOPMENT



MANAGEMENT



INVESTMENTS

DRAFT

Financial Statements and Report of
Independent Certified Public
Accountants

Sooner Town Center II, LLC

December 31, 2020 and 2019

Contents

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GRANT THORNTON LLP

201 S. College Street, Suite 2500
Charlotte, NC 28244

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Members of
Sooner Town Center II, LLC

We have audited the accompanying financial statements of Sooner Town Center II, LLC (an Oklahoma limited liability company), which comprise the balance sheets as of December 31, 2020 and 2019, and the related statements of operations, changes in members' deficit, and cash flows for the years then ended, and the related notes to the financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sooner Town Center II, LLC as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included in Schedules I through IV is presented for purposes of additional analysis and is not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

GRANT THORNTON LLP

Charlotte, North Carolina
Month DD, 2021

BALANCE SHEETS

December 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Real property, at cost:		
Buildings	\$ 6,867,756	\$ 6,867,756
Land improvements and signage	<u>1,772,745</u>	<u>1,772,745</u>
	8,640,501	8,640,501
Less - Accumulated depreciation	<u>(2,460,407)</u>	<u>(2,179,718)</u>
Real property, net	6,180,094	6,460,783
Other assets:		
Cash and cash equivalents	505,155	336,575
Accounts receivable	63,057	68,132
Deferred rents receivable	33,874	28,638
Deferred charges and other assets, net	<u>160,960</u>	<u>231,908</u>
Total assets	<u>\$ 6,943,140</u>	<u>\$ 7,126,036</u>
LIABILITIES AND MEMBERS' DEFICIT		
Liabilities:		
Notes payable (net of deferred loan costs of \$47,731 at December 31, 2020 and \$50,371 at December 31, 2019)	\$ 7,774,895	\$ 7,850,303
Accounts payable and accrued expenses	331,955	247,796
Unearned revenue	<u>59,641</u>	<u>59,373</u>
Total liabilities	8,166,491	8,157,472
Members' deficit	<u>(1,223,351)</u>	<u>(1,031,436)</u>
Total liabilities and members' deficit	<u>\$ 6,943,140</u>	<u>\$ 7,126,036</u>

The accompanying notes are an integral part of these financial statements.

Sooner Town Center II, LLC

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STATEMENTS OF OPERATIONS

Years ended December 31,

	<u>2020</u>	<u>2019</u>
Rental revenues	\$ 1,252,902	\$ 1,247,795
Operating expenses:		
Common area maintenance	74,291	70,817
General and administrative expenses	295,858	279,761
Rent expense	218,272	148,367
Depreciation and amortization	<u>327,525</u>	<u>327,525</u>
Total operating expenses	<u>915,946</u>	<u>826,470</u>
Interest expense	<u>433,871</u>	<u>441,550</u>
Net loss	<u>\$ (96,915)</u>	<u>\$ (20,225)</u>

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CHANGES IN MEMBERS' DEFICIT

Years ended December 31,

	Total Members' Deficit
Members' deficit, December 31, 2018	\$ (957,511)
Net loss	(20,225)
Distributions	<u>(53,700)</u>
Members' deficit, December 31, 2019	(1,031,436)
Net loss	(96,915)
Distributions	<u>(95,000)</u>
Members' deficit, December 31, 2020	<u><u>\$ (1,223,351)</u></u>

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

Years ended December 31,

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Net loss	\$ (96,915)	\$ (20,225)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation	280,689	280,689
Amortization	46,836	46,836
Changes in operating assets and liabilities:		
Accounts receivable	5,075	6,238
Deferred rents receivable	(5,236)	(5,236)
Deferred charges and other assets	26,752	(5,636)
Accounts payable and accrued expenses	84,159	52,991
Unearned revenue	268	714
	<u>341,628</u>	<u>356,371</u>
Net cash provided by operating activities		
Cash flows from financing activities:		
Repayments on note payable	(78,048)	(226,253)
Member distributions	(95,000)	(53,700)
	<u>(173,048)</u>	<u>(279,953)</u>
Net cash used in financing activities		
Net increase in cash and cash equivalents	168,580	76,418
Cash and cash equivalents, beginning of year	336,575	260,157
Cash and cash equivalents, end of year	<u>\$ 505,155</u>	<u>\$ 336,575</u>
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ 423,598	\$ 442,609

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 1 - SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES***Organization***

Sooner Town Center II, LLC (an Oklahoma limited liability company) (the Company) was organized in January 2012 for the purpose of acquiring, developing and leasing commercial properties in Oklahoma. The Company operates a retail center (the Project) located in Midwest City, Oklahoma. The Project is defined by a Ground Lease Agreement between Midwest City Memorial Hospital Authority, an affiliate of Midwest City, Oklahoma (collectively, the City) and the Company. The City is considered to be a related party for financial reporting purposes. The Company is responsible for design, construction, financing, leasing and management of the Project, all subject to City approval. Income and loss will be allocated to members in accordance with the operating agreement. The Project consists of 69,308 square feet of retail space and was completed in 2012.

Cash and Cash Equivalents

The Company classifies highly liquid investments with original maturity dates of three months or less as cash equivalents.

Concentration of Credit Risk

The Company's operating property is located in Midwest City, Oklahoma. The Company's ability to generate future revenues is dependent upon the economic conditions within this area.

As of December 31, 2020 and 2019, the Company had three tenants. Each tenant comprised more than 10% of total base rental revenue for the years ended December 31, 2020 and 2019. All three tenants comprised more than 10% of accounts receivable as of December 31, 2020 while two tenants comprised more than 10% of accounts receivable as of December 31, 2019.

The Company maintains its cash in a commercial bank. Regularly during the year, the Company maintained cash and cash equivalents in accounts in excess of the amount insured by the Federal Deposit Insurance Corporation. The Company's management regularly monitors the financial stability of these financial institutions.

Revenue Recognition

Rental revenue is generally recognized based on the terms of leases entered into with tenants. Rental revenue from leases with scheduled rent increases, incentives or abatements is recognized on a straight-line basis over the non-cancelable term of the respective leases. Property operating cost recoveries from tenants for common area maintenance, real estate taxes and other recoverable costs totaled \$297,144 and \$275,421 for the years ended December 31, 2020 and 2019, respectively, and are recognized in the period in which the related expenses are incurred, and are included in rental revenues in the accompanying statements of operations. Receivables relating to these recoveries totaled \$48,983 and \$37,442 as of December 31, 2020 and 2019, respectively, and are included in accounts receivable on the accompanying balance sheets. If it becomes probable that a tenant will fail to perform according to the terms of the lease, a loss equal to the deferred rents receivable unlikely to be received from that tenant would be charged to operations. The Company also earns percentage rent from a tenant based on a gross receipts calculation. This revenue is recognized in the period it is earned. Receivables relating to percentage rent totaled \$14,074 and \$30,690 as of December 31, 2020 and 2019, respectively, and are included in accounts receivable on the accompanying balance sheets.

Rental revenue recognized on a straight-line basis over rents due amounted to \$5,236 for the years ended December 31, 2020 and 2019.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

Revenue received in advance from tenants is recognized as unearned revenue on the accompanying balance sheets. Unearned revenue was \$59,641 and \$59,373 as of December 31, 2020 and 2019, respectively.

At December 31, 2020, three tenants occupying 69,308 square feet were operating under noncancelable leases providing for future minimum rents of \$3,365,736 with the latest expiration date of July 31, 2029.

Future minimum rents receivable under non-cancelable leases for all known tenants at December 31, 2020, is as follows. Most leases have renewal options, which are not included below.

	<u>Amount</u>
2021	\$ 936,448
2022	936,448
2023	274,161
2024	210,749
2025	219,912
Thereafter	<u>788,018</u>
	<u>\$ 3,365,736</u>

Accounts receivable are reported at their estimated net realizable value. When necessary, the Company provides an allowance for doubtful accounts based upon a review of outstanding receivables, historical collection information and existing economic conditions. Past due status is based on the contractual terms of the receivables. Accounts receivable are written off based on individual credit evaluation and specific circumstances of the customer. Management has concluded that all of the Company's accounts receivable amounts will be realizable and, accordingly, has not recorded an allowance for doubtful accounts at December 31, 2020 or 2019.

Real Property

Buildings are stated at cost and depreciated using the straight-line method over the estimated useful life of 39 years. Land improvements and signage are depreciated using an accelerated method of depreciation over the useful life of the assets, usually 15 years.

Depreciation on real property charged to operations was \$280,689 for the years ended December 31, 2020 and 2019, respectively.

Repairs are charged against operations. Renewals and betterments that materially extend the life of an asset are capitalized.

The Company reviews the real property for impairment whenever events or changes in circumstances indicate that the carrying amount of the real property may not be recoverable. Recoverability of the real property is measured by a comparison of the carrying amount of the real property to undiscounted future net cash flows expected to be generated by the real property. If the real property is considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the real property exceeds its fair value. No impairment was recognized as of December 31, 2020 and 2019.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

Deferred Charges and Other Assets, net

Deferred charges consist of lease commissions and lease costs and are stated at cost net of accumulated amortization. At December 31, 2020 and 2019, total deferred charges capitalized were \$592,727 with accumulated amortization of \$445,612 and \$401,416, respectively. The lease commissions and lease costs are amortized on the straight-line method over the terms of the respective leases. Lease commissions and lease costs amortization expense of \$44,196 is included in depreciation and amortization in the accompanying statements of operations for both years ended December 31, 2020 and 2019.

Deferred charges and other assets also includes \$13,845 and \$40,597 of prepaid expenses at December 31, 2020 and 2019, respectively.

Income Taxes

The Company is a limited liability company treated as a partnership for federal and state income tax purposes. As a result, the Company's results of operations are included in the income tax returns of its individual members. Accordingly, no provision for federal or state income taxes has been recorded in the accompanying financial statements. The Company files income tax returns in the U.S. federal jurisdiction and in the Oklahoma state jurisdiction. The Company is no longer subject to examination by taxing authorities for years before 2018, and it is not aware of any audits by any taxing authority.

The Company follows applicable authoritative guidance on accounting for uncertainty in income taxes which, among other things, prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return and provides guidance on derecognition, classification, interest and penalties, accounting in interim periods and disclosure. The Company has no uncertain tax positions.

Use of Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Other Risks

Since early March 2020, efforts to slow the spread of the Covid-19 virus have had a significant impact on the U.S. economy. The Company continues to follow the policies described in Note 1, including those related to impairments of real estate assets and allowance for doubtful accounts. Impacts of the pandemic on the Company's financial results have been reflected in the accompanying balance sheets and statements of operations. Continuing impacts of Covid-19 on the overall economy and the Company itself are highly uncertain and cannot be predicted. These impacts will continue to be evaluated and may result in recording impairments and allowance for doubtful accounts in future periods.

NOTE 2 - NOTE PAYABLE

The Company entered into a note payable agreement with First National Bank for borrowings in the maximum principal amount of \$9,136,970 on September 18, 2012. Cumulative amounts borrowed as of December 31, 2020 and 2019 were \$7,822,626 and \$7,900,674, respectively. The note is collateralized by a deed of trust on real property and assignment of rents. On February 10, 2017, the Company refinanced the note with First National Bank for the entire outstanding balance on that date. Under the amended terms, the interest rate is fixed at a rate equal to 3.50% per annum in excess of the Treasury Rate adjustable every

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

five years. The entire unpaid balance of principal and accrued unpaid interest outstanding on the note will be due and payable on February 10, 2039. For the years ending December 31, 2020 and 2019, the interest rate was 5.44%.

The net deferred loan cost balance as of December 31, 2020 and 2019 of \$47,731 and \$50,371, respectively, is presented as a reduction of the related debt liabilities on the accompanying balance sheets.

Notes payable outstanding consisted of the following as of December 31:

	<u>2020</u>	<u>2019</u>
Principal balance	\$ 7,822,626	\$ 7,900,674
Less - Unamortized deferred loan costs	<u>(47,731)</u>	<u>(50,371)</u>
Notes payable less unamortized deferred loan costs	<u>\$ 7,774,895</u>	<u>\$ 7,850,303</u>

Loan costs consist of various debt issuance costs and are amortized on the straight-line method, which approximates the effective interest method, based on terms of the respective debt agreements. The Company's loan costs total \$58,070 as of both December 31, 2020 and 2019, with accumulated amortization totaling \$10,339 and \$7,699 as of December 31, 2020 and 2019, respectively. Loan cost amortization expense of \$2,640 is included in depreciation and amortization in the accompanying statements of operations for the years ended December 31, 2020 and 2019.

Interest incurred related to the above notes payable totaled \$433,871 and \$441,550 for the years ended December 31, 2020 and 2019, respectively.

Scheduled principal payments on the note payable are as follows:

	<u>Amount</u>
2021	\$ 232,329
2022	256,660
2023	271,180
2024	285,416
2025	302,667
Thereafter	<u>6,474,374</u>
	<u>\$ 7,822,626</u>

NOTE 3 - LEASES

The Company subleases the Project land from Sooner Town Center, LLC (STC), a related party, which leases the land from the City. The lease commenced on July 19, 2012, with rent commencement on October 31, 2012. The lease expires on October 31, 2062, with a five-year renewal option. The monthly rent amount increases by 10% on the 10th anniversary of the commencement date, and every five years thereafter.

Straight-line rental expense totaled \$65,604 for the years ended December 31, 2020 and 2019. Unpaid rent expense related to this lease totaled \$144,243 and \$123,639 as of December 31, 2020 and 2019, respectively, and is included in accounts payable and accrued expenses on the accompanying balance sheets.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

Future minimum rent payments for the original term are as follows:

	<u>Amount</u>
2021	\$ 45,000
2022	45,750
2023	49,500
2024	49,500
2025	49,500
Thereafter	<u>2,673,632</u>
	<u>\$ 2,912,882</u>

The Company also has a ground lease with the Midwest City Memorial Hospital Authority, an affiliated entity, which provides for participation rent equivalent to 50% of net operating income in excess of debt service, measured on a cumulative basis. Rent commenced on October 31, 2012 under this lease, which expires on October 31, 2062, with a five-year renewal option. In addition to participation rent, starting one year after the commencement date, annual rent is \$1. Participation rent is due and payable only to the extent that cumulative net cash flows are positive. Rent expense under this lease totaled \$152,668 and \$82,763 for the years ended December 31, 2020 and 2019, respectively.

NOTE 4 - RELATED-PARTY TRANSACTIONS AND BALANCES

Collett & Associates, LLC (Collett), an affiliated entity, provides leasing, development and brokerage services to the Company. Collett receives a monthly fee of 4% of gross monthly collections for providing property management services. Such fees totaled \$50,427 and \$49,952 for the years ending December 31, 2020 and 2019, respectively. The Company paid nominal amounts for various expense reimbursements to Collett, which are recorded as general and administrative expenses, for the years ended December 31, 2020 and 2019.

John S. Cheek, Inc. (Cheek), an affiliated entity, provides tax and accounting services to the Company. The Company paid \$9,170 and \$5,900 in fees to Cheek for the years ended December 31, 2020 and 2019, respectively.

The Company leases land from the City (see Note 3). Utility expenses paid to the City totaled \$9,742 and \$9,470 for the years ended December 31, 2020 and 2019, respectively.

Certain members guarantee the note payable.

NOTE 5 - SUBSEQUENT EVENTS

The Company has analyzed its operations subsequent to December 31, 2020 through _____, 2021, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

SCHEDULE I - NET OPERATING INCOME

Year ended December 31, 2020

Rental revenues per audited financial statements	\$ 1,252,902
Adjustments for cash basis:	
Accounts receivable	5,075
Deferred rents receivable	(5,236)
Unearned rent	268
	<u>1,253,009</u>
Gross operating revenue (cash basis)	<u>1,253,009</u>
Allowable expenses	
Total operating expenses	915,946
Adjustments for noncash expenses:	
Depreciation and amortization	(327,525)
Other adjustments:	
Participation rent expense, accrued or paid	<u>(152,668)</u>
Allowable expenses, net	<u>435,753</u>
Net operating income per Ground Lease Agreement (1)	<u><u>\$ 817,256</u></u>

(1) The Ground Lease Agreement between the City and the Company defines Net Operating Income per the Redevelopment Agreement as the difference between Gross Operating Revenue and the actual Operating Expenses for the same period. The agreement specifically defines Gross Operating Revenue as all revenues derived from the project, determined in accordance with GAAP, computed on a cash basis, exclusive of subtenant security deposits and other refundable deposits and exclusive of proceeds derived from a sale, condemnation, financing, insurance settlement or other transaction that is capital in nature. Further, Operating Expenses are defined as those costs determined in accordance with GAAP, including all necessary and reasonable expenditures of any kind made with respect to the operations of the project typical of a Class A shopping center, without limitation, ad valorem taxes, insurance premiums, R&M expenses, management fees, leasing and advertising expenses, professional fees, wages and utility costs. Non-cash expenditures such as depreciation and amortization shall not be included in the computation of Operating Expenses. Operating Expenses shall include all project development costs incurred by the Company, that are not financed, in further developing and leasing available space within the Project including, without limitation, tenant upfitting costs, market rate brokerage commissions, tenant improvement allowances, building improvements and legal fees.

Sooner Town Center II, LLC

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SCHEDULE II - DEBT SERVICE

Year ended December 31, 2020

Debt service:

Interest expense per audited financial statements	\$ 433,871
Principal payments and loan costs	<u>78,048</u>
Total Debt Service (2)	<u><u>\$ 511,919</u></u>

(2) The Ground Lease Agreement defines Debt Service as the net principal paydown on all loans and accrued interest on all loans and all costs associated with obtaining the loans on the Project or any portion thereof for which a certificate of completion has been issued that are not and have not previously been accrued or paid as Operating Expenses.

Sooner Town Center II, LLC

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SCHEDULE III - NET CASH FLOW

Year ended December 31, 2020

Net operating income per Ground Lease Agreement	\$ 817,256
Less - Debt service	<u>(511,919)</u>
Net cash flow, current year	305,337
Less - Cash reserve	<u>-</u>
Net cash flow, after year	305,337
Participant rent factor	<u>50%</u>
Participant Rent (minimum - of \$0) (3)	<u><u>\$ 152,668</u></u>

(3) For purposes of determining Participation Rent, the Ground Lease Agreement defines Net Cash Flow as Net Operating Income less Debt Service. Participation Rent shall be an amount equal to fifty percent (50%) of Net Cash Flow remaining after any additional cash reserve.

SCHEDULE IV - SUBTENANT RENTS

Year ended December 31, 2020

Tenant rents	<u>\$ 1,253,009</u>
Gross operating revenue (cash basis) (4)	<u><u>\$ 1,253,009</u></u>

(4) Refer to page 15 for the calculation of Gross operating revenue (subtenant rents) which is computed on the cash basis.



Midwest City Memorial Hospital Authority
100 North Midwest Boulevard
Midwest City, Oklahoma 73110
Office (405) 739-1207/Fax (405) 739-1208
www.midwestcityok.org

MEMORANDUM

To: Honorable Chairman and Trustees

From: Tim Lyon, General Manager/Administrator

Date: May 25, 2021

Subject: Discussion and consideration of declaring Lot 9, Block 2, Aviation Acres Subdivision (a/k/a 5901 Will Rogers RD) surplus; and to enter into a real estate agreement with Bentwood Investments, LLC, to sell the property for \$98,100 less Closing costs.

Records indicate the MCMHA acquired the subject site from the Sooner Baptist Church for \$30,000 as part of the purchases made following the May 3, 1999 Tornado. It was subsequently improved in 2002 to serve as overflow parking for special events being hosted at the Reed Center.

The lot has seldom been used for its intended purpose and is in now in below average condition. The mandatory sight proof fence along the east border is heavily damaged from vandalism and is a constant maintenance item. In addition, the Street Department still mows and trims the lot during the growing months. It has become less of an asset and more of a liability.

Mr. Joel Bryant, Bentwood Development, is under contract to purchase the adjacent property at 5905 Will Rogers RD as well as the remaining property on the north side of road between Warren Drive and Hudiburg Drive.

Staff recommend declaring the lot "surplus" and accepting Mr. Bryant's offer of \$98,100 less Closing costs.

This sale is contingent upon the approval of a zoning amendment to permit development as proposed.

Please contact Economic Development Director Robert Coleman (405/739-1218) with any question.

Respectfully,



Tim Lyon, General Manager/Administrator

Attachments: Real Estate Agreement
Property Information

AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE

THIS AGREEMENT for Purchase and Sale of Real Estate made and entered into this ____ day of _____, 2021, by and between the Midwest City Memorial Hospital Authority, an Oklahoma public trust (the "Seller"), and Bentwood Investments LLC, or assigns (the "Buyer"), is made with reference to the following facts:

- (i) Seller owns a certain tract of real property located in Oklahoma County, Oklahoma, more particularly described on Exhibit "A," attached hereto and made a part hereof, together with all improvements thereon and appurtenances thereunto belonging.
- (ii) Seller desires to sell and Buyer desires to purchase such real property, all improvements thereon and appurtenances thereunto belonging, in accordance with the terms, conditions and provisions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and other fair and valuable considerations, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Purchase and Sale. Seller agrees to sell, and Buyer agrees to purchase, the real property described on Exhibit "A" attached hereto, all improvements thereon and appurtenances thereunto belonging (the "Property"), for the consideration and on the terms hereinafter provided, free and clear of all mortgages, security interests, liens, encumbrances and charges whatsoever.

2. Purchase Price. The purchase price for the Property shall be Ninety Five Thousand One Hundred Dollars (\$95,100.00), payable as follows:

2.1. Earnest Money. The sum of Two Thousand Five Hundred Dollars (\$2,500.00) (the "Earnest Money") shall be delivered to Chicago Title Oklahoma, attn.: Dawn Brooks, 210 Park Avenue, Suite 210, Oklahoma City, Oklahoma 73102; (405) 810-2433; dawnb@ctt.com (the "Escrow Agent"), within two (2) business days of the execution of this Agreement by both parties, and shall be held by said Escrow Agent under the terms and conditions of this Agreement, to be applied to the purchase price payable at Closing. The Escrow Agent may place said Earnest Money in an interest bearing account, and the party to whom said Earnest Money is ultimately delivered shall receive any such interest earned.

2.2. Cash. The sum of Ninety Two Thousand Six Hundred Dollars (\$92,600.00) shall be paid by Buyer to Seller by bank cashier's or certified check or wire transfer, at Closing.

3. Closing. The consummation of the transaction and the delivery of the documents referred to herein shall occur at the "Closing". The Closing shall take place within thirty

(30) days after the expiration of the Access and Feasibility Study period. The Closing shall take place at the office of the Escrow Agent.

4. Title Material. Buyer shall obtain a commitment for title insurance from Chicago Title Insurance Company on said Property showing a merchantable title in the Seller, according to the standards adopted by the Oklahoma Bar Association, free and clear of all liens and encumbrances except those shown herein. The Buyer shall have thirty (30) days to have the commitment examined and furnish any objections in writing to the Seller, or its agents herein, and the Seller shall have not to exceed sixty (60) days from the notice thereof to correct such defects, unless such time is further extended by agreement in writing. If Seller is unable to cure or elects not to cure any of Buyer's objections, Buyer may elect to either (a) accept title as it is and proceed to Closing without a reduction in the Purchase Price, or (b) terminate this Agreement and its Earnest Money shall be returned and the parties shall have no further obligations to each other. Said commitment is to be delivered to the attorney for Buyer for examination.

5. Representations and Warranties.

5.1. Seller's Representations and Warranties. Seller represents and warrants to Buyer as follows:

(a) Condemnation. Seller has no knowledge that the Property, or any part thereof, is or will be the subject of or affected by any condemnation, eminent domain, or similar proceeding.

(b) Litigation. To Seller's knowledge, there is no existing or threatened action, suit or proceeding affecting the Property, or any part thereof, or relating to or arising out of the ownership and use of the Property or any part thereof, in any Court or before or by any Federal, State, County or Municipal department, commission, board, bureau, agency or governmental instrumentality.

(c) Legal Compliance. To Seller's knowledge, Seller has complied with all Federal, State and local laws and administrative regulations relating to the ownership of the Property including.

(d) Options. Seller has not granted to any person, firm or other entity a right or option to acquire the Property, or any part thereof, which has not been heretofore terminated in full.

(e) Taxes. All general taxes and special assessments relating to the Property due and payable with respect to calendar years prior to 2021 shall have been paid in full and discharged prior to Closing.

5.2. Buyer's Representations and Warranties. The Buyer represents and warrants to Seller that Buyer has the authority and power to enter into and carry out the provisions of this Agreement; and that the execution and performance of this Agreement will not conflict with or result in any breach of the terms and provisions of any instrument or agreement to which Buyer is a party.

5.3. Survival. The foregoing representations and warranties of Seller and Buyer shall survive the Closing.

6. Access and Feasibility Study. Seller shall provide Buyer, its agents and employees, access to the Property for the purpose of conducting, at Buyer's sole cost, liability and expense, (from which Buyer shall indemnify and hold Seller harmless), feasibility, adequacy of drainage, environmental, engineering and topographic studies, including inspections, surveys, test borings, soil analyses and all other studies, tests, inspections, analyses and surveys reasonably necessary in the opinion of Buyer to establish to Buyer's satisfaction that the Property is suitable for Buyer's intended use and that utilities are reasonably available to the Property and that appropriate percolation tests may be conducted. All of Buyer's obligations hereunder shall be subject to such studies, tests, inspections, analyses and surveys. If, within one hundred twenty (120) days after the execution of this Agreement, Buyer should determine that the Property is unsuitable, Buyer may, at its option, (i) accept the condition of the Property and proceed to Closing; or, (ii) terminate this Agreement by notice in writing to Seller, in which event after the return of the Earnest Money to Buyer, neither party shall have any further obligations to the other hereunder.

7. Condition of Property. Pending Closing, Seller shall maintain the Property in the condition existing as of the date hereof, ordinary wear and tear excepted.

8. Conditions Precedent. The obligation of Buyer hereunder at Closing shall be subject, at its option, to the following conditions:

8.1. Performance by Seller. The Seller shall perform all its obligations to be performed hereunder at or prior to Closing.

8.2. Representations and Warranties. All representations and warranties of the Seller hereunder shall be true and correct as of Closing.

8.3. Title. Marketable title to the Property shall be vested in Seller in fee simple absolute, subject to no mortgage, pledge, lien, encumbrance, security interest or charge, except such matters as shall have been approved by Buyer in writing. "Marketable title" shall be determined according to current title standards adopted by the Oklahoma Bar Association.

8.4. Condemnation. Neither the Property, nor any part thereof, shall have been condemned by any authority having that right and power, nor shall the

Property or any part thereof be the subject of any pending or threatened eminent domain proceeding.

8.5. Alteration. Neither the Property, nor any part thereof, shall have been materially altered prior to Closing.

8.6. Environmental Audit. Buyer shall have the absolute right to conduct, at Buyer's expense, a Phase I and/or Phase II Environmental Audit to determine that the Property is suitable for the needs of Buyer. Buyer shall have until the expiration of the Access and Feasibility Study period to notify Seller of the acceptability of such Audit. If no notice is given to Seller by Buyer within such time, the Audit shall be deemed acceptable.

8.7. Survey. Buyer shall obtain a survey of the Property in a form acceptable to induce survey protection under the title commitment called for herein. The cost of such Survey shall be paid by Buyer.

8.8. Rezoning/PUD. The Buyer intends to use the Property to construct multi-family residential apartments ("Intended Use"). The Property is currently zoned R-6/HOS and must be amended to a PUD to allow for Buyer's Intended Use. If Buyer is unable to obtain the necessary approvals to rezone the Property to a PUD, Buyer shall notify Seller in writing of same and Buyer may terminate this Agreement upon written notice to Seller and Buyer's Earnest Money shall be returned to Buyer and the parties shall have no further obligations to the other hereunder.

9. Conditions Precedent to Seller's Obligations. The Seller's obligations hereunder shall be subject, at its option, to the conditions that Buyer perform all its obligations to be performed hereunder at or prior to Closing and that all representations and warranties of the Buyer hereunder are true and correct as of Closing.

10. Termination of Agreement.

10.1. Termination. Either party may terminate this Agreement, at or prior to Closing, by notice to the other party if any of the conditions precedent to that party's obligations hereunder shall have not been satisfied within the times prescribed herein.

10.2. Return of Earnest Money and Interest to Buyer. If this Agreement is terminated by Buyer on account of Seller's failure or inability to satisfy any condition precedent to Closing, and Buyer is unwilling to waive such condition, neither party shall have any further obligations hereunder except that Escrow Agent shall promptly refund to Buyer the Earnest Money delivered in escrow pursuant to paragraph 2.1 hereof.

10.3. Delivery of Earnest Money and Interest to Seller. In the event Buyer refuses or is unable to close the transaction described herein despite the satisfaction of all conditions precedent to its obligations hereunder, Escrow Agent shall deliver the Earnest Money delivered in escrow, pursuant to paragraph 2.1 hereof, to Seller as full and complete liquidated damages, and without further liability of either party to the other and, in such event, neither party shall have any further obligations hereunder.

10.4. Specific Enforcement. In the event that Seller refuses or is unable to close this transaction despite the satisfaction of all conditions precedent to Seller's obligations hereunder, Buyer shall be entitled, at its option, to specifically enforce the terms of this Agreement. The prevailing party shall be awarded attorney fees and costs.

11. Transactions at Closing. The following transactions shall take place at Closing:

11.1. Warranty Deed. A General Warranty Deed, in Oklahoma statutory form and describing the Property, shall be executed and delivered by Seller to Buyer.

11.2. Documentary Stamp Taxes. Seller shall pay all sums necessary for the purchase of Documentary Stamps required to be affixed to the Warranty Deed under Oklahoma law.

11.3. Proration of Taxes. All Ad Valorem Taxes accruing or assessed with respect to the Property during the calendar year 2021 shall be prorated on the basis of the calendar year 2021 between Buyer and Seller as of the date of Closing. If the amount of such general taxes cannot be ascertained at Closing, such proration shall be on the basis of taxes assessed with respect to the previous calendar year, but shall be subsequently adjusted when such determination can be made.

11.4. Payment. Buyer shall pay to Seller, by certified or bank cashier's check or wire transfer, all sums owed under subparagraph 2.2 hereof, and the amount held by Escrow Agent in accordance with paragraph 2.1 hereof shall be delivered to Seller.

12. Cooperation of Seller. Seller shall deliver to Buyer, immediately upon Seller's execution hereof, any surveys, prior title policies, environmental reports, or soil reports, pertaining to the Property, that the Seller has in its possession.

13. Expenses. Except as otherwise provided herein, expenses shall be paid as follows: a) Abstracting, title commitment and title policy: Buyer; b) Survey: Buyer; c) Closing or escrow fee: ½ Seller, ½ Buyer; d) Documentary Stamps: Seller; e) Mortgage Tax: Buyer; f) Loan costs: Buyer. Each party will bear and pay its own expenses of negotiation and consummating the transactions contemplated hereby, including attorney fees.

14. Brokers. The parties agree that there has been no broker, finder or other intermediary involved in this transaction and each party shall indemnify the other against all loss, cost, damage or expense, including attorney fees, should any such broker, finder or intermediary make any claim against the nondefaulting party.

15. Notices. All notices, requests, demands, instructions, other communications called for hereunder or contemplated hereby shall be in writing and shall be deemed to have been given if sent by overnight delivery, email transmission, personally delivered in return for a receipt, or if mailed by registered or certified mail, return receipt requested, three days after the date of such mailing, to the parties at the addresses set forth below. Any party may change the address to which notices are to be given hereunder by giving notice in the manner herein provided.

15.1. Seller. Notices to Seller shall be addressed as follows:

Midwest City Memorial Hospital Authority
Attn: Robert Coleman
100 N. Midwest Boulevard
Midwest City, OK 73110-4327
Phone: (405) 739-1218
Email: rcoleman@midwestcityok.org

Katharine C. Oakley
3048 N. Grand Boulevard
Oklahoma City, OK 73107
Phone: (405) 659-2045
Email: katieoakley786@gmail.com

15.2 Buyer. Notices to Buyer shall be addressed as follows:

Bentwood Investments LLC
Attn:
20 E. 9th Street, Suite 100
Shawnee, OK 74801
Phone:
Email:

16. Time of the Essence. Time shall be of the essence with respect to the performance by the parties of their respective obligations hereunder.

17. Whole Agreement – No Oral Modifications. This Agreement embodies all the representations, warranties and agreements of the parties hereto and may not be altered or modified except by an instrument in writing signed by the parties.

18. Benefit of Agreement. This Agreement shall be binding and inure to the benefits of the parties and their respective heirs, successors and assigns.

19. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Oklahoma applicable to contracts.

20. Counterparts and Signatures. This Agreement may be executed in any number of counterparts which, taken together, shall constitute one and the same instrument. Confirmed facsimile and electronic signatures are binding.

21. Offer Available. The foregoing offer is made subject to acceptance in writing hereon by the Buyer on or before 5:00 p.m. Central Time, the ____ day of _____, 2021, and the return of an executed copy to the undersigned of this document. If not so accepted, this offer shall be deemed withdrawn and of no force and effect.

22. Miscellaneous Provisions. The parties agree as follows:

(a) Formal Approval of Agreement. Buyer acknowledges that this Agreement and the Closing contemplated hereunder is wholly contingent upon the Seller obtaining the formal approval of the Midwest City Memorial Hospital Authority in an open meeting.

(b) Economic Development Assistance Agreement. Seller has agreed to provide Buyer with development assistance in exchange for the timely development of the Property pursuant to the terms set forth in the Economic Development Assistance Agreement ("Development Agreement"), a draft of which is attached hereto as Exhibit "B". The Development Agreement shall be executed by Buyer and Seller at or prior to Closing.

(c) 1031 Exchange. Seller and/or Buyer agree to execute any and all documents necessary to effectuate a 1031 tax deferred exchange on the behalf of Seller and/or Buyer so long as such execution does not result in any expense to the non-participating party.

(d) Assignment. Buyer may not assign this Agreement without Seller's written consent.

(e) Disclaimer of Warranties. At time of Closing, except for the warranty of title set forth in the deed of conveyance, and as otherwise set forth herein, Seller hereby specifically disclaims any warranty, guaranty or representation, oral or written, past, present or future, of, as to, or concerning (i) the nature and condition of the Property including, without limitation, the water, soil and geology, and the suitability thereof and of the

Property for any and all activities and uses which Buyer may elect to conduct thereon, and the existence of any environmental hazards or condition thereon (including the presence of asbestos) or compliance with all applicable laws, rules or regulations; (ii) the nature and extent of any right of way, lease, possession, lien, encumbrance, license, reservation, condition or otherwise; and (iii) the compliance of the Property or its operation with any laws, ordinance or regulations of any governmental or other body. Buyer acknowledges that it will have an opportunity to occupy and inspect the Property and that it will be relying solely on its own investigation of the Property and not any determinations made by or information provided or to be provided by Seller or Seller's representatives. Buyer further acknowledges that its information with respect to the Property will be obtained from a variety of sources, and Seller a) has not made, and will not make, any independent investigation or verification of such information; and b) does not make any representations as to the accuracy or completeness of any such information, and the sale of the Property as provided for herein is made on an "As Is", "Where Is" basis and "With all Faults", and Buyer expressly acknowledges that, in consideration of the agreements of Seller herein, except as otherwise specified herein, Seller makes no warranty or representation, express or implied, or arising by operation of law, including, but not limited to, any warranty of condition, habitability, merchantability, tenantability or fitness for a particular purpose, in respect of the Property. The terms and provision of this paragraph shall survive the Closing of the sale and shall not be deemed to merge into the deed and other documents delivered at such Closing.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

“SELLER”

MIDWEST CITY MEMORIAL HOSPITAL
AUTHORITY,
an Oklahoma public trust

By: _____
Name: _____
Title: _____

“BUYER”

BENTWOOD INVESTMENTS LLC

By: _____
Name: _____
Title: _____

RECEIPT FOR DELIVERY OF EARNEST MONEY

The undersigned hereby acknowledges receipt, this _____ of _____, 2021, from Bentwood Investments LLC of the sum of Two Thousand Five Hundred Dollars (\$2,500.00), pursuant to paragraph 2.1 of the foregoing Agreement for Purchase and Sale of Real Estate. The undersigned agrees that such funds will be held and applied in strict accordance with the terms, conditions and provisions of said Agreement.

CHICAGO TITLE OKLAHOMA

By: _____
Escrow Agent

EXHIBIT "A"

Lot NINE (9), of Block TWO (2), in AVIATION ACRES ADDITION, Oklahoma County, Oklahoma, according to the recorded plat thereof.

EXHIBIT "B"

ECONOMIC DEVELOPMENT ASSISTANCE AGREEMENT



Midwest City Memorial Hospital Authority
100 North Midwest Boulevard
Midwest City, Oklahoma 73110
Office (405) 739-1207/Fax (405) 739-1208
www.midwestcityok.org

MEMORANDUM

To: Honorable Chairman and Trustees

From: Tim Lyon, General Manager/Administrator

Date: May 25, 2021

Subject: Discussion and consideration of approving an economic development agreement with Bentwood Development, LLC, to construct a multi-family project on Block 2, Aviation Acres Subdivision.

Mr. Joel Bryant, Bentwood Investments, intends to invest well over \$10 Million in developing a new 84-unit multi-family project. Mr. Bryant requested the MCHA's contribution of 5901 Will Rogers RD to help offset other development costs.

The attached contract commits to rebating the purchase price for Lot 9, Block, 2 Aviation Acres, less Closing costs, (See previous item) provided Mr. Bryant meets specific requirements.

- Construct a safe, attractive, code-compliant multi-family project with a minimum of 84-units by investing of no less of Ten Million (\$10,000,000) dollars in the Project.
- Obtain certificates of Occupancy for all structures on or before December 31, 2023.
- Maintain the Property on the Oklahoma County tax rolls; cannot be tax exempt until April 1, 2037 or beyond.
- Remit invoices to the City of Midwest City Finance Department for all materials delivered to the site as proof City of Midwest City sales/use taxes were properly collected.

Staff recommends approval.

Please contact Economic Development Director Robert Coleman (405/739-1218) with any question.

Respectfully,

Tim Lyon, General Manager/Administrator

Attachments: 5901 Will Rogers RD Development Agreement

BENTWOOD

ECONOMIC DEVELOPMENT ASSISTANCE AGREEMENT

By and Between The

MIDWEST CITY MEMORIAL HOSPITAL AUTHORITY

And

BENTWOOD INVESTMENTS LLC

Dated as of May 25, 2021

THE BENTWOOD PROJECT

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THE BENTWOOD PROJECT

ECONOMIC DEVELOPMENT ASSISTANCE AGREEMENT

THIS ECONOMIC DEVELOPMENT ASSISTANCE AGREEMENT, dated as of May 25, 2021 (hereinafter, the “Development Assistance Agreement”), is made and entered into by and between the Midwest City Memorial Hospital Authority, an Oklahoma public trust (hereinafter, the “Authority”) 100 N Midwest Blvd., Midwest City, OK 73110, and Bentwood Investments LLC, an Oklahoma limited liability company (hereinafter, the “Company”) 20 E 9th St., Shawnee, OK 74801.

WITNESSETH:

WHEREAS, the Authority is a public trust created pursuant to the provisions of Title 60, Sections 176 et seq. of the Oklahoma Statutes, as amended (hereinafter, the “Public Trust Act”), as an agency of the State of Oklahoma and the duly constituted authority of its beneficiary, the City of Midwest City, Oklahoma (hereinafter, the “City”) for purposes which include the following: to provide for, and stimulate, future economic growth and development, to generally promote economic welfare and prosperity, to further the general economic development within and without the municipal limits of the City, and specifically to promote, finance and develop commercial and industrial projects or facilities; and

WHEREAS, in order to accomplish its designated purposes, the Authority is empowered to provide funds for the costs of acquiring, constructing, rehabilitating, equipping, securing, maintaining and developing real and personal property within and near the City; and

WHEREAS, the Company intends to develop, construct, equip and complete a modern, safe, multi-family development (hereinafter, “Bentwood”), and desires to locate a portion of the activities of such facility within the Aviation Acres Subdivision on that certain real property described on Appendix “1” hereto (hereinafter, the “Project Site”), and to operate such facilities to residents; and

WHEREAS, the Company expects to create a modern, multi-family housing project that will benefit the City of Midwest City and the Sooner Rose Shopping & Entertainment District; and

WHEREAS, as an inducement to the Company to locate Bentwood within Aviation Acres the Authority has agreed, among other things, to:

- (i) sell Lot 9, Block 2, Aviation Acres Addition (a/k/a 5901 Will Rogers RD) (hereinafter “Lot 9”), which is located within the Project Site, to the Company on the terms set forth in that certain “Agreement for the Purchase and Sale of Real Estate”, dated as of May 25, 2021, by and between the Authority and the Company (hereinafter, the “Real Estate Agreement”); and
- (ii) provide development assistance to the Company in the amounts and on the terms hereinafter set forth; and

WHEREAS, the parties wish to set forth the terms under which the Authority has agreed to sell Lot 9 to the Company and to provide development financing assistance.

IN CONSIDERATION of the mutual covenants and agreements contained herein, the Authority and the Company hereby agree as follows:

ARTICLE I

PURPOSE OF AGREEMENT

SECTION 1.01 Purpose of Agreement.

A. Subject to the terms and conditions hereinafter provided, the Company hereby agrees:

- (i) to acquire Lot 9 from the Authority on the terms and conditions set forth in the Real Estate Agreement;
 - (ii) to cause the design, construction and installation of improvements to Bentwood, substantially in accordance with the requirements hereinafter described;
 - (iii) to cause the design, construction and equipping of the following described facilities within the time frames hereinafter specified, to-wit:
 - (a) A safe, attractive, code-compliant multi-family project with a minimum of 84-units by investing no less than Ten Million Dollars (\$10,000,000) in the Project. Obtain Certificates of Occupancy for all structures on or before December 31, 2023;
- (the foregoing facilities being hereinafter collectively referred to as the “Project Facilities”);
- (iv) maintain Lot 9 on the Oklahoma County tax rolls; Lot 9 cannot be tax exempt until April 1, 2037 or beyond; and
 - (v) remit invoices to the City of Midwest City Finance Department for all materials delivered to the Project Site as proof City of Midwest City sales/use taxes were properly collected.

(The undertaking of the foregoing by the Company may be hereinafter referred to as the “Project”).

B. Subject to the terms hereinafter set forth, the Authority hereby agrees:

- (i) to sell Lot 9 to the Company on the terms and conditions set forth in the Real Estate Agreement; and
- (ii) to reimburse the Company the cost of purchasing Lot 9, minus Closing Costs incurred by the Authority (as hereinafter defined), upon completion of the entire Project.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

SECTION 2.01 Status of the Company. The Company represents that it is a limited liability company duly organized and existing under the laws of the State of Oklahoma. The Company is authorized to conduct business in the State of Oklahoma, and is not in violation of any provisions of its articles of organization, operating agreement or any other agreement governing the Company, or any law of the State of Oklahoma affecting Company's ability to perform under this Development Assistance Agreement.

SECTION 2.02 Inducement to the Company. The Company's ability to accomplish the Project with assistance from the Authority has induced the Company to proceed with the Project and the

Company hereby covenants to complete the same and continue to maintain and operate the Project, during the term of this Development Assistance Agreement.

SECTION 2.03 Full Power and Authority. The Company represents that it has the full power and authority to execute this Development Assistance Agreement and this Development Assistance Agreement shall constitute a legal, valid and binding obligation of the Company in accordance with its terms, and the consent of no other party is required for the execution and delivery of this Development Assistance Agreement by such Company or the consummation of the transactions contemplated hereby.

SECTION 2.04 No Breach. The Company represents that the execution and delivery of this Development Assistance Agreement, the consummation of the transactions contemplated herein, and the fulfillment of or compliance with the terms and conditions of this Development Assistance Agreement are not prevented or limited by or in conflict with, and will not result in a breach of, other provisions of its articles of organization, operating agreement or any other agreement governing such Company or with any evidence of indebtedness, mortgages, agreements, or instruments of whatever nature to which the Company is a party or by which it may be bound, and will not constitute a default under any of the foregoing.

SECTION 2.05 Litigation. There is not currently pending any action, suit, proceeding or investigation, nor, to the knowledge of the undersigned representative of the Company, is any such action threatened which, if adversely determined, would materially adversely affect the Company or the Project, or impair the ability of the Company to carry on its business substantially as now conducted or result in any substantial liability not adequately covered by insurance.

SECTION 2.06 Conflicts of Interest. The Company warrants that it has not paid or given and will not pay or give any officer, employee or agent of the City or the Authority any money or other consideration for obtaining this Development Assistance Agreement. The Company further represents that, to its best knowledge and belief, no officer, employee or agent of the City or the Authority who exercises or has exercised any functions or responsibilities with respect to the Project during his or her tenure, or who is in a position to participate in a decision making process with regard to the Project, has or will have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Project, or in any activity, or benefit therefrom, during or after the term of this Development Assistance Agreement.

SECTION 2.07 Financial Representations. Financial statements of the Company heretofore delivered to the Authority and the City are true and correct in all material respects, and fully and accurately present the financial condition of the Company on the respective dates thereof. There has been no material adverse change in the financial condition of the Company since the date of the latest statement furnished.

SECTION 2.08 Disclosures. Neither this Development Assistance Agreement nor any statement or document referred to herein or delivered by the Company pursuant to this Development Assistance Agreement contains any untrue statement or omits to state a material fact necessary to make the statements made herein or therein not misleading.

SECTION 2.09 Status of the Authority. The Authority is a duly organized and validly existing public trust under the laws of the State of Oklahoma and as such, is a duly constituted authority of the City and an agency of the State of Oklahoma.

SECTION 2.10 Authorization of the Authority. The Authority is fully empowered to enter into the Real Estate Agreement, this Development Assistance Agreement and to perform the transactions

contemplated thereby and generally to carry out its obligations hereunder and thereunder. The Authority has duly authorized its Chairman, or in his absence, its Vice-Chairman, to execute and deliver the Real Estate Agreement, this Development Assistance Agreement and all other documentation required to consummate the transaction contemplated herein on behalf of the Authority.

SECTION 2.11 Availability of Utility Services. The parties hereto agree that all traditional utility services are or will be available to the Project Site, including water, storm and sanitary sewer facilities, electric, gas, and telephone services. The parties agree to cooperate in upgrading such of the utilities as may be required for the Project; provided, however, that the Authority shall not be obligated to make such upgrades.

SECTION 2.12 No Default. The performance by the Authority under this Development Assistance Agreement will not violate any provision or constitute a default under any indenture, agreement or instrument to which the Authority is currently bound or by which it is affected.

SECTION 2.13 No Further Approvals. As of the date of execution hereof, all requisite governmental action for the execution and delivery of the Real Estate Agreement and this Development Assistance Agreement has occurred and no further consent, approval or other authorization by any court, administrative agency or governmental authority is required in connection with the execution and delivery of or performance under this Development Assistance Agreement by the authority or the execution of or performance under any of the other instruments referred to in this Development Assistance Agreement, except as otherwise specifically provided in this agreement.

SECTION 2.14 No Litigation. There is no action, suit, proceeding or inquiry at law or in equity pending or, to the knowledge of the undersigned officer of the Authority, threatened, affecting the Authority wherein any unfavorable decision, ruling or finding would materially adversely affect the Authority's ability to perform under this Development Assistance Agreement or under any other instrument pertinent to the transaction contemplated herein to which the Authority is a party.

SECTION 2.15 Survival of Representation and Warranties. All representations and warranties made by the Company and the Authority herein shall survive under the terms of this agreement.

ARTICLE III

ACQUISITION OF LOT 9; CONSTRUCTION OF BENTWOOD

SECTION 3.01 Acquisition of Lot 9. The Authority hereby represents that it now holds fee simple title to Lot 9, and has granted to the Company a valid option to purchase Lot 9, pursuant to the terms of the Real Estate Agreement.

SECTION 3.02 Scope of Development. The Project Site shall be developed within the general requirements established by the zoning and building codes of the City (hereinafter, the "Code") and related laws of the State of Oklahoma governing municipal planning, zoning and subdivision applicable to the Project Site. The Company shall be responsible for the construction, renovation, improvement, equipping, repair and installation, of all public and private improvements in conformance with such requirements, except as may otherwise be provided for herein.

SECTION 3.03 Basic Concept Drawings. Prior to and immediately following the execution of this Agreement, the Company shall submit the Facility Construction Plans and Specifications describing the

improvements to be constructed, renovated, equipped, repaired and installed on the Project Site. No substantial changes shall hereafter be made in the Facility Construction Plans and Specifications or in the Infrastructure Plans and Specifications unless mutually agreed upon, in writing, by the Company and the Authority.

SECTION 3.04 Construction Drawings and Related Documents. On or before the start dates specified in Section 3.07 hereof, the Company shall prepare and submit construction drawings, specifications and related documents for the initial phase of the Project Facilities (hereinafter, the “Preliminary Construction Plans”) to the City for its review pursuant to the Code. Thereafter, if the Company desires to make any substantial or significant changes in the Preliminary Construction Plans, the Company shall submit the proposed changes to the City for its approval. The Company and its agents shall communicate and consult as frequently with the City as is necessary to ensure that any modifications to the Preliminary Construction Plans can receive prompt and speedy consideration by the City. If any material revisions or corrections of Preliminary Construction Plans shall be required by the City or any other government official, agency, department or bureau having jurisdiction or any lending institution involved in financing, the Company and the Authority shall cooperate in efforts to develop a mutually acceptable alternative.

SECTION 3.05 Construction of Improvements. The Company agrees that all construction, renovation, improvement, equipping, repair and installation in and to the Project Facilities shall be done in accordance with the building and safety codes of the City, and the Preliminary Construction Plans and related documents as originally approved by the City, or as amended with the approval of the City.

SECTION 3.06 City and Other Governmental Permits. Before commencement of construction, development or work on or in connection with any buildings, structures or other improvements to the Project Facilities, the Company shall, at its own expense, secure or cause to be secured any and all permits and approvals which may be required by the City and any other governmental agency having jurisdiction as to such construction, development or work. The Authority shall cooperate with and provide all usual assistance to the Company in securing these permits, and approvals, and shall diligently process, review and consider all such permits and approvals as may be required by law.

SECTION 3.07 Construction Schedule. Not later than one hundred and eighty (180) days following the execution of this Development Assistance Agreement, the Company or its designated agent will provide to the Authority a schedule for completion of the Project Facilities in accordance with the Preliminary Construction Plans. This schedule will serve as a general management tool to forecast resource requirements, and to monitor overall project planning and execution. This schedule may be modified as necessary by the Company, provided that any extension of time in the completion schedule shall require approval of the Authority, which shall not be unreasonably withheld. This schedule shall include the following provisions:

- (i) That not later than January 21, 2022, the Company shall begin, and promptly thereafter diligently prosecute to completion, the construction, renovation, improvement, equipping, repair and opening of Bentwood with such work resulting in the issuance of a City of Midwest City Certificate of Occupancy on or before December 31, 2023.

If it appears that any of the above-described phases of the Project Facilities cannot be completed within the period of time set forth in this section, the Company shall promptly report to the Authority that the one or more of the Project Facilities will not be completed within the time provided for herein, then the Company shall provide an updated schedule regarding the time required for the completion of such Project Facilities. All revisions to the original construction schedule or any revision or amendment thereto shall be subject to approval by the Authority, which approval shall not be unreasonably withheld.

SECTION 3.08 Rights of Access. For the purpose of ensuring compliance with this Development Assistance Agreement, representatives of the Authority shall have the right of access to the Project Site, without charges or fees, at normal construction hours during the period of construction for the purposes of this Development Assistance Agreement, including, but not limited to, the inspection of the work being performed in constructing, renovating, improving, equipping, repairing and installing the Project, so long as they comply with applicable safety rules. Said right of access shall be subject to reasonable notice and consent of the Company, which consent shall not be unreasonably withheld. Except in the case of an emergency, prior to any such access, such representatives of the Authority will check in with the on-site manager. All such representatives of the Authority shall carry proper identification, shall insure their own safety, assuming the risk of injury, and shall not interfere with the construction activity. The Authority agrees to cooperate with the Company in facilitating access by the Company to the Project Site for construction purposes, provided that the Authority shall incur no financial obligations therefor.

SECTION 3.9 Indemnification of the Authority. The Company shall defend, indemnify, assume all responsibility for, and hold the Authority and its respective elected and appointed officers and employees and agents, harmless from, all costs (including attorneys fees and costs); claims, demands, liabilities or judgments (except those which have arisen from the willful misconduct or negligence of the Authority, its officers, employees and agents) for injury or damage to property and injuries to persons, including death, which may be caused directly or indirectly by any of the Company's activities under this Development Assistance Agreement, whether such activities or performance thereof be by the Company or anyone directly or indirectly contracted with or employed by the Company and whether such damage shall accrue or be discovered before or after termination of this Development Assistance Agreement. This indemnity includes, but is not limited to, any repair, cleanup, remediation, detoxification, or preparation and implementation of any removal, remediation, response, closure or other plan (regardless of whether undertaken due to governmental action) concerning any hazardous substance or hazardous wastes including petroleum and its fractions as defined in the Comprehensive Environmental Response, Compensation and Liability Act; codified at Title 42, Sections 9601, et seq. of the United States Code (hereinafter, "CERCLA"), and all amendments thereto, at any place where Company owns or has control of real property pursuant to any of Company's activities under this Development Assistance Agreement. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107(e) of CERCLA to assure, protect, hold harmless and indemnify Authority from liability.

SECTION 3.10 Local, State and Federal Laws. The Company shall carry out the provisions of this Development Assistance Agreement in conformity with all applicable local, state and federal laws and regulations.

SECTION 3.11 Antidiscrimination During Construction. The Company, for itself, its successors and assigns, and any contractor with whom Company has contracted for the performance of work on the Project Site, agrees that in the construction, renovation, improvement, equipping, repair and installation of the Project provided for in this Development Assistance Agreement, the Company shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, age, sex, marital status, handicap, national origin or ancestry.

SECTION 3.12 Taxes, Assessments, Encumbrances and Liens. The Company shall pay when due all real estate taxes and assessments on the Project Site. During the period of this agreement, the Company shall not place or allow to be placed on the Project Site or any part thereof any uncontested mechanic's lien, any mortgage, trust deed, encumbrance or lien other than as expressly allowed by this Development Assistance Agreement. Furthermore, the Company agrees to maintain Lot 9 on the Oklahoma County Tax Rolls until April 1, 2037 or later. Nothing herein contained shall be deemed to

prohibit the Company from contesting the validity or amounts of any tax assessment, encumbrance or lien, nor to limit the remedies available to the Company in respect thereto.

SECTION 3.13 Prohibition Against Transfer of the Project Site or Structures Therein and Assignment of Agreement. Except as otherwise permitted in this Economic Development Assistance Agreement; the Company shall not make any total or partial sale, transfer, conveyance, assignment or lease of the Project Facilities without the prior written consent of the Authority, which consent shall not be unreasonably withheld; provided, however, that the foregoing restrictions on assignment, transfer and conveyance shall not apply to: (a) any mortgage lien or security interest granted to secure indebtedness to any construction or permanent lender, and (b) the leasing or subleasing of portions of the Project Facilities to such third-parties as it may deem advisable, in its sole discretion.

SECTION 3.14 Reimbursement for Acquisition Costs of Lot 9. The Authority hereby agrees to provide development financing assistance to the Project through the reimbursement to the Company of the Company's cost to acquire Lot 9 from the Authority. The amount to be reimbursed hereunder shall be equal to the Purchase Price specified in the Real Estate Agreement minus the Closing Costs. For purposes of this Development Assistance Agreement, the term "Closing Costs" shall mean all costs incurred by the Authority at Closing pursuant to the Real Estate Agreement. The amount to be reimbursed to the Company shall be reimbursed upon the issuance of a Certificate of Occupancy for the Project. The reimbursement shall be paid to the Company within forty-five (45) days of the receipt of a "Certificate of Completion and Requisition for Payment", in the form attached hereto as Attachment "A".

SECTION 3.15 Reports By the Company; Sales and Use Tax Collections.

A. The Company shall establish and maintain records and reports for all costs associated with the Project. Such records shall be made available for review or audit at the offices of the Company upon written request by the Authority at a reasonable time after such request.

B. In addition to the requirements of paragraph A of this section, the Company shall also establish and maintain a record of all sales taxes collected on construction materials used or to be used within the Project Site. Such records shall include not only sales and use taxes paid on materials purchased by the Company, its agents and employees, but also on all materials purchased for use within the Project Site by any contractor or subcontractor of the Company or any employee or agent of either. To ensure that all contractors and subcontractor provide the information necessary to accurately account for sales and use taxes paid in connection with the Project, the Company shall require, as a part of any agreement with a contractor doing work on the Project, that such contractor and each of its subcontractors provide the Authority with the following information:

- (i) a listing of construction materials purchased for use within the Project Site;
- (ii) the name and phone number of all vendors providing such material;
- (iii) the date such material was purchased by the contractor or subcontractor; and
- (iv) the amount of sales or use taxes paid on the construction materials.

ARTICLE IV

USE OF THE PROJECT SITE

SECTION 4.01 Covenant for Non-Discrimination. The Company covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group

of persons on account of race, color, creed, religion, sex, familial status, marital status, age, handicap, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Project Site, nor shall the Company itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Project Site. The covenant established in this section shall, without regard to technical classification and designation, be binding for the benefit and in favor of the Authority, its successors and assigns and any successor in interest to the Project Site or any part thereof. The covenants contained in this section shall remain for so long as any performance due under this Development Assistance Agreement remains in effect.

SECTION 4.02 Maintenance Covenants. The Company, and all successors and assigns in interest to the Company, shall be obligated to maintain Bentwood, and all improvements and landscaping situated on the Project Site, in a clean and neat condition and in a continuous state of good repair in accordance with the Code.

SECTION 4.03 Effect of Violation of the Terms and Provisions of this Development Assistance Agreement After Completion of Construction; No Partnership. The Authority is deemed the beneficiary of the terms and provisions of this Development Assistance Agreement, for and in its own rights and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor and for whose benefit this Development Assistance Agreement and the covenants running with the land have been provided. This Development Assistance Agreement shall run in favor of the Authority, without regard to whether the Authority has been, remains or is an owner of any land or interest therein in the Project Site. The Authority shall have the right, if this agreement or covenants contained herein are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this Development Assistance Agreement and covenants may be entitled. Nothing contained herein shall be construed as creating a partnership between the Company and the Authority.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES

SECTION 5.01 Events of Default. The following shall constitute Events of Default hereunder and under each of the instruments executed pursuant to this Development Assistance Agreement:

- (i) Material variance from the approved Preliminary Construction Plans without prior written consent of the Authority with regard to any of the materials, machinery or equipment acquired in connection with the Project or the appurtenances thereto, or any other material variance from the Preliminary Construction Plans;
- (ii) Default by the Company in the performance or observance of any other covenant contained in this Development Assistance Agreement or any other instrument executed pursuant to this Development Assistance Agreement, or under the terms of any other instrument delivered to the Authority in connection with this Development Assistance Agreement, including, without limitation, the falsity or breach of any representation, warranty or covenant;
- (iii) Any representation, statement, certificate, schedule or report made or furnished to the Authority by the Company with respect to the matters and transactions covered by this Development Assistance Agreement which proves to be false or erroneous in any material respect at the time of its making or any warranty of a continuing nature which ceases to be complied with in any material

SECTION 6.06 Applicable Law. This Development Assistance Agreement and the documents issued and executed hereunder shall be deemed to be a contract made under the laws of the State of Oklahoma and shall not be construed to constitute the Authority as a joint venturer with the Company or to constitute a partnership among the parties.

SECTION 6.07 Descriptive Headings. The descriptive headings of the articles and sections of this Development Assistance Agreement are for convenience only and shall not be used in the construction of the terms hereof.

SECTION 6.08 Integrated Agreement. This Development Assistance Agreement and the Real Estate Agreement constitute and incorporate the entire agreement between the parties hereto, and there are no agreements, understandings, warranties or representations between the parties regarding the financing of the Project other than those set forth herein.

SECTION 6.09 Time of Essence. Time is of the essence in the performance of this Development Assistance Agreement.

SECTION 6.10 Binding Effect. This Development Assistance Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, legal representatives and assigns.

SECTION 6.11 Right to Defend. The Authority shall have the right, but not the obligation, with benefit of counsel selected by the Authority, all at the Company's expense, to commence, appear in or defend any action or proceeding purporting to affect the rights or duties of the parties hereunder, if the Company fails to so commence, appear in or defend any such action or proceeding, except in a suit by the Company against the Authority, in which case the prevailing party shall be entitled to such fees and expenses as a part of any judgment obtained.

SECTION 6.12 Trustees' Disclaimer. This instrument is executed by the trustees or officers or both of the Midwest City Memorial Hospital Authority in their official capacities as such trustees or officers. By the execution hereof all parties agree that, for the payment of any claim or the performance of any obligations hereunder, resort shall be had solely to the specific assets of the Authority described herein and no Trustee or officer of the Authority shall be held personally liable therefore. In this regard, specific reference is made to Section 179 of the Public Trust Act and to the Amended Trust Indenture, dated as of July 1, 1961 and subsequently amended on April 7, 1998 and on April 20, 2017 respectively, pursuant to which the Authority was created, copies of which is of record in the office of the City Clerk of Midwest City, Oklahoma.

[signature page follows]

IN WITNESS WHEREOF, the Company and the Authority hereto have caused this instrument to be duly executed this ____ day of May, 2021.

MIDWEST CITY MEMORIAL HOSPITAL AUTHORITY

Chairman

(SEAL)
ATTEST:

Secretary

BENTWOOD INVESTMENTS LLC

Manager

APPENDIX “1”

LEGAL DESCRIPTION OF THE PROJECT SITE

The Bentwood Project consists of that certain real property situated in Oklahoma County, Oklahoma, more particularly described as follows:

Lots 9 - 16, Block 2, Aviation Acres Addition to the City of Midwest City, Oklahoma County, Oklahoma

ATTACHMENT "A"

CERTIFICATE OF COMPLETION
AND REQUISITION FOR PAYMENT

The undersigned, Bentwood Investments LLC, 20 E 9th ST, Suite 100, Shawnee, OK 74801 (hereinafter, the "Company"), hereby certifies, with respect to the Economic Development Assistance Agreement, dated as of May 25, 2021 (hereinafter, the "Development Assistance Agreement"), by and between the Midwest City Memorial Hospital Authority, and the Company, that:

- (i) the Company, along with all sublessees or licensees of real property within the Project Site, have obtained all Certificates of Occupancy necessary from the City of Midwest City, Oklahoma with respect to the Project; and
- (ii) the Company has met all covenants and conditions contained in the Development Assistance Agreement with respect to the Project.

Pursuant to the terms and provisions of the Development Assistance Agreement, the Company hereby requests that funds be made under that certain "Economic Development Assistance Agreement" dated May 25, 2021, and that the Authority transfer the sum of:

\$ _____ Dollars (\$ _____)

by wire transfer to the following account:

Routing Number/ABA: _____

For Further Credit of: Bentwood Investments LLC

Account Number: _____

All capitalized terms used herein and not otherwise defined herein shall have the respective meanings set forth in the Development Assistance Agreement.

IN WITNESS WHEREOF, the undersigned has set his name hereto this ____ day of _____, _____.

BENTWOOD INVESTMENTS LLC

By: _____

Name: _____



Midwest City Memorial Hospital Authority
100 North Midwest Boulevard
Midwest City, Oklahoma 73110
Office (405) 739-1207/Fax (405) 739-1208
www.midwestcityok.org

MEMORANDUM

To: Honorable Chairman and Trustees

From: Tim Lyon, General Manager/Administrator

Date: May 25, 2021

Subject: Discussion and consideration of authorizing Williams, Box, Forshee & Bullard, P.C., Grubbs Consulting, LLC and Bentwood Investments LLC to act as agents for the Midwest City Memorial Hospital Authority in the preparation, filing and representation of zoning amendment and/or platting applications to the City of Midwest City.

Mr. Joel Bryant, Bentwood Investments, intends to purchase our property at 5901 Will Rogers RD (Lot 9, Block 2, Aviation Acres Subdivision) as part of the land assemblage for the Bentwood Multi-Family Project. The sale is contingent upon Mr. Bryant successfully obtain a zoning amendment to development Lots 9 – 16, Block 2, Aviation Acres Subdivision.

Staff recommends approval.

Please contact Economic Development Director Robert Coleman (405/739-1218) with any question.

Respectfully,

A handwritten signature in black ink, appearing to read "T. Lyon", is written over a horizontal line.

Tim Lyon, General Manager/Administrator

Attachments: Authorization Agreement



Midwest City Memorial Hospital Authority
 100 North Midwest Boulevard
 Midwest City, Oklahoma 73110
 Office (405) 739-1207/Fax (405) 739-1208
www.midwestcityok.org

May 25, 2021

Community Development Department
 City of Midwest City
 100 N. Midwest Boulevard
 Midwest City, OK 73110

RE: Letter of Consent/Authorization for Rezoning and/or Platting Applications in the City of Midwest City

To Whom it May Concern:

As owner of the property located at 5901 Will Rogers Road, we hereby consent to and authorize Williams, Box, Forshee & Bullard, P.C., Grubbs Consulting, LLC and Bentwood Investments LLC to act as agents on our behalf in the preparation, filing and representation of the above referenced applications to the City of Midwest City.

Respectfully Submitted,

Matthew D. Dukes II, Chairman

ACKNOWLEDGEMENT

STATE OF OKLAHOMA

§

COUNTY OF OKLAHOMA

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared _____ known to me to be the person who signed the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 20_____.

My Commission Expires:

 Notary Signature



DISCUSSION ITEM





Memorial Hospital Authority

General Manager/Administrator, Tim Lyon
100 North Midwest Boulevard
Midwest City, Oklahoma 73110
Office (405) 739-1201
tlyon@midwestcityok.org
www.midwestcityok.org

MEMORANDUM

To: Honorable Chairman and Trustees

From: Tiatia Cromar, Finance Director

Date: May 25, 2021

Subject: Discussion and consideration of action to reallocate assets, change fund managers or make changes in the Statement of Investment Policy, Guidelines and Objectives.

Jim Garrels, President of Fiduciary Capital Advisors, asked staff to put this item on each agenda in the event that the Hospital Authority's investments need to be reallocated, an investment fund manager needs to be changed, or changes need to be made to the Statement of Investment Policy on short notice.

Tiatia Cromar
Finance Director



NEW BUSINESS/
PUBLIC DISCUSSION





SPECIAL ECONOMIC DEVELOPMENT AUTHORITY AGENDA

City Hall - Midwest City Council Chambers, 100 N. Midwest Boulevard

May 25, 2021 – 6:03 PM

Presiding members: Chairman Matt Dukes

Trustee Susan Eads

Trustee Sean Reed

City Manager Tim Lyon

Trustee Pat Byrne

Trustee Christine Allen

City Clerk Sara Hancock

Trustee Española Bowen

Trustee Rick Favors

City Attorney Don Maisch

A. CALL TO ORDER.

B. CONSENT AGENDA. These items are placed on the Consent Agenda so the Trustees, by unanimous consent, can approve routine agenda items by one motion. If any item proposed does not meet with the approval of all Trustees, or members of the audience wish to discuss an item, it will be removed and heard in a regular order.

1. Discussion and consideration to approve the minutes of the March 23, 2021 special meeting, as submitted. (Secretary - S. Hancock)
2. Discussion and consideration of supplemental budget adjustments to the following fund for FY 2020-2021, increase: Economic Development Authority Fund, revenue/Charges for Services (00) \$605,000. (Finance - Tiatia Cromar)
3. Discussion and consideration of accepting the management representation letter to Grant Thornton LLP and accepting the draft of final report associated Combined Financial Statements of Sooner Town Center, LLC and Sooner Town Center II, LLC for calendar years ending December 31, 2020 and December 31, 2019. (Finance - T. Cromar)

C. PUBLIC DISCUSSION. The purpose of the "Public Discussion Section" of the Agenda is for members of the public to speak to the Authority on any Subject not scheduled on the Regular Agenda. The Authority shall make no decision or take any action, except to direct the City Manager to take action, or to schedule the matter for discussion at a later date. Pursuant to the Oklahoma Open Meeting Act, the Authority will not engage in any discussion on the matter until that matter has been placed on an agenda for discussion. **THOSE ADDRESSING THE AUTHORITY ARE REQUESTED TO STATE THEIR NAME AND ADDRESS PRIOR TO SPEAKING TO THE AUTHORITY.**

D. ADJOURNMENT.



CONSENT AGENDA



Notice for the Midwest City Economic Development Authority special meeting was filed with the City Clerk of Midwest City atleast 48 hours prior to the meeting. Public notice of this agenda was accessible at least 24 hours before this meeting at City Hall and on the Midwest City website (www.midwestcityokorg).

Midwest City Economic Development Authority Minutes
Special Meeting

March 23, 2021

This meeting was held in the Midwest City Chambers at City Hall, 100 N Midwest Blvd, Midwest City, County of Oklahoma, State of Oklahoma.

Chairman Matt Dukes called the meeting to order at 6:50 PM with following members present:

Trustee Susan Eads	Trustee Sean Reed	City Manager Tim Lyon
Trustee Pat Byrne	Trustee Christine Allen	City Clerk Sara Hancock
Trustee Española Bowen	Trustee Rick Favors	Asst. City Attorney Vicki Floyd

DISCUSSION ITEM.

- 1. Discussion and consideration to approve the minutes of the February 23, 2021 special meeting, as submitted.** Reed made motion to approve the minutes, as submitted, seconded by Allen. Voting aye: Eads, Byrne, Bowen, Reed, Allen, Favors, and Chairman Dukes. Nay: None. Motion passed.

PUBLIC DISCUSSION. There was no public discussion.

EXECUTIVE SESSION.

- 1. Discussion and consideration of 1) entering into executive session, as allowed under 25 O.S. § 307(C)(11), to confer on matters pertaining to economic development, including the transfer of property, financing or the creation of a proposal to entice a business to remain or to locate within the City, and 2) in open session, authorizing the general manager/administrator to take action as appropriate based on the discussion in executive session.**

At 6:51 PM Allen made motion to enter into executive session, seconded by Byrne. Voting aye: Eads, Byrne, Bowen, Reed, Allen, Favors, and Chairman Dukes. Nay: None. Motion passed.

At 7:35 PM Reed made motion to return to open session, seconded by Byrne. Voting aye: Eads, Byrne, Bowen, Reed, Allen, Favors, and Chairman Dukes. Nay: None. Motion passed.

Reed made motion to authorize general manager/administrator to take action as discussed, seconded by Eads. Voting aye: Eads, Byrne, Bowen, Reed, Allen, Favors, and Chairman Dukes. Nay: None. Motion passed.

ADJOURNMENT.

There being no further business, Chairman Dukes adjourned the meeting at 7:36 PM.

ATTEST:

SARA HANCOCK, Secretary

MATTHEW D. DUKES II, Chairman



Finance Department

100 N. Midwest Boulevard
Midwest City, OK 73110
cbarron@midwestcity.org
Office: 405-739-1245
www.midwestcityok.org

TO: Honorable Chairman and Trustees
Economic Development Authority

FROM: Tiatia Cromar, Finance Director

DATE: May 25, 2021

SUBJECT: Discussion and consideration of supplemental budget adjustments to the following fund for FY 2020-2021, increase: Economic Development Authority Fund, revenue/Charges for Services (00) \$605,000.

The first supplement is needed to budget the revenue from Sooner Town rents for FY 20-21.

Tiatia Cromar
Finance Director

SUPPLEMENTS

May 25, 2021

Fund ECONOMIC DEVELOPMENT AUTHORITY (353)		BUDGET AMENDMENT FORM Fiscal Year 2020-2021			
<u>Dept Number</u>	<u>Department Name</u>	<u>Estimated Revenue</u>		<u>Budget Appropriations</u>	
		<u>Increase</u>	<u>Decrease</u>	<u>Increase</u>	<u>Decrease</u>
00	Charges for Services	605,000			
		<u>605,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Explanation: To budget the revenue from Sooner Town rents for FY 20-21.					



Finance Director
100 N. Midwest Blvd.
Midwest City, OK 73110
405-739-1245
tcromar@midwestcityok.org
www.midwestcityok.org

MEMORANDUM

TO: Economic Development Authority Chairman and Trustees

FROM: Tiatia Cromar, Finance Director

DATE: May 25, 2021

SUBJECT: Discussion and consideration of accepting the management representation letter to Grant Thornton LLP and accepting the draft of final report associated Combined Financial Statements of Sooner Town Center, LLC and Sooner Town Center II, LLC for calendar years ending December 31, 2020 and December 31, 2019.

Attached for your review and approval are the management representation letters and financial statements for the entity leasing property associated with Sooner Town Center, LLC and Sooner Town Center II, LLC for calendar years 2019 and 2020.

Tiatia Cromar
Finance Director

May 28, 2021

Grant Thornton LLP
201 S. College St., Suite 2500
Charlotte, NC 28244

Dear Sir or Madam:

We are providing this letter in connection with your audits of the consolidated financial statements of Sooner Town Center, LLC (the "Company"), which comprise the consolidated balance sheets as of December 31, 2020 and 2019 and the related consolidated statements of operations, changes in members' deficit, and cash flows for the years then ended, and the related notes to the consolidated financial statements. We understand that your audits were made for the purpose of expressing an opinion as to whether the consolidated financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America ("US GAAP") and whether the supplementary information is fairly presented, in all material respects, in relation to the consolidated financial statements as a whole.

We have fulfilled our responsibility, as set out in the terms of the Engagement Letter, for the preparation and fair presentation of the consolidated financial statements in accordance with US GAAP. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud, including programs and controls to prevent and detect fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered to be material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of the surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves, as of May 28, 2021, the following representations made to you during your audits.

1. We have disclosed to you the results of our assessment of the risk that the consolidated financial statements may be materially misstated as a result of fraud. We have no knowledge of fraud or suspected fraud affecting the Company involving:
 - a. Management
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the consolidated financial statements.
2. We have no knowledge of any allegations of fraud or suspected fraud affecting the Company's consolidated financial statements received in communications from employees, former employees, analysts, regulators, short sellers, or others.
3. There are no known violations or possible violations of, or no known instances of noncompliance or suspected noncompliance with, laws and regulations whose effects should be considered by management when preparing the consolidated financial statements, as a basis for recording a loss contingency or for disclosure.
4. The Company has complied with all aspects of contractual agreements that would have a material effect on the consolidated financial statements in the event of a noncompliance.
5. The Company has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
6. We have disclosed to you the identity of all the Company's related parties and all related party relationships and transactions of which we are aware. Related party relationships and transactions and related amounts receivable

from or payable to related parties (including sales, purchases, loans, transfers, leasing arrangements, and guarantees) have been properly accounted for and disclosed in the consolidated financial statements in accordance with US GAAP.

We understand that “related parties” include (1) affiliates of the Company; (2) entities for which investments in their equity securities would be required to be accounted for by the equity method by the investing entity; (3) trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; (4) principal owners of the Company and members of their immediate families; and (5) management of the Company and members of their immediate families.

Related parties also include (1) other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and (2) other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

7. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments whose effects should be considered by management when preparing the consolidated financial statements and that should be accounted for and disclosed in accordance with US GAAP (ASC 450, *Contingencies*), and we have not consulted legal counsel concerning such litigation, claims, or assessments.
8. The calculation of participation rent for the year ended December 31, 2020 as determined in the supplementary schedules of net operating income, debt service, net cash flow, and subtenant rents is prepared in compliance with the terms as defined in the Midwest City Downtown Redevelopment General Ground Lease (the Agreement). We have read the supplementary schedules and believe the information presented is consistent with and accurately reflects the provisions contained in the Agreement.
9. The information included in the Leases footnote to the financial statements, which describes the participation rent calculation, is consistent with our understanding of the Agreement.
10. The rent expense incurred totaled \$1,339,624 for the year ended December 31, 2020 and is properly recorded in the consolidated statement of operations.
11. Amounts due to Midwest City Memorial Hospital Authority for rent have been properly calculated and accrued in accordance with the terms of the Company's Agreements with the City as of December 31, 2020.
12. Based on the Promissory Note Agreement with the City, the Company is able to factor in a cash reserve to the Net Operating Income section of the Participation Rent Expense calculation. Per the agreement, both parties must agree to any cash reserve amounts. The Company did not reserve a cash balance in 2020.
13. All events subsequent to the date of the consolidated financial statements through the date of this letter and for which US GAAP requires recognition or disclosure have been recognized or disclosed.

Very truly yours,

SOONER TOWN CENTER, LLC

Robert C. Collett, Managing Member

John Cheek, Consultant to Collett as an agent for Sooner Town Center, LLC



1111 METROPOLITAN AVE, STE 700
CHARLOTTE, NC 28204
Mailing: P.O. BOX 36799
CHARLOTTE, NC 28236-6799
704.206.8300 | WWW.COLLETTRE.COM

Katherine Fox, Chief Financial Officer of Collett as an agent for Sooner Town Center, LLC

MIDWEST CITY ECONOMIC DEVELOPMENT AUTHORITY

Matthew D. Dukes II, Chairman

BROKERAGE



DEVELOPMENT



MANAGEMENT



INVESTMENTS

DRAFT

**Consolidated Financial Statements and
Report of Independent Certified Public
Accountants**

Sooner Town Center, LLC

December 31, 2020 and 2019

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GRANT THORNTON LLP

201 S. College Street, Suite 2500
Charlotte, NC 28244

D +1 704 632 3500

F +1 704 334 7701

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Members of
Sooner Town Center, LLC

We have audited the accompanying consolidated financial statements of Sooner Town Center, LLC (an Oklahoma limited liability company), which comprise the consolidated balance sheets as of December 31, 2020 and 2019, and the related consolidated statements of operations, changes in members' deficit, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Sooner Town Center, LLC as of December 31, 2020 and 2019, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included in Schedules I through IV is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

GRANT THORNTON LLP

Charlotte, North Carolina
Month DD, 2021

CONSOLIDATED BALANCE SHEETS

December 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Real property, at cost:		
Buildings and building improvements	\$ 31,468,372	\$ 31,360,591
Land improvements and signage	<u>13,217,019</u>	<u>13,217,019</u>
	44,685,391	44,577,610
Less - Accumulated depreciation	<u>(22,787,537)</u>	<u>(20,991,036)</u>
Real property, net	21,897,854	23,586,574
Other assets:		
Cash	696,608	486,794
Restricted cash	5,275,912	5,648,696
Accounts receivable	519,728	205,845
Security deposit trust account	57,912	57,912
Deferred rent receivable	481,388	523,723
Deferred charges and other assets, net	<u>824,853</u>	<u>1,040,485</u>
Total assets	<u>\$ 29,754,255</u>	<u>\$ 31,550,029</u>
LIABILITIES AND MEMBERS' DEFICIT		
Liabilities:		
Unearned rent	\$ 185,278	\$ 188,587
Notes payable net of deferred loan costs (\$1,823,459 at December 31, 2020 and \$1,890,580 at December 31, 2019)	45,626,541	46,469,420
Note payable to members and affiliates	1,000	1,000
Accounts payable and accrued expenses	910,252	1,004,310
Security deposits	<u>57,912</u>	<u>57,912</u>
Total liabilities	46,780,983	47,721,229
Members' deficit	<u>(17,026,728)</u>	<u>(16,171,200)</u>
Total liabilities and members' deficit	<u>\$ 29,754,255</u>	<u>\$ 31,550,029</u>

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS

For the years ended December 31,

	<u>2020</u>	<u>2019</u>
Rental revenues	\$ 7,200,509	\$ 7,314,246
Operating expenses:		
Common area maintenance	578,652	556,122
Repairs and other operating expenses	34,177	36,673
Taxes and insurance	742,822	672,187
Administrative	106,809	95,347
Rent expense	1,341,864	1,767,594
Property management fees	269,671	282,083
Depreciation and amortization	<u>2,082,979</u>	<u>1,872,262</u>
Total operating expenses	5,156,974	5,282,268
Other income (expense):		
Interest income	18,482	88,878
Interest expense	<u>(2,273,689)</u>	<u>(2,303,705)</u>
Net loss	<u>\$ (211,672)</u>	<u>\$ (182,849)</u>

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN MEMBERS' DEFICIT

Years ended December 31,

Members' deficit, December 31, 2018	\$ (15,023,351)
Net loss	(182,849)
Distributions	<u>(965,000)</u>
Members' deficit, December 31, 2019	(16,171,200)
Net loss	(211,672)
Distributions	<u>(643,856)</u>
Members' deficit, December 31, 2020	<u><u>\$ (17,026,728)</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31,

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Net loss	\$ (211,672)	\$ (182,849)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation	1,796,501	1,584,294
Amortization	286,478	287,968
Changes in operating assets and liabilities:		
Accounts receivable	(313,883)	75,506
Deferred rent receivable	20,619	10,841
Deferred charges and other assets	(3,725)	(180,048)
Unearned rent	(3,309)	47,005
Accounts payable and accrued expenses	<u>(72,342)</u>	<u>1,914</u>
Net cash provided by operating activities	<u>1,498,667</u>	<u>1,644,631</u>
Cash flows from investing activities:		
Additions to buildings and improvements	<u>(107,781)</u>	<u>(158,502)</u>
Net cash used in investing activities	<u>(107,781)</u>	<u>(158,502)</u>
Cash flows from financing activities:		
Repayments on notes payable	(910,000)	(795,000)
Member distributions	<u>(643,856)</u>	<u>(965,000)</u>
Net cash used in financing activities	<u>(1,553,856)</u>	<u>(1,760,000)</u>
Net decrease in cash	(162,970)	(273,871)
Cash and restricted cash, beginning of year	<u>6,135,490</u>	<u>6,409,361</u>
Cash and restricted cash, end of year	<u>\$ 5,972,520</u>	<u>\$ 6,135,490</u>
Supplemental disclosures of cash flow information:		
Cash paid for interest	<u>\$ 2,283,737</u>	<u>\$ 2,310,085</u>

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 1 - SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES***Organization***

Sooner Town Center, LLC (an Oklahoma limited liability company) (STC) (the Company) was organized in June 2002 for the purpose of acquiring, developing and leasing commercial properties in Oklahoma. STC develops and operates a retail center (the Project) located in Midwest City, Oklahoma (the City). The Project is defined by a Redevelopment Agreement between the City and STC as authorized by the Oklahoma Local Development Act. Under the terms of the agreement, the City leases the Project land to STC under two ground leases. The City is considered to be a related party for financial reporting purposes. STC is responsible for the design, construction, financing, leasing and management of the Project, all subject to City approval. Income and loss will be allocated to members in accordance with the operating agreement.

Cash

Cash includes cash and cash equivalents. The Company classifies highly liquid investments with original maturity dates of three months or less as cash equivalents.

Restricted Cash

The Company maintained restricted cash balances of \$5,275,912 and \$5,648,696 as of December 31, 2020 and 2019, respectively. The balance includes utility deposits of \$1,033 and \$998 as of December 31, 2020 and 2019, respectively. Additionally, the Company's debt agreement (described in Note 2) requires additional funds to be held in escrow.

Concentration of Credit Risk

The Company's operating property is located in Midwest City, Oklahoma. The Company's ability to generate future revenues is dependent upon the economic conditions within this area.

The Company's tenants engage in a wide variety of businesses. One tenant accounted for 11% of total revenue for the year ended December 31, 2020. Two tenants accounted for 10% and 11% of total base rental revenue, respectively, for the year ended December 31, 2019. Two tenants comprised roughly 12% and 29% of accounts receivable, respectively, as of December 31, 2020. No tenant accounted for more than 10% of accounts receivable as of December 31, 2019.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

The Company maintains its cash in a commercial bank. Substantially all of the Company's cash and cash equivalents are held in noninterest-bearing accounts. Regularly during the year, the Company maintained cash and cash equivalents in accounts in excess of the amount insured by the Federal Deposit Insurance Corporation. The Company's management regularly monitors the financial stability of these financial institutions.

Revenue Recognition

Rental revenue is generally recognized based on the terms of tenant leases. Rental revenue from leases with scheduled rent increases, incentives or abatements is recognized on a straight-line basis over the noncancelable term of the respective leases. Property operating cost recoveries from tenants for common area maintenance, real estate taxes and other recoverable costs totaled \$1,184,154 and \$1,307,535 for the years ended December 31, 2020 and 2019, respectively, and are recognized in the period in which the related expenses are incurred and are included in rental revenues in the accompanying consolidated statements of operations. Receivables relating to these recoveries totaled \$519,728 and \$205,845 as of December 31, 2020 and 2019, respectively, and are recognized as accounts receivable on the accompanying consolidated balance sheets. If it becomes probable a tenant will fail to perform according to the terms of the lease, a loss equal to the accrued rental revenue unlikely to be received from that tenant would be charged to operations. Interest income is recognized as it is earned.

Rent payments received in advance from tenants is recognized as unearned rent on the accompanying consolidated balance sheets. Unearned rent as of December 31, 2020 and 2019 was \$185,278 and \$188,587, respectively.

The aggregate excess of rental revenue recognized on a straight-line basis over rents due in accordance with the provisions of the leases was \$481,388 and \$523,723 at December 31, 2020 and 2019, respectively, and is recognized as deferred rent receivable on the accompanying consolidated balance sheets.

The Project consists of 627,117 square feet of retail space and 13 outparcel sites and was completed in 2015. At December 31, 2020, tenants occupying 500,439 square feet and 13 of the outparcel sites were operating under noncancelable leases providing for future minimum rents of \$24,914,297.

Future minimum rents receivable under noncancelable leases for all known tenants at December 31, 2020, is as follows. Most leases have renewal options, which are not included below.

	Amount
2021	\$ 5,729,133
2022	4,519,323
2023	3,044,179
2024	2,588,864
2025	1,953,840
Thereafter	7,078,958
	<u>\$ 24,914,297</u>

Rent and receivables are reported at their estimated net realizable value. When necessary, the Company provides an allowance for doubtful accounts based upon a review of outstanding receivables, historical collection information and existing economic conditions. Past due status is based on the contractual terms of the receivables. Rent and receivables are written off based on individual credit evaluation and specific circumstances of the customer. Management has concluded that all of the Company's accounts receivable amounts will be realizable and, accordingly, has not recorded an allowance for doubtful accounts at December 31, 2020 and 2019.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

Real Property

Buildings and building improvements are stated at cost and depreciated using the straight-line method over the estimated useful life of 39 years. Land improvements and signage are depreciated using an accelerated method of depreciation over the useful life of the assets, usually 15 years. Direct and indirect costs that relate to land development and building construction are capitalized. Costs are allocated to Project components by the specific identification method whenever possible. Otherwise, costs are allocated based on square footage or acreage.

Depreciation on real property charged to operations was \$1,796,501 and \$1,584,294 for the years ended December 31, 2020 and 2019, respectively.

Repairs are charged against operations. Renewals and betterments that materially extend the life of an asset are capitalized.

The Company reviews the real property for impairment whenever events or changes in circumstances indicate that the carrying amount of the real property may not be recoverable. Recoverability of the real property is measured by a comparison of the carrying amount of the real property to undiscounted future net cash flows expected to be generated by the real property. If the real property is considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the real property exceeds its fair value. No impairment was recognized for the years ended December 31, 2020 and 2019.

Deferred Charges and Other Assets, net

Deferred charges consist of lease commissions and lease costs and are stated at cost net of accumulated amortization. At December 31, 2020 and 2019, total deferred charges capitalized were \$4,513,577 and \$4,412,509, respectively, with accumulated amortization of \$3,739,305 and \$3,519,950, respectively. The lease commissions and lease costs are amortized on the straight-line method over the terms of the respective leases. Lease commission and lease costs amortization expense of \$219,357 and \$220,847 is included in depreciation and amortization in the accompanying consolidated statements of operations for the years ended December 31, 2020 and 2019, respectively.

Deferred charges and other assets also include \$50,581 and \$147,926 of prepaid expenses at December 31, 2020 and 2019, respectively.

Income Taxes

The Company is a limited liability company treated as a partnership for federal and state income tax purposes. As a result, the Company's results of operations are included in the income tax returns of its individual members. Accordingly, no provision for federal or state income taxes has been recorded in the accompanying consolidated financial statements. The Company files income tax returns in the U.S. federal jurisdiction and in the Oklahoma state jurisdiction. The Company is no longer subject to examination by taxing authorities for years before 2018, and it is not aware of any audits by any taxing authority.

The Company follows applicable authoritative guidance on accounting for uncertainty in income taxes which, among other things, prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, and provides guidance on derecognition, classification, interest and penalties, accounting in interim periods and disclosure. The Company has no uncertain tax positions.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

Use of Accounting Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Other Risks

Since early March 2020, efforts to slow the spread of the Covid-19 virus have had a significant impact on the U.S. economy. The Company continues to follow the policies described in Note 1, including those related to impairments of real estate assets and allowance for doubtful accounts. Impacts of the pandemic on the Company's consolidated financial results have been reflected in the accompanying consolidated balance sheets and consolidated statements of operations. Continuing impacts of Covid-19 on the overall economy and the Company itself are highly uncertain and cannot be predicted. These impacts will continue to be evaluated and may result in recording impairments and allowance for doubtful accounts in future periods.

NOTE 2 - NOTES PAYABLE

Notes payable outstanding at December 31 consisted of:

	<u>2020</u>	<u>2019</u>
Principal balance	\$ 47,450,000	\$ 48,360,000
Less unamortized deferred loan costs	<u>(1,823,459)</u>	<u>(1,890,580)</u>
Notes payable less unamortized deferred loan costs	<u>\$ 45,626,541</u>	<u>\$ 46,469,420</u>

On February 28, 2018, the Company entered into a Loan Agreement (the Loan) with the Midwest City Economic Development Authority (MWCEDA) in the amount of \$49,155,000. The MWCEDA is a public trust created for the benefit of the City, for the purpose of issuing Series 2018 Economic Development Revenue Bonds (Bonds), the proceeds of which were used to fund the Loan to the Company. Proceeds of the Loan were used to 1) repay all the Company's existing debt, 2) fund certain reserves defined in the Loan Agreement and 3) pay the cost of issuing the Bonds.

All the Company's assets are pledged to the MWCEDA as collateral for the Loan under a Leasehold Mortgage and Assignment of Rents. Additionally, the City conveyed all Project land and assigned the leases as collateral described in Note 3 to the MWCEDA. The MWCEDA in turn pledged the Leasehold Mortgage, Project land and leases as collateral for the Bonds. Payments required under the Loan Agreement mirror the Bonds repayment schedule. The City has provided additional collateral in the form of a guaranty by the Midwest City Municipal Authority, lessee and operator of the City water and sewer systems, of any shortfall in Loan payments. The Company pays the City a Credit Enhancement Fee equal to 0.5% of the outstanding Bonds balance as defined, as compensation for the additional collateral provided by the City.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

Loan payment terms specify that the annual payment be an amount sufficient to fund the Bonds repayment schedule, the Credit Enhancement Fee, administrative expenses, tenant improvements and maintain certain escrow balances as defined in the Loan Agreement. The Bonds are administered by a Trustee appointed by the MWCEDA. The Trustee provides the Company with an annual payment amount required to fund the Bonds obligation, which the Company remits to the Trustee in 12 equal installments. The effective interest rate of the Bonds issued is 4.94% and the Company incurred interest expense of \$2,303,705 in 2019 applicable to the Loan. Interest incurred on the Loan in 2020 was \$2,273,689. Scheduled future Bonds principal payments are the following:

	<u>Amount</u>
2021	\$ 935,000
2022	965,000
2023	995,000
2024	1,025,000
2025	1,060,000
Thereafter	<u>42,470,000</u>
	<u>\$ 47,450,000</u>

Escrow and reserve balances required by the Bonds Indenture were \$5,274,879 and \$5,647,698 at December 31, 2020 and 2019, respectively, and are included in restricted cash on the balance sheet.

The Loan Agreement requires, among other things, that the Company maintain a debt Coverage Ratio of 1.20. If this is not achieved, the Company must make additional payments to a Supplemental Reserve fund maintained by the Bonds Trustee. The coverage is tested annually for the 12 months ending January 31, and the Company was in compliance for the January 31, 2020 testing period.

Loan costs consist of various debt issuance costs and are amortized on the straight-line method, which approximates the effective interest method, based on terms of the respective debt agreements. The Company's loan costs total \$2,013,635 as of December 31, 2020 and 2019, with accumulated amortization totaling \$190,176 and \$123,055 as of December 31, 2020 and 2019, respectively. Loan cost amortization expense of \$67,121 is included in depreciation and amortization in the accompanying consolidated statements of operations for the years ended December 31, 2020 and 2019.

NOTE 3 - LEASES

Sooner Town Center, LLC leases the Project land from the City under two ground leases, designated anchor and general. Both leases have terms commencing on June 1, 2004, with rent commencement on February 12, 2006, and expiring on October 31, 2062. Subsequent to rent commencement, the anchor ground lease rent is \$510,000 annually. The general ground lease provides for three tiers of rent - general ground rent of \$1 per year, preferred rent of \$305,000 annually, payable to the extent of net operating income in excess of debt service as defined in the Redevelopment Agreement, and participation rent equivalent to 50% of net operating income in excess of debt service remaining after payment of preferred rent. Preferred rent is cumulative after the Project is 50% leased.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

To the extent that calculated preferred rent payable is less than \$305,000, the difference is accrued and is payable when future net operating income in excess of debt service is sufficient. Participation rent expense totaled \$526,864 and \$952,595 for the years ended December 31, 2020 and 2019, respectively. Total rental expense totaled \$1,341,864 and \$1,767,594 for the years ended December 31, 2020 and 2019, respectively. Rent expense incurred and unpaid totaled \$31,864 and \$148,857 as of December 31, 2020 and 2019, respectively, and is included in accounts payable and accrued expenses on the accompanying consolidated balance sheets.

NOTE 4 - RELATED-PARTY TRANSACTIONS AND BALANCES

Collett & Associates, LLC (Collett), an affiliated property management company, provides management and brokerage services to the Company. Collett receives a monthly fee of 4% of gross monthly collections, net of anchor ground lease rent, for providing property management services. Such fees totaled \$265,209 and \$282,083 for the years ended December 31, 2020 and 2019, respectively. Additionally, tenant security deposits are held in a trust account maintained by Collett, consistent with industry practice and regulatory requirements. Amounts due under this arrangement are recognized as security deposit trust account and totaled \$57,912 as of December 31, 2020 and 2019. The Company paid nominal amounts for various expense reimbursements to Collett, which are recorded as general and administrative expenses, for both years ended December 31, 2020 and 2019.

Sooner Investment Realty (SIR), an affiliated entity, provides leasing services to the Company. The Company paid \$59,245 and \$144,849 in leasing commissions to SIR for the years ended December 31, 2020 and 2019, respectively, which is included within the deferred charges and other assets line item on the consolidated balance sheets.

The Company paid \$20,512 and \$22,132 in utilities expense to the City for the years ended December 31, 2020 and 2019, respectively, which is included in the Common Area Maintenance line item of the consolidated statements of operations.

The Company subleases part of the Project land to Sooner Town Center II, LLC (STC II), a related party. The lease commenced on July 19, 2012, with rent commencement on October 31, 2012. The lease expires on October 31, 2062, with a five-year renewal option. Annual rent for the first 10 years is \$45,000. The monthly rent amount increases by 10% on the 10th anniversary of the commencement date, and every five years thereafter. Straight-line rental income for this lease totaled \$65,609 for the years ended December 31, 2020 and 2019. These amounts are included in the future minimum rents receivable schedule included in Note 1.

As of December 31, 2020, the Company has an outstanding loan balance with RC Collett, Inc., an affiliated entity, of \$1,000.

As described in Note 2, on February 28, 2018, the Company entered into a Loan Agreement with MWCEDA, a related party. As of December 31, 2020 and 2019, the Company has an outstanding loan principal balance with MWCEDA of \$47,450,000 and \$48,360,000, respectively. The Company incurred interest expense of \$2,273,689 and \$2,303,705 related to this Loan during the years ended December 31, 2020 and 2019, respectively.

NOTE 5 - SUBSEQUENT EVENTS

The Company has analyzed its operations subsequent to December 31, 2020 through _____, 2021, the date the consolidated financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

SCHEDULE I - NET OPERATING INCOME

For the year ended December 31, 2020

Rental revenues	\$ 7,200,509
Less - Anchor ground lease revenue up to related expense	<u>(510,000)</u>
Rental revenues excluding anchor tenant	6,690,509
Adjustments for cash basis:	
Deferred rent receivable, net	20,619
Common area maintenance receivable	(313,883)
Unearned rent	<u>(3,309)</u>
Gross operating revenue (subtenant rents, cash basis)	<u>6,393,936</u>
Allowable expenses:	
Operating expenses	5,156,974
Less - Anchor tenant rent expense	(510,000)
Plus - Additions to project development costs	<u>142,347</u>
Allowable expenses, net of anchor tenant rent expense	4,789,321
Adjustments for noncash expenses:	
Depreciation and amortization	(2,082,979)
Other adjustments:	
Interest income	(18,482)
Preferred rent expense, accrued or paid	(305,000)
Participation rent expense, accrued or paid	<u>(526,864)</u>
Allowable expenses, net	<u>1,855,996</u>
Net operating income per Redevelopment Agreement (1)	<u>\$ 4,537,940</u>

(1) The Midwest City Downtown Redevelopment (Redevelopment Agreement) Ground Lease between the City and the Company defines Net Operating Income per the Redevelopment Agreement as the difference between Gross Operating Revenue and the actual Operating Expenses for the same period. The agreement specifically defines Gross Operating Revenue as all revenues derived from the project (excluding anchor ground lease up to \$510,000), determined in accordance with GAAP, computed on a cash basis, exclusive of subtenant security deposits and other refundable deposits and exclusive of proceeds derived from a sale, condemnation, financing, insurance settlement or other transaction that is capital in nature. Further, Operating Expenses are defined as those costs determined in accordance with GAAP, including all necessary and reasonable expenditures of any kind made with respect to the operations of the project (excluding anchor ground lease) typical of a Class A shopping center, without limitation, ad valorem taxes, insurance premiums, R&M expenses, management fees, leasing and advertising expenses, professional fees, wages and utility costs. After the City issues Certificates of Completion on Improvements, the construction loan interest will be included in Operating Expenses to the extent that such interest can no longer be drawn on under the applicable construction loan. Non-cash expenditures such as depreciation and amortization shall not be included in the computation of Operating Expenses. Operating Expenses shall include all project development costs incurred by the Company, that are not financed, in further developing and leasing available space within the Project including, without limitation, tenant upfitting costs, market rate brokerage commissions, tenant improvement allowances, building improvements and legal fees.

SCHEDULE II - DEBT SERVICE

For the year ended December 31, 2020

Debt service:

Interest expense on debt	\$ 2,273,689
Debt principal payments	910,000
Net change in bond escrows	<u>(4,477)</u>
Total Debt Service (2)	<u>\$ 3,179,212</u>

(2) The Redevelopment Agreement defines Debt Service as principal and interest on all loan(s) on the Project (excluding those under the anchor ground lease) or any portion thereof, exclusive of (1) any interest under any construction loan which is funded by draws under such Construction Loan and (2) interest carry costs treated as preferred rent.

SCHEDULE III - NET CASH FLOW

For the year ended December 31, 2020

Net operating income per Redevelopment Agreement	\$ 4,537,940
Less - debt service	<u>(3,179,212)</u>
Net cash flow	1,358,728
Less - preferred rent	(305,000)
Less - general ground lease	<u>(1)</u>
Net cash flow, after preferred rent and general ground lease	1,053,727
Participation rent factor	<u>50%</u>
Participation Rent (3)	<u><u>\$ 526,864</u></u>

(3) For purposes of determining Participation Rent, the Redevelopment Agreement defines Net Cash Flow as Net Operating Income less Debt Service. Participation Rent shall be an amount equal to fifty percent (50%) of Net Cash Flow remaining after General Ground Lease payment and Preferred Rent. All Participation Rent is subordinate to these payments. The annual lease payment for General Ground Lease is \$1, due to the City annually. Preferred Rent is the first \$305,000 of Net Operating Income after payment of the General Ground Lease Payment and Debt Service.

Sooner Town Center, LLC

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SCHEDULE IV - SUBTENANT RENTS

For the year ended December 31, 2020

Subtenant rents, excluding the anchor ground lease	<u>\$ 6,393,936</u>
Gross operating revenue (subtenant rents, cash basis)(4)	<u><u>\$ 6,393,936</u></u>

(4) Refer to page 16 for the calculation of Gross operating revenue (subtenant rents) which is computed on the cash basis.

May 28, 2021

Grant Thornton LLP
201 S. College St., Suite 2500
Charlotte, NC 28244

Dear Sir or Madam:

We are providing this letter in connection with your audits of the financial statements of Sooner Town Center II, LLC (the "Company"), which comprise the balance sheets as of December 31, 2020 and 2019 and the related statements of operations, changes in members' deficit, and cash flows for the years then ended, and the related notes to the financial statements. We understand that your audits were made for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America ("US GAAP") and whether the supplementary information is fairly presented, in all material respects, in relation to the financial statements as a whole.

We have fulfilled our responsibility, as set out in the terms of the Engagement Letter, for the preparation and fair presentation of the financial statements in accordance with US GAAP. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud, including programs and controls to prevent and detect fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered to be material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of the surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves, as of May 28, 2021, the following representations made to you during your audits.

1. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud. We have no knowledge of fraud or suspected fraud affecting the Company involving:
 - a. Management
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
2. We have no knowledge of any allegations of fraud or suspected fraud affecting the Company's financial statements received in communications from employees, former employees, analysts, regulators, short sellers, or others.
3. There are no known violations or possible violations of, or no known instances of noncompliance or suspected noncompliance with, laws and regulations whose effects should be considered by management when preparing the financial statements, as a basis for recording a loss contingency or for disclosure.
4. The Company has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of a noncompliance.
5. The Company has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
6. We have disclosed to you the identity of all the Company's related parties and all related party relationships and transactions of which we are aware. Related party relationships and transactions and related amounts receivable from or payable to related parties (including sales, purchases, loans, transfers, leasing arrangements, and guarantees) have been properly accounted for and disclosed in the financial statements in accordance with US GAAP.

We understand that “related parties” include (1) affiliates of the Company; (2) entities for which investments in their equity securities would be required to be accounted for by the equity method by the investing entity; (3) trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; (4) principal owners of the Company and members of their immediate families; and (5) management of the Company and members of their immediate families.

Related parties also include (1) other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and (2) other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

7. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments whose effects should be considered by management when preparing the financial statements and that should be accounted for and disclosed in accordance with US GAAP (ASC 450, *Contingencies*), and we have not consulted legal counsel concerning such litigation, claims, or assessments.
8. The calculation of participation rent for the year ended December 31, 2020 as determined in the supplementary schedules of net operating income, debt service, net cash flow, and subtenant rents is prepared in accordance with the terms as defined in the Westside General Ground Lease (the Agreement). We have read the supplementary schedules and believe the information presented is consistent with and accurately reflects the provisions contained in the Agreement.
9. The information included in the Leases footnote to the financial statements, which describes the participation rent calculation, is consistent with our understanding of the agreement.
10. The rent expense for the participation rent was \$152,668 for the year ended December 31, 2020.
11. The amounts due for other rent is \$144,243 as of December 31, 2020.
12. Based on the Agreement with the City, the Company is able to factor in a cash reserve to the Net Operating Income section of the Participation Rent Expense calculation. Per the agreement, both parties must agree to any cash reserve amounts. The Company did not reserve a cash balance in 2020.
13. All events subsequent to the date of the financial statements through the date of this letter and for which US GAAP requires recognition or disclosure have been recognized or disclosed.

Very truly yours,

SOONER TOWN CENTER II, LLC

Robert C. Collett, Managing Member

John Cheek, Consultant to Collett as an agent for Sooner Town Center II, LLC



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Katherine Fox, Chief Financial Officer of Collett as an agent for Sooner Town Center II, LLC

MIDWEST CITY ECONOMIC DEVELOPMENT AUTHORITY

Matthew D. Dukes II, Chairman

MIDWEST CITY MEMORIAL HOSPITAL AUTHORITY

Matthew D. Dukes II, Chairman

BROKERAGE



DEVELOPMENT



MANAGEMENT



INVESTMENTS

DRAFT

Financial Statements and Report of
Independent Certified Public
Accountants

Sooner Town Center II, LLC

December 31, 2020 and 2019

Contents

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Members of
Sooner Town Center II, LLC

We have audited the accompanying financial statements of Sooner Town Center II, LLC (an Oklahoma limited liability company), which comprise the balance sheets as of December 31, 2020 and 2019, and the related statements of operations, changes in members' deficit, and cash flows for the years then ended, and the related notes to the financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sooner Town Center II, LLC as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included in Schedules I through IV is presented for purposes of additional analysis and is not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

GRANT THORNTON LLP

Charlotte, North Carolina
Month DD, 2021

BALANCE SHEETS

December 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Real property, at cost:		
Buildings	\$ 6,867,756	\$ 6,867,756
Land improvements and signage	<u>1,772,745</u>	<u>1,772,745</u>
	8,640,501	8,640,501
Less - Accumulated depreciation	<u>(2,460,407)</u>	<u>(2,179,718)</u>
Real property, net	6,180,094	6,460,783
Other assets:		
Cash and cash equivalents	505,155	336,575
Accounts receivable	63,057	68,132
Deferred rents receivable	33,874	28,638
Deferred charges and other assets, net	<u>160,960</u>	<u>231,908</u>
Total assets	<u>\$ 6,943,140</u>	<u>\$ 7,126,036</u>
LIABILITIES AND MEMBERS' DEFICIT		
Liabilities:		
Notes payable (net of deferred loan costs of \$47,731 at December 31, 2020 and \$50,371 at December 31, 2019)	\$ 7,774,895	\$ 7,850,303
Accounts payable and accrued expenses	331,955	247,796
Unearned revenue	<u>59,641</u>	<u>59,373</u>
Total liabilities	8,166,491	8,157,472
Members' deficit	<u>(1,223,351)</u>	<u>(1,031,436)</u>
Total liabilities and members' deficit	<u>\$ 6,943,140</u>	<u>\$ 7,126,036</u>

The accompanying notes are an integral part of these financial statements.

Sooner Town Center II, LLC

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STATEMENTS OF OPERATIONS

Years ended December 31,

	<u>2020</u>	<u>2019</u>
Rental revenues	\$ 1,252,902	\$ 1,247,795
Operating expenses:		
Common area maintenance	74,291	70,817
General and administrative expenses	295,858	279,761
Rent expense	218,272	148,367
Depreciation and amortization	<u>327,525</u>	<u>327,525</u>
Total operating expenses	<u>915,946</u>	<u>826,470</u>
Interest expense	<u>433,871</u>	<u>441,550</u>
Net loss	<u><u>\$ (96,915)</u></u>	<u><u>\$ (20,225)</u></u>

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CHANGES IN MEMBERS' DEFICIT

Years ended December 31,

	Total Members' Deficit
Members' deficit, December 31, 2018	\$ (957,511)
Net loss	(20,225)
Distributions	<u>(53,700)</u>
Members' deficit, December 31, 2019	(1,031,436)
Net loss	(96,915)
Distributions	<u>(95,000)</u>
Members' deficit, December 31, 2020	<u><u>\$ (1,223,351)</u></u>

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

Years ended December 31,

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Net loss	\$ (96,915)	\$ (20,225)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation	280,689	280,689
Amortization	46,836	46,836
Changes in operating assets and liabilities:		
Accounts receivable	5,075	6,238
Deferred rents receivable	(5,236)	(5,236)
Deferred charges and other assets	26,752	(5,636)
Accounts payable and accrued expenses	84,159	52,991
Unearned revenue	268	714
	<u>341,628</u>	<u>356,371</u>
Net cash provided by operating activities	341,628	356,371
Cash flows from financing activities:		
Repayments on note payable	(78,048)	(226,253)
Member distributions	(95,000)	(53,700)
	<u>(173,048)</u>	<u>(279,953)</u>
Net cash used in financing activities	(173,048)	(279,953)
Net increase in cash and cash equivalents	168,580	76,418
Cash and cash equivalents, beginning of year	<u>336,575</u>	<u>260,157</u>
Cash and cash equivalents, end of year	<u>\$ 505,155</u>	<u>\$ 336,575</u>
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ 423,598	\$ 442,609

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 1 - SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES***Organization***

Sooner Town Center II, LLC (an Oklahoma limited liability company) (the Company) was organized in January 2012 for the purpose of acquiring, developing and leasing commercial properties in Oklahoma. The Company operates a retail center (the Project) located in Midwest City, Oklahoma. The Project is defined by a Ground Lease Agreement between Midwest City Memorial Hospital Authority, an affiliate of Midwest City, Oklahoma (collectively, the City) and the Company. The City is considered to be a related party for financial reporting purposes. The Company is responsible for design, construction, financing, leasing and management of the Project, all subject to City approval. Income and loss will be allocated to members in accordance with the operating agreement. The Project consists of 69,308 square feet of retail space and was completed in 2012.

Cash and Cash Equivalents

The Company classifies highly liquid investments with original maturity dates of three months or less as cash equivalents.

Concentration of Credit Risk

The Company's operating property is located in Midwest City, Oklahoma. The Company's ability to generate future revenues is dependent upon the economic conditions within this area.

As of December 31, 2020 and 2019, the Company had three tenants. Each tenant comprised more than 10% of total base rental revenue for the years ended December 31, 2020 and 2019. All three tenants comprised more than 10% of accounts receivable as of December 31, 2020 while two tenants comprised more than 10% of accounts receivable as of December 31, 2019.

The Company maintains its cash in a commercial bank. Regularly during the year, the Company maintained cash and cash equivalents in accounts in excess of the amount insured by the Federal Deposit Insurance Corporation. The Company's management regularly monitors the financial stability of these financial institutions.

Revenue Recognition

Rental revenue is generally recognized based on the terms of leases entered into with tenants. Rental revenue from leases with scheduled rent increases, incentives or abatements is recognized on a straight-line basis over the non-cancelable term of the respective leases. Property operating cost recoveries from tenants for common area maintenance, real estate taxes and other recoverable costs totaled \$297,144 and \$275,421 for the years ended December 31, 2020 and 2019, respectively, and are recognized in the period in which the related expenses are incurred, and are included in rental revenues in the accompanying statements of operations. Receivables relating to these recoveries totaled \$48,983 and \$37,442 as of December 31, 2020 and 2019, respectively, and are included in accounts receivable on the accompanying balance sheets. If it becomes probable that a tenant will fail to perform according to the terms of the lease, a loss equal to the deferred rents receivable unlikely to be received from that tenant would be charged to operations. The Company also earns percentage rent from a tenant based on a gross receipts calculation. This revenue is recognized in the period it is earned. Receivables relating to percentage rent totaled \$14,074 and \$30,690 as of December 31, 2020 and 2019, respectively, and are included in accounts receivable on the accompanying balance sheets.

Rental revenue recognized on a straight-line basis over rents due amounted to \$5,236 for the years ended December 31, 2020 and 2019.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

Revenue received in advance from tenants is recognized as unearned revenue on the accompanying balance sheets. Unearned revenue was \$59,641 and \$59,373 as of December 31, 2020 and 2019, respectively.

At December 31, 2020, three tenants occupying 69,308 square feet were operating under noncancelable leases providing for future minimum rents of \$3,365,736 with the latest expiration date of July 31, 2029.

Future minimum rents receivable under non-cancelable leases for all known tenants at December 31, 2020, is as follows. Most leases have renewal options, which are not included below.

	<u>Amount</u>
2021	\$ 936,448
2022	936,448
2023	274,161
2024	210,749
2025	219,912
Thereafter	<u>788,018</u>
	<u>\$ 3,365,736</u>

Accounts receivable are reported at their estimated net realizable value. When necessary, the Company provides an allowance for doubtful accounts based upon a review of outstanding receivables, historical collection information and existing economic conditions. Past due status is based on the contractual terms of the receivables. Accounts receivable are written off based on individual credit evaluation and specific circumstances of the customer. Management has concluded that all of the Company's accounts receivable amounts will be realizable and, accordingly, has not recorded an allowance for doubtful accounts at December 31, 2020 or 2019.

Real Property

Buildings are stated at cost and depreciated using the straight-line method over the estimated useful life of 39 years. Land improvements and signage are depreciated using an accelerated method of depreciation over the useful life of the assets, usually 15 years.

Depreciation on real property charged to operations was \$280,689 for the years ended December 31, 2020 and 2019, respectively.

Repairs are charged against operations. Renewals and betterments that materially extend the life of an asset are capitalized.

The Company reviews the real property for impairment whenever events or changes in circumstances indicate that the carrying amount of the real property may not be recoverable. Recoverability of the real property is measured by a comparison of the carrying amount of the real property to undiscounted future net cash flows expected to be generated by the real property. If the real property is considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the real property exceeds its fair value. No impairment was recognized as of December 31, 2020 and 2019.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

Deferred Charges and Other Assets, net

Deferred charges consist of lease commissions and lease costs and are stated at cost net of accumulated amortization. At December 31, 2020 and 2019, total deferred charges capitalized were \$592,727 with accumulated amortization of \$445,612 and \$401,416, respectively. The lease commissions and lease costs are amortized on the straight-line method over the terms of the respective leases. Lease commissions and lease costs amortization expense of \$44,196 is included in depreciation and amortization in the accompanying statements of operations for both years ended December 31, 2020 and 2019.

Deferred charges and other assets also includes \$13,845 and \$40,597 of prepaid expenses at December 31, 2020 and 2019, respectively.

Income Taxes

The Company is a limited liability company treated as a partnership for federal and state income tax purposes. As a result, the Company's results of operations are included in the income tax returns of its individual members. Accordingly, no provision for federal or state income taxes has been recorded in the accompanying financial statements. The Company files income tax returns in the U.S. federal jurisdiction and in the Oklahoma state jurisdiction. The Company is no longer subject to examination by taxing authorities for years before 2018, and it is not aware of any audits by any taxing authority.

The Company follows applicable authoritative guidance on accounting for uncertainty in income taxes which, among other things, prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return and provides guidance on derecognition, classification, interest and penalties, accounting in interim periods and disclosure. The Company has no uncertain tax positions.

Use of Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Other Risks

Since early March 2020, efforts to slow the spread of the Covid-19 virus have had a significant impact on the U.S. economy. The Company continues to follow the policies described in Note 1, including those related to impairments of real estate assets and allowance for doubtful accounts. Impacts of the pandemic on the Company's financial results have been reflected in the accompanying balance sheets and statements of operations. Continuing impacts of Covid-19 on the overall economy and the Company itself are highly uncertain and cannot be predicted. These impacts will continue to be evaluated and may result in recording impairments and allowance for doubtful accounts in future periods.

NOTE 2 - NOTE PAYABLE

The Company entered into a note payable agreement with First National Bank for borrowings in the maximum principal amount of \$9,136,970 on September 18, 2012. Cumulative amounts borrowed as of December 31, 2020 and 2019 were \$7,822,626 and \$7,900,674, respectively. The note is collateralized by a deed of trust on real property and assignment of rents. On February 10, 2017, the Company refinanced the note with First National Bank for the entire outstanding balance on that date. Under the amended terms, the interest rate is fixed at a rate equal to 3.50% per annum in excess of the Treasury Rate adjustable every

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

five years. The entire unpaid balance of principal and accrued unpaid interest outstanding on the note will be due and payable on February 10, 2039. For the years ending December 31, 2020 and 2019, the interest rate was 5.44%.

The net deferred loan cost balance as of December 31, 2020 and 2019 of \$47,731 and \$50,371, respectively, is presented as a reduction of the related debt liabilities on the accompanying balance sheets.

Notes payable outstanding consisted of the following as of December 31:

	<u>2020</u>	<u>2019</u>
Principal balance	\$ 7,822,626	\$ 7,900,674
Less - Unamortized deferred loan costs	<u>(47,731)</u>	<u>(50,371)</u>
Notes payable less unamortized deferred loan costs	<u>\$ 7,774,895</u>	<u>\$ 7,850,303</u>

Loan costs consist of various debt issuance costs and are amortized on the straight-line method, which approximates the effective interest method, based on terms of the respective debt agreements. The Company's loan costs total \$58,070 as of both December 31, 2020 and 2019, with accumulated amortization totaling \$10,339 and \$7,699 as of December 31, 2020 and 2019, respectively. Loan cost amortization expense of \$2,640 is included in depreciation and amortization in the accompanying statements of operations for the years ended December 31, 2020 and 2019.

Interest incurred related to the above notes payable totaled \$433,871 and \$441,550 for the years ended December 31, 2020 and 2019, respectively.

Scheduled principal payments on the note payable are as follows:

	<u>Amount</u>
2021	\$ 232,329
2022	256,660
2023	271,180
2024	285,416
2025	302,667
Thereafter	<u>6,474,374</u>
	<u>\$ 7,822,626</u>

NOTE 3 - LEASES

The Company subleases the Project land from Sooner Town Center, LLC (STC), a related party, which leases the land from the City. The lease commenced on July 19, 2012, with rent commencement on October 31, 2012. The lease expires on October 31, 2062, with a five-year renewal option. The monthly rent amount increases by 10% on the 10th anniversary of the commencement date, and every five years thereafter.

Straight-line rental expense totaled \$65,604 for the years ended December 31, 2020 and 2019. Unpaid rent expense related to this lease totaled \$144,243 and \$123,639 as of December 31, 2020 and 2019, respectively, and is included in accounts payable and accrued expenses on the accompanying balance sheets.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2020 and 2019

Future minimum rent payments for the original term are as follows:

	<u>Amount</u>
2021	\$ 45,000
2022	45,750
2023	49,500
2024	49,500
2025	49,500
Thereafter	<u>2,673,632</u>
	<u>\$ 2,912,882</u>

The Company also has a ground lease with the Midwest City Memorial Hospital Authority, an affiliated entity, which provides for participation rent equivalent to 50% of net operating income in excess of debt service, measured on a cumulative basis. Rent commenced on October 31, 2012 under this lease, which expires on October 31, 2062, with a five-year renewal option. In addition to participation rent, starting one year after the commencement date, annual rent is \$1. Participation rent is due and payable only to the extent that cumulative net cash flows are positive. Rent expense under this lease totaled \$152,668 and \$82,763 for the years ended December 31, 2020 and 2019, respectively.

NOTE 4 - RELATED-PARTY TRANSACTIONS AND BALANCES

Collett & Associates, LLC (Collett), an affiliated entity, provides leasing, development and brokerage services to the Company. Collett receives a monthly fee of 4% of gross monthly collections for providing property management services. Such fees totaled \$50,427 and \$49,952 for the years ending December 31, 2020 and 2019, respectively. The Company paid nominal amounts for various expense reimbursements to Collett, which are recorded as general and administrative expenses, for the years ended December 31, 2020 and 2019.

John S. Cheek, Inc. (Cheek), an affiliated entity, provides tax and accounting services to the Company. The Company paid \$9,170 and \$5,900 in fees to Cheek for the years ended December 31, 2020 and 2019, respectively.

The Company leases land from the City (see Note 3). Utility expenses paid to the City totaled \$9,742 and \$9,470 for the years ended December 31, 2020 and 2019, respectively.

Certain members guarantee the note payable.

NOTE 5 - SUBSEQUENT EVENTS

The Company has analyzed its operations subsequent to December 31, 2020 through _____, 2021, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

SCHEDULE I - NET OPERATING INCOME

Year ended December 31, 2020

Rental revenues per audited financial statements	\$ 1,252,902
Adjustments for cash basis:	
Accounts receivable	5,075
Deferred rents receivable	(5,236)
Unearned rent	268
	<u>1,253,009</u>
Gross operating revenue (cash basis)	<u>1,253,009</u>
Allowable expenses	
Total operating expenses	915,946
Adjustments for noncash expenses:	
Depreciation and amortization	(327,525)
Other adjustments:	
Participation rent expense, accrued or paid	<u>(152,668)</u>
Allowable expenses, net	<u>435,753</u>
Net operating income per Ground Lease Agreement (1)	<u><u>\$ 817,256</u></u>

(1) The Ground Lease Agreement between the City and the Company defines Net Operating Income per the Redevelopment Agreement as the difference between Gross Operating Revenue and the actual Operating Expenses for the same period. The agreement specifically defines Gross Operating Revenue as all revenues derived from the project, determined in accordance with GAAP, computed on a cash basis, exclusive of subtenant security deposits and other refundable deposits and exclusive of proceeds derived from a sale, condemnation, financing, insurance settlement or other transaction that is capital in nature. Further, Operating Expenses are defined as those costs determined in accordance with GAAP, including all necessary and reasonable expenditures of any kind made with respect to the operations of the project typical of a Class A shopping center, without limitation, ad valorem taxes, insurance premiums, R&M expenses, management fees, leasing and advertising expenses, professional fees, wages and utility costs. Non-cash expenditures such as depreciation and amortization shall not be included in the computation of Operating Expenses. Operating Expenses shall include all project development costs incurred by the Company, that are not financed, in further developing and leasing available space within the Project including, without limitation, tenant upfitting costs, market rate brokerage commissions, tenant improvement allowances, building improvements and legal fees.

Sooner Town Center II, LLC

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SCHEDULE II - DEBT SERVICE

Year ended December 31, 2020

Debt service:

Interest expense per audited financial statements	\$ 433,871
Principal payments and loan costs	<u>78,048</u>
Total Debt Service (2)	<u><u>\$ 511,919</u></u>

(2) The Ground Lease Agreement defines Debt Service as the net principal paydown on all loans and accrued interest on all loans and all costs associated with obtaining the loans on the Project or any portion thereof for which a certificate of completion has been issued that are not and have not previously been accrued or paid as Operating Expenses.

SCHEDULE III - NET CASH FLOW

Year ended December 31, 2020

Net operating income per Ground Lease Agreement	\$ 817,256
Less - Debt service	<u>(511,919)</u>
Net cash flow, current year	305,337
Less - Cash reserve	<u>-</u>
Net cash flow, after year	305,337
Participant rent factor	<u>50%</u>
Participant Rent (minimum - of \$0) (3)	<u><u>\$ 152,668</u></u>

(3) For purposes of determining Participation Rent, the Ground Lease Agreement defines Net Cash Flow as Net Operating Income less Debt Service. Participation Rent shall be an amount equal to fifty percent (50%) of Net Cash Flow remaining after any additional cash reserve.

SCHEDULE IV - SUBTENANT RENTS

Year ended December 31, 2020

Tenant rents	<u>\$ 1,253,009</u>
Gross operating revenue (cash basis) (4)	<u><u>\$ 1,253,009</u></u>

(4) Refer to page 15 for the calculation of Gross operating revenue (subtenant rents) which is computed on the cash basis.



PUBLIC DISCUSSION

