

**REIMBURSEMENT AGREEMENT FOR  
SW25100 - STORM DRAIN CONSTRUCTION**

*Agenda Item 25-326*

This Reimbursement Agreement for Storm Drain Construction (hereinafter referred to as the "Agreement") is made and entered into this 18 day of March, 2025, by and between Broken Arrow Municipal Authority (hereinafter referred to as "BAMA"), and MACO Construction, Inc., a private Company (hereinafter referred to as the "Company").

**RECITALS**

**WHEREAS**, the Company intends to construct storm drain to serve Lynn Oak Apartments (the "Project" or "Storm Drain"), located within the jurisdiction of BAMA; and

**WHEREAS**, upon completion and approval of the Storm Drain, BAMA will control, supervise, and maintain the infrastructure as part of its public stormwater system; and

**WHEREAS**, BAMA agrees to reimburse the Company for the cost of constructing the Storm Drain, subject to the terms and conditions set forth herein, with a total amount not to exceed \$92,692.49, per the attached Exhibit A (the "Reimbursement Amount").

NOW, THEREFORE, in consideration of the covenants and mutual obligations herein set forth and other consideration, the sufficiency of which the parties hereby acknowledge, the parties hereto hereby covenant and agree as follows:

**Article I - Scope of Work**

1. **Infrastructure Improvements:** The Company agrees to construct the Storm Drain in accordance with plans and specifications approved by BAMA and in compliance with all applicable local, state, and federal laws, ordinances, and regulations, including those of the Oklahoma Department of Environmental Quality ("ODEQ").
  - a. The parties understand, acknowledge and agree that the Company shall be solely responsible for constructing and completing or causing the construction or completion of any and all improvements to the site of the Project, except as specifically provided herein.
  - b. To the extent that the Storm Drain is installed on or in public rights of way or any other lands owned by the City of Broken Arrow, title to the same, upon the completion thereof, shall vest in the City of Broken Arrow, and Company shall furnish to the City all requested instruments of release or conveyance necessary to perfect the City's title thereto, provided such instruments are in a form reasonably acceptable to Company.

- c. Construction shall commence upon execution of this contract. The construction shall be executed in accordance with the project schedule provided by the Company, but shall not be more than 90 calendar days unless otherwise agreed upon.
2. **Cost of improvements.** The cost of materials for the Storm Drain shall be borne exclusively by BAMA.
3. **Oversight:** BAMA shall have the right to inspect the construction work at any time to ensure compliance with the approved plans and specifications.

## **Article II – Reimbursement**

1. **Reimbursement Amount:** BAMA agrees to reimburse the Company for the actual and reasonable costs incurred in constructing the Storm Drain, up to a total amount not to exceed \$92,692.49. The reimbursement shall be subject to verification of costs and approval by BAMA.
2. **Payment Terms:**
  - a. The Company shall submit to BAMA a detailed invoice, along with supporting documentation, including receipts, contracts, and other records, to substantiate the costs incurred. The invoices shall be in a format reasonably satisfactory to the BAMA.
  - b. BAMA shall process reimbursement payments within thirty (30) days of receiving all required documentation, subject to verification and approval.
3. **Conditions Precedent to Reimbursement:**
  - a. Completion of construction in compliance with approved plans.
  - b. Final inspection and acceptance of the Storm Drain by BAMA.
  - c. Transfer of ownership of the Storm Drain to BAMA, free of any liens or encumbrances.

## **Article III - Indemnification and Insurance**

1. **Indemnification:** It is understood and agreed between the parties that the Company is performing its obligations hereunder independently, and the BAMA assumes no responsibility or liability in connection therewith to third parties, and the Company agrees



to indemnify and hold harmless the BAMA, and its respective officers, agents and employees, from and against any and all claims, lawsuits, judgments, costs and expenses for personal injury (including death), property damage, or other harm for which recovery of damages is sought, suffered by any person or persons that may arise out of or be occasioned by any of the terms or provisions of this Agreement, or by any negligent act or omissions of the Company or its officers, agents, associates, employees in the performance of the Company's obligations under this Agreement. The provisions of this Section are solely for the benefit of the parties hereto and are not intended to create or grant any rights, contractual or otherwise, to any other person or entity.

2. **Insurance Requirements:** a. The Company shall procure and maintain, at its own expense, the following insurance coverage during the term of this Agreement:

- a. Commercial General Liability Insurance with limits of not less than \$1,000,000 per occurrence and \$1,000,000 aggregate.
- b. Workers' Compensation Insurance as required by Oklahoma law;
- c. Automobile Liability Insurance, with a combined single limit of not less than \$1,000,000 for each person, not less than \$1,000,000 for each accident and not less than \$1,000,000 for property damage; and
- d. Professional Liability Insurance, with a limit of \$1,000,000 annual aggregate; and

The Company shall provide BAMA with certificates of insurance naming BAMA as an additional insured and shall provide proof of general liability and professional liability insurance coverage to the BAMA on or before the effective date of this Agreement.

#### **Article IV - Term and Termination**

1. **Term:** This Agreement shall commence on the date first written above and remain in effect until all obligations of the parties have been fulfilled, unless terminated earlier as provided herein.
2. **Termination for Cause:** Either party may terminate this Agreement for cause upon thirty (30) days' written notice to the other party, specifying the default and providing a reasonable opportunity to cure.
3. **Termination for Convenience:** BAMA may terminate this Agreement for convenience upon sixty (60) days' written notice to the Company. In the event of termination, BAMA shall reimburse the Company for all eligible costs incurred up to the date of termination, subject to the total amount not to exceed \$92,692.49.

4. If during construction and prior to completion, the Agreement is terminated by BAMA for convenience rather than cause, in addition to the expenses incurred to such date of termination, BAMA shall be liable to the Company for any reasonable costs associated with the completing the Storm Drain, not to exceed the aggregate total sum of the Project of \$92,692.49, to such a condition compliant with approved plans and required building codes to support the Company's apartment complex and/or the Project as BAMA requires.

#### **Article V - Miscellaneous Provisions**

1. **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the State of Oklahoma. That any lawsuit or challenge to this agreement shall be commenced and maintained in the District Court of Tulsa County, State of Oklahoma.
2. **No Partnership Created:** This Agreement specifically does not create any partnership or joint venture between the parties hereto, or render any party liable for any of the debts or obligations of any other party.
3. **Entire Agreement:** This Agreement constitutes the entire understanding between the parties and supersedes all prior agreements or understandings, whether written or oral, relating to the subject matter herein.
4. **Amendments:** Any amendments to this Agreement must be in writing and signed by both parties.
5. **Severability:** If any provision of this Agreement is determined to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.
6. **Counterparts:** This Agreement may be executed in several counterparts, and all such executed counterparts shall constitute the same agreement. It shall be necessary to account for only one such counterpart in proving this Agreement.
7. **Further Assurances:** Each party agrees that it will, without further consideration, execute and deliver such other documents and take such other action, whether prior or subsequent to the consummation of the matters or completion of the undertakings set forth herein, as may be reasonably requested by any other party to consummate more effectively the purposes or subject matter of this Agreement.
8. **Attorneys' Fees:** In the event of any controversy, claim or dispute between the parties affecting or relating to the subject matter or performance of this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all of its reasonable expenses, including reasonable attorneys' fees as determined by Oklahoma law.
9. **Immigration Compliance:** Company shall comply in all respects with all immigration-related laws, statutes, ordinances and regulations including without limitation, the Immigration and Nationality Act, as amended, the Immigration Reform and Control Act of 1986, as amended, and the Oklahoma Taxpayer and Citizen Protection Act of 2007



(Oklahoma HB 1804) and any successor laws, ordinances or regulations (collectively, the Immigration Laws”).

10. **Notices:** All notices required under this Agreement shall be in writing and delivered to the parties at the following addresses:

**BAMA:**

P. O. Box 610

Broken Arrow, Oklahoma 74012

**Company:** MACO Construction, Inc.

P.O. Box 68, Clarkton, MO 63837

11. **Effective Date:** This Contract is effective shall be effective upon signature of both parties.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

**Broken Arrow Municipal Authority**

By: Michael Spurgeon  
Michael Spurgeon, City Manager

Date: 3/19/25

Attest: Curtis Green  
Secretary [Seal]

Date: 3/20/2025



**Company** MACO Construction, Inc.

By: J. Jason Maddox  
J. Jason Maddox, President

Date: 03/05/2025

Attest: [Signature]

Date: 3/5/2025

Approved as to form:

D. Graham Parker  
Assistant City Attorney



## **EXHIBIT A**

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**MACO Construction, Inc.**  
**111 North Main Street, Clarkton, MO 63837**  
Phone: 573-448-3000    E:mail: jason@macocompanies.com

**INVOICE # 115**  
Date: January 15, 2025

**REQUEST TO:**  
City of Broken Arrow  
2220 S 1st Street  
Broken Arrow, OK 74012

Re: Lynn Oak Estates project	
Storm sewer revision/addition	\$81,309.20
Add Gen Req 6%, overhead 2% and profit 6%	\$11,383.29
<b>Current Amount Requested</b>	<b>\$92,692.49</b>
Please remit to address above, attention Jason Maddox	







Revision 7 storm pricing

Revision 7					
3d-3e	Pipe	280		75 LF	\$ 21,000.00
3d-3e	Bedding/bi	174.9135802		60 CUYD	\$ 10,494.81
3d-3c	Pipe	200		75 LF	\$ 15,000.00
3d-3c	Bedding/bi	124.9382716		60 CUYD	\$ 7,496.30
3C-3B	Pipe	280		75 LF	\$ 21,000.00
3C-3B	Bedding/bi	174.9135802		60 CUYD	\$ 10,494.81
3B-3A	Pipe	50		75 LF	\$ 3,750.00
3B-3A	Bedding/bi	31.2345679		60 CUYD	\$ 1,874.07
Structure	3E	1.00	\$ 4,835.00	EA	\$ 4,835.00
	Bedding/bi	10.00	\$ 60.00	Cuyd	\$ 600.00
Structure	3D	1.00	\$ 6,135.00	EA	\$ 6,135.00
	Bedding/bi	10.00	\$ 60.00	Cuyd	\$ 600.00
Structure	3C	1.00	\$ 5,485.00	EA	\$ 5,485.00
	Bedding/bi	10.00	\$ 60.00	Cuyd	\$ 600.00
Structure	3B	1.00	\$ 5,745.00	EA	\$ 5,745.00
	Bedding/bi	10.00	\$ 60.00	Cuyd	\$ 600.00
					\$ 115,710.00

*Austin Murray*  
Austin Murray  
Manager  
DirtDaddy.Illc  
12/23/2024

2023 BID									
3d-3e	Pipe	\$	100.00		68 LF	\$		6,800.00	
3d-3e	Bedding/b	\$	91.80		60 CUYD	\$		5,508.00	
3d-3c	Pipe	\$	140.00		68 LF	\$		9,520.00	
3d-3c	Bedding/b	\$	128.52		60 CUYD	\$		7,711.20	
3B-3A	Pipe	\$	20.00		68 LF	\$		1,360.00	
3B-3A	Bedding/b	\$	18.36		60 CUYD	\$		1,101.60	
						\$			
									0
Structure	3D	\$	1.00		4363.23 EA	\$		4,363.23	
	Bedding/b	\$	10.00	\$	60.00 Cuyd	\$		600.00	
Structure	3C	\$	1.00		4363.23 EA	\$		4,363.23	
	Bedding/b	\$	10.00	\$	60.00 Cuyd	\$		600.00	
Structure	3B	\$	1.00		4363.23 EA	\$		4,363.23	
	Bedding/b	\$	10.00	\$	60.00 Cuyd	\$		600.00	
Structure	3A	\$	1.00		4363.43			4363.43	
	Bedding/b	\$	10.00	\$	60.00 Cuyd	\$		600.00	
						\$		51,853.92	







