

**AGENDA OF A SPECIAL MEETING OF THE
COMMISSIONERS
OF THE ARDMORE CITY COMMISSION TO
BE
HELD ON 09/09/2021 AT 3:30 PM IN THE
COMMISSION CHAMBERS**

NOTICE: "Official action can only be taken on items which appear on the agenda. The Commission may adopt, approve, ratify, deny, defer, recommend, amend, strike, or continue any item. When more information is needed to act on an item, the Commission may refer the matter to the City Manager or the Municipal Counselor. The Commission may also refer items to standing committees of the Commission or to a board or commission for additional study. Under certain circumstances, items are deferred to a specific later date or stricken from the agenda entirely."

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVE AGENDA - ORDER OF BUSINESS
AND CONTENTS**
4. **REGULAR BUSINESS**
 - 4.A. **AGREEMENT(S)**

4.A.1. **Agreement 1**

**Consideration and Possible Approval of an Amended Agreement between the City of Ardmore and Air Evac EMS, Inc. for a New Hangar to be at 2205 Executive Airport Drive located in the Ardmore Downtown Executive Airport and Approval or Rejection of Any Amendments Proposed and Considered by the City Commission at the Meeting
(Presented by Kevin Boatright, City Manager)**

Documents:

[AGREEMENT 1.PDF](#)

4.A.2. **Agreement 2**

Consideration and Possible Approval to Accept the Low Bid Received from MacHill Construction Company, Inc. for the Ardmore Downtown Executive Airport Air Evac Hangar Project (Bid Number 21-600) in the Total Amount of \$968,000.00 and Approval or Rejection of Any Amendments Proposed and Considered by the City Commission

(Presented by Kevin Boatright, City Manager)

Documents:

[AGREEMENT 2.PDF](#)

4.A.3. **Agreement 3**

Consideration and Possible Approval for the Extension of Time for an Additional Fifteen (15) Days in Acceptance of the Bid Offer from MacHill Construction Company, Inc. in the Amount of \$968,000.00 for a New Air Evac Hangar at 2205 Executive Airport Drive located in the Ardmore Downtown Executive Airport Due to the Need for Approval of a Lease Amendment and Approval or Rejection of Any Amendments Proposed and Considered by the City Commission at the Meeting

(Presented by Kevin Boatright, City Manager)

Documents:

[AGREEMENT 3.PDF](#)

5. **ADJOURN**

CITY OF ARDMORE
Office of the City Manager

Council Letter No. 5179
Meeting Date: September 9, 2021

Mayor and City Commission
City of Ardmore, Oklahoma

RE: First Amendment to the Ardmore Downtown Executive Airport Lease Agreement
between the City of Ardmore and Air Evac EMS, Inc.

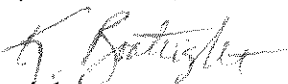
Dear Commission Members:

The amendment is being brought for your consideration due the low bid for the hanger construction being so much more than the original estimate. As a result, new terms were negotiated and put forth in the amendment to the lease. The attached amendment to the lease agreement is for the new hanger for the air ambulance that is currently located at the Ardmore Downtown Executive Airport. The construction of the new hanger will be paid for by the City of Ardmore. Air Evac EMS, Inc. will be paying the City back for the construction costs through the 180 payments of the "primary term" mentioned in this lease amendment. This is an increase from the original lease which had 120 payments. Upon completion of the construction of the new hanger the lease for the new hangar will go into effect.

The initial rental to be paid by Lessee to the City for the leased premises is the sum of \$4,387.41 on the commencement date, this will be paid each month for a total annual rent of \$52,648.92, subject to final adjustment as provided in paragraph 12 of the Lease. In this new amendment the Lessee shall now also make a one-time payment to City in the amount of \$178,266.50, with such payment to be made upon substantial completion. The term of the amended Lease Agreement is effective as of the effective date and the "primary term" ends fifteen (15) years after the commencement date and not 10 years as in the original lease, with the Lessee having the option of one (1) additional ten (10) year extension.

Staff respectfully recommends approval of the first amendment to the Lease Agreement between the City of Ardmore and Air Evac EMS, Inc.

Respectfully Submitted,


Kevin Boatright
City Manager

FIRST AMENDMENT TO ARDMORE DOWNTOWN EXECUTIVE AIRPORT LEASE AGREEMENT

THIS FIRST AMENDMENT TO ARDMORE DOWNTOWN EXECUTIVE AIRPORT LEASE AGREEMENT ("Amendment") is made and entered into effective as of September 8, 2021 (the "Amendment Date"), by and between the **CITY OF ARDMORE**, an Oklahoma municipal corporation ("City") and **AIR EVAC EMS, INC.** ("Lessee").

RECITALS:

WHEREAS, City and Lessee previously entered into that certain Ardmore Downtown Executive Airport Lease Agreement dated August 2nd, 2021 (the "Lease");

WHEREAS, the parties desire to amend the Commencement Date as set forth in the Lease;

NOW, THEREFORE, in consideration of the mutual covenants, agreements, representations and warranties set forth in this Amendment, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Term. The "Primary Term", as defined in Section 2 of the Lease, shall mean a fifteen-year period after the Commencement Date. Lessee shall retain its option for one additional ten (10) year Extension Term, on the terms and condition set forth in Section 2, except that rental for such Extension Term shall be at Fair Market Rental, as hereinafter defined. "Fair Market Rental" shall mean the then-prevailing market rate based upon leases with similar terms and conditions in the Ardmore, Oklahoma metropolitan area, as reasonably determined by the City acting in good faith, but subject to the approval of the Lessee as described below. City shall provide Lessee with its proposed Fair Market Rental within fifteen (15) days of City's receipt of Lessee's notice to extend as set forth in Section 2 of the Lease. Lessee shall have fifteen (15) days after receipt of Lessor's proposed Fair Market Rental ("Lessee's Response Period") to do one of the following: (a) accept such proposal in writing as Fair Market Rental, in which case such rental shall be the rental for the Extension Term; (b) notify City that Lessee rejects such proposal and rescinds its exercise of the Extension Term, in which case the Lease shall terminate at the expiration of the Primary Term; or (c) notify City that Lessee objects to such proposal but desires to negotiate with City in good faith towards a mutually-agreeable Fair Market Rental, in which case the parties shall attempt to agree upon same within fifteen (15) days after the expiration of Lessee's Response Period (the "Negotiation Period"). If Lessee chooses option (c) and if Lessee and City are unable to mutually agree upon a Fair Market Rental within the Negotiation Period, the parties will jointly appoint a single arbitrator within ten (10) days of the expiration of such Negotiation Period. The arbitrator must be an independent commercial real estate broker (not representing either of such parties) having at least fifteen (15) years of commercial real estate leasing experience in the Ardmore, Oklahoma area. The sole issue submitted to such arbitrator shall be which party's best and final proposal for Fair Market Rental is closest to the actual fair market rental value, as independently determined by the arbitrator. At the request of either party, the arbitrator will hold hearings for the presentation of evidence on the matter. Within fifteen (15) days of its appointment, the arbitrator will give the parties written

notice of its determination as to which of the parties best and final proposals regarding the Fair Market Rental will constitute the Fair Market Rental during the Extension Term. The decision of such arbitrator will be binding on the parties. The parties shall share the cost of the arbitrator equally.

2. Rent. The first sentence of Section 3 of the Lease is hereby modified and amended to read as follows:

“The initial rental to be paid by LESSEE to the CITY for the leased premises is the sum of \$4,387.41 per month commencing on the Commencement Date, for a total of \$52,648.92, subject to final adjustment as provided in paragraph 12 of this Lease.”

3. Improvements. Pursuant to Section 8 of the Lease, the parties anticipated that the preliminary cost estimate of the improvements as shown on Exhibit B to the Lease would be \$611,467.01 (the “Estimated Bid Amount”). Actual bids for such improvements exceeded such amount, coming in at \$968,000.00 (the “Bid Amount”). As of the Amendment Date, the Bid Amount shall be deemed to be the successful bid price as contemplated by Section 8 of the Lease, and City and Lessee hereby each agree to waive their right under Section 8 of the Lease to terminate the Lease due to the Bid Amount being higher than the Estimated Bid Amount. In addition to rental as described in Section 3 of the Lease (as amended hereby), Lessee shall make a one-time payment to City in the amount of \$178,266.50, with such payment to be made upon substantial completion (as defined in Section 2 of the Lease), delivery, and acceptance of the Premises as improved.

4. Miscellaneous.

(a) All other terms, provisions and conditions set forth in the Lease remain unaffected hereby. In the event of any conflict or inconsistency between the specific provisions of this Amendment and the related specific provisions of the Lease, the provisions of this Amendment shall govern and control.

(b) This Amendment may be executed in multiple counterparts, each one of which shall be deemed an original, but all of which shall be considered together as one and the same instrument. Delivery of an executed counterpart of this Amendment may be made by electronic transmission, and any such counterpart or signature page sent by electronic transmission shall be deemed to be a written and signed original for all purposes, and a copy of this Amendment containing a signature page that has been delivered by electronic transmission shall constitute an enforceable original document.

(c) This Amendment, together with the Lease, contains the entire agreement between the parties regarding the subject matter hereof. Any prior agreements, discussions or representations not expressly contained herein shall be deemed to be replaced by the provisions hereof, and no party has relied on any such prior agreements, discussions or representations as an inducement to the execution hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized representatives, as of the Amendment Date.

CITY:

CITY OF ARDMORE

By: _____

Name: Doug Pfau

Title: Vice Mayor

LESSEE:

AIR EVAC EMS, INC.

By: DocuSigned by:
Daniel Sweeza DS
kcm
Name: Daniel Sweeza, FACHE
Title: COO

CITY OF ARDMORE
Finance Department

Council Letter No. 5180
Meeting Date: September 9, 2021

Mayor and City Commission
City of Ardmore, Oklahoma

Re: Accept low bid from MacHill Construction, in the amount of \$968,000.00

Dear Commission Members:

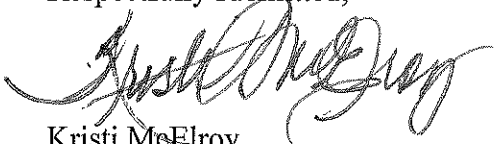
In July, the City of Ardmore solicited bids from thirteen (13) contractors to construct a new Air Evac Building at the Ardmore Downtown Executive Airports. Four (4) bids were received, as follows:

1. MacHill Construction, Ada, OK \$968,000.00
2. Miller Hoagland Construction, Fourney, TX \$1,287,259.00
3. RFD Construction, Ardmore, OK \$1,022,000.00
4. Sullivan Companies, Ardmore, OK \$1,076,081.00

The lowest, most responsible bidder meeting specifications was from MacHill Construction. Staff worked, recently and satisfactorily, with MacHill Construction on the construction of the new Street Department building.

Therefore, staff, respectfully, recommends the approval to accept and contract with MacHill Construction, in the amount of \$968,000.00.

Respectfully submitted,



Kristi McElroy,
Purchasing Coordinator/
Grant Administrator

Reviewed by: 
City Manager

**BID PROPOSAL
FOR
ARDMORE DOWNTOWN EXECUTIVE AIRPORT AIR EVAC HANGAR PROJECT
BID NO. 21-600**

Mayor and City Commissioners:

MacHill Construction Company, Inc.

(Name of Bidder)

hereinafter called the "Bidder", organized and existing under the laws of the State of Oklahoma hereby proposes and agrees to furnish all the necessary labor, materials, equipment, tools and services necessary for the construction of:

ARDMORE DOWNTOWN EXECUTIVE AIRPORT AIR EVAC HANGAR PROJECT

BID NO. 21-600

In compliance with the pertinent advertisement for bids, in strict accordance with the contract documents within the time set forth therein and at the prices stated below.

Bidder understands and certifies that

- The unit prices or lump sums shall be full compensation for furnishing all materials, equipment, labor, tools, power and transportation necessary to complete the construction of the various items of the project;
- The quantities shown in this Bid Proposal are approximate and are used as a basis for estimating probable cost of the work to be accomplished;
- The materials furnished may differ somewhat from these estimates;
- In addition, the City reserves the right to increase, reduce, or delete any item(s) in the bid proposal as deemed to be in the best interest of the City;
- Payment shall be based on the unit price for the actual amount of such work completed and/or the material furnished;
- The undersigned has examined the location of the proposed work and the Contract Documents and is familiar with the local conditions at the place where the work is to be performed;

- The Proposal Guaranty attached, without endorsement, in the sum of not less than five percent (5%) of the amount of the Bid, is furnished to the City as a guarantee that the Contract will be executed and a Performance Bond, Statutory/Payment Bond and Maintenance Bond, will be furnished within fifteen (15) days after award of the Contract to the undersigned, or that the undersigned will pay to the City the difference between the total amount of this Proposal and such larger amount for which the City may in good faith contract with another party to perform the work covered by this Proposal, provided that such payment shall be limited to the amount of the Proposal Guaranty;
- Within fifteen (15) days after being awarded the Contract, the undersigned agrees to execute the form of Contract included as one of the Contract Documents, and to furnish a Performance Bond in an amount equal to 100% of the Contract Amount, a Statutory/Payment Bond in an amount equal to 100% of the Contract Amount, and a Maintenance Bond in an amount equal to 100% of the Contract Amount.
- If awarded the Contract, the Undersigned agrees to complete the work within three-hundred (300) calendar days following the date of the Notice to Proceed;
- The Undersigned agrees that in lieu of actual damages, liquidated damages in the amount of \$500.00 per day will be assessed if all work is not completed in three-hundred (300) calendar days;
- The undersigned understands that the City reserves the right to reject any or all Proposals or to waive any formality or technicality in any Proposal in the interest of the City; and that;
- Bidder agrees to perform all work described in the Contract Documents for the following unit prices:

Bid Proposal continued on next page

BID PROPOSAL

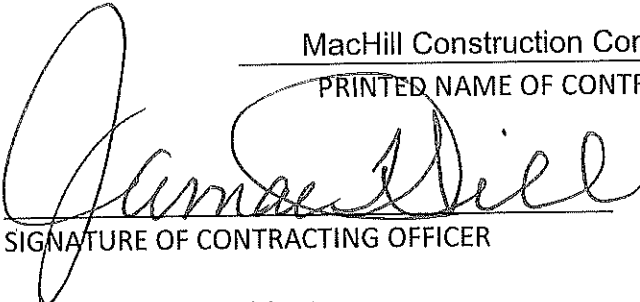
ITEM	DESCRIPTION	QUANT	AMOUNT
1	Air Evac Building	Lump Sum	
	TOTAL BASE BID	➔	\$ <u>968,000.⁰⁰</u>

Nine hundred sixty eight thousand + no/100

SUBMITTED BY:

MacHill Construction Company, Inc.

PRINTED NAME OF CONTRACTOR ("BIDDER")



8/9/2021

SIGNATURE OF CONTRACTING OFFICER

DATE

Jamae Hill, President

PRINT NAME AND TITLE OF SIGNATOR

ATTEST:


SECRETARY OF CORPORATION OR WITNESS

..... SEAL.....
[If bid is by corporation]

19080 CR 1590
CONTRACTOR BUSINESS ADDRESS

Ada OK 74820
CITY STATE ZIP CODE

(580) 332-1404
BUSINESS TELEPHONE NUMBER

michaelbarnes@machillconstruction.com
EMAIL ADDRESS OF CONTRACTOR

ADDENDA: The Bidder hereby acknowledges receipt of the following Addenda:

Addendum No.

Dated

<u>Addendum 1</u>	<u>7/12/2021</u>
<u>Addendum 2</u>	<u>7/14/2021</u>
<u>Addendum 3</u>	<u>7/27/2021</u>
<u>Addendum 4</u>	<u>7/28/2021</u>
<u>Addendum 5</u>	<u>8/2/2021</u>
<u>Addendum 6</u>	<u>8/4/2021</u>

CITY OF ARDMORE
Finance Department

Council Letter No. 5181
Meeting Date: September 9, 2021

Mayor and City Commission
City of Ardmore, Oklahoma

Re: To extend the low bid offer from MacHill Construction, in the amount of \$968,000.00, for 15 days

Dear Commission Members:

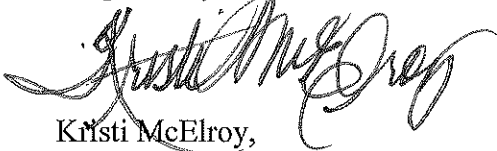
In July, the City of Ardmore solicited bids from thirteen (13) contractors to construct a new Air Evac Building at the Ardmore Downtown Executive Airports. Four (4) bids were received, as follows:

1. MacHill Construction, Ada, OK \$968,000.00
2. Miller Hoagland Construction, Fourney, TX \$1,287,259.00
3. RFD Construction, Ardmore, OK \$1,022,000.00
4. Sullivan Companies, Ardmore, OK \$1,076,081.00

The lowest, most responsible bidder meeting specifications was from MacHill Construction, but the bid exceeded the \$600,000.00 budgeted amount. Staff contacted Air-Evac to amend their lease agreement to include that the lessee would pay half (\$184,000.00) of the over budgeted amount. Because of this delay, the City is required to extend the low bid offer for 15 days.

Therefore, staff, respectfully, recommends extending the bid offer from MacHill Construction for 15 days.

Respectfully submitted,



Kristi McElroy,
Purchasing Coordinator/
Grant Administrator

Reviewed by: _____


City Manager