

Did the Blackwell Industrial Authority violate the Oklahoma Constitution Article 10 § 11 when they allowed Vice-Chairman Ross Cline to lease 38 acres to bale hay, for the lease payment of \$5.00 per bale?

During the Blackwell Industrial Authority Special Meeting on April 26, 2006, it was discussed that Steve Herron "declined" to bale hay on 38 acres, and that an offer was received from Ross Cline for a grass lease of \$5.00 per bale. (See attached minutes)

The Oklahoma Constitution Article 10 § 11 states, "The receiving, directly or indirectly, by any officer of the State, or of any county, city, or town, or member or officer of the Legislature, of any interest, profit, or perquisites, arising from the use or loan of public funds in his hands, or moneys to be raised through his agency for State, city, town, district, or county purposes shall be deemed a felony. Said offense shall be punished as may be prescribed by law, a part of which punishment shall be disqualification to hold office."

In the 1985 OK AG 138 states, "Trustees of public trusts are considered to be public officials. *State ex rel. Cartwright v. Oklahoma Industries Authority*, 629 P.2d 1244 (Okl. 1981). Trustees of public trusts are subject to the provisions of Okla. Const. Article X, Section 11. A.G. Opin. No. 80-145 (August 7, 1980). Article X, Section 11 prohibits such public officers from receiving a direct or indirect profit from the use of public funds. It also prohibits the officer from receiving pecuniary interests arising from the loan or use of public funds. It is the officer himself who must receive the direct or indirect profit or interest. The type of interest subject to the prohibition is a private or personal interest of a financial or pecuniary nature. A.G. Opin. No. 79-267 (September 28, 1979). See also, *Baskin v. State ex rel. Short*, 232 P.388 (Okl.1925); *Mackey v. Crump*, 153 P.1128 (Okl.1915).

Submitted this day December 1, 2008

By: _____

J. Pepper
Jessica Pepper

The BIA will be sending M3 Engineering a bill for \$2,500 for storage fee of equipment they had temporarily stored in the Weldex building.

The prospect at the Blackwell-Tonkawa Airport has indicated they will be going to Bartlesville since there is a hangar immediately available. There was a meeting with Blackwell-Tonkawa officials and a representative from OIFA. OIFA is willing to work with the BIA in the future to secure financing for qualified prospects.

Shane Frye spoke with James Loveall who is presently out of town. A meeting is scheduled with him next week to discuss the use of the five acres purchased some time ago by Mr. Loveall. Mowing of the property will also be discussed at that time.

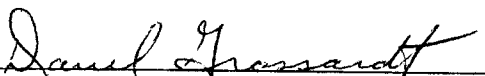
There was a discussion of the current building fees and permits required by the City of Blackwell. Many communities offer fee waivers as incentives to prospects. The BIA plans to present a proposal to the City Commission on what would be a good fee waiver to simplify the process.


The cleanup of the Electron building was brought up. The City code enforcement office is to issue a letter to the owner of the Electron building requesting cleanup of the building and surrounding property be done immediately.

The 50th anniversary of I-35 will be held this Friday, April 21, at 3:00 p.m. at the Kanza Travel Plaza.

May 2 ODEQ will hold a public hearing on the landfill permitting process at City Hall at 6:00 p.m.

There being no further business, Mike Loftis made a motion to adjourn. Greg Sandy seconded the motion. Motion carried.


Chairman


Secretary



BLACKWELL INDUSTRIAL AUTHORITY

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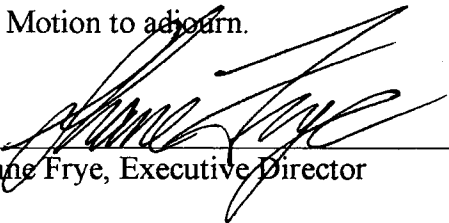
“AMERICA’S HOMETOWN”

BLACKWELL INDUSTRIAL AUTHORITY NOTICE OF SPECIAL MEETING APRIL 26, 2006

The Trustees of the BLACKWELL INDUSTRIAL AUTHORITY will meet in special session on Wednesday, April 26, 2006, at 5:00 p.m., in the Chamber Conference Room, 120 S. Main, Blackwell, Oklahoma.

On the Agenda is the following:

1. Opening
2. Discuss and take action on approval of subcontractors' bids for industrial park construction.
3. Discuss and take action to approve Nelson Crane bid for inspection and repair of overhead cranes at 438 N. 20th.
4. Discuss and take action on contributing to FFA student work program to clean out property at 438 N. 20th.
5. Discuss and take action on purchase of general liability policy to cover BIA during construction work in industrial park.
6. Other new business in accordance with Oklahoma's Open Meeting Act, Title 25, of the Oklahoma Statutes, Section 301-314.
7. Motion to adjourn.



Shane Frye, Executive Director

Posted: *Shelva Paige 4-24-06*



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“AMERICA’S HOMETOWN”

BLACKWELL INDUSTRIAL AUTHORITY MINUTES OF SPECIAL MEETING APRIL 26, 2006

The Trustees of the BLACKWELL INDUSTRIAL AUTHORITY met in special session on Wednesday, April 26, 2006, at 5:00 p.m., in the Chamber Conference Room, 120 S. Main, Blackwell, Oklahoma.

The following Trustees were present:

Secretary-Treasurer	Bruce Dale
1 st Asst. Secretary	Greg Sandy
2 nd Asst. Secretary	Mike Loftis

Others present:	T.J. Greenfield	Justin Cline
	Shane Frye	Nancy Thompson

T.J. Greenfield and Justin Cline of G & C Concrete were present to open bids for the project at the industrial park. Two bids were opened for the materials for the main building as well as the annex—Rowe Construction, \$21,900 and DG Construction, \$24,500. Mike Loftis made a motion to accept the Rowe Construction bid. Greg Sandy seconded the motion. Motion carried. Voting for: Dale, Loftis and Sandy. Voting against: None. Rowe Construction also submitted a bid of \$7,500 for the second building. Mike Loftis made a motion to approve the bid of Rowe Construction. Greg Sandy seconded the motion. Motion carried. Voting for: Dale, Loftis and Sandy. Voting against: None.

Electrical bids were opened. Hetrick Electric, \$24,500; Younger-Holmes, \$28,585. Mike Loftis made a motion to approve the Hetrick bid. Greg Sandy seconded the motion. Motion carried. Voting for: Dale, Loftis and Sandy. Voting against: None.

Snow Glass submitted a bid for glass and windows at \$4,050. Chuck Hoddy bid \$4,000; Ponca Glass bid \$5,111.00. Mike Loftis made a motion to accept the Snow Glass bid. Greg Sandy seconded the motion. Motion carried. Voting for: Dale, Loftis and Sandy. Voting against: None.

Advance Door Co. submitted a bid of \$5,410 for overhead doors; Overhead Door Company of Stillwater bid \$6,858.29 and OK-Kan Overhead Doors & Windows bid \$6,412.37. Greg Sandy made a motion to accept the Advance Door Co. bid of \$5,410. Motion carried. Voting for: Dale, Loftis and Sandy. Voting against: None.

A bid of \$8,000 was received from Smith-Oakes for engineering the concrete slab, retaining walls, etc. Jerry Kellum, a local engineer, is available immediately to do the design work for the concrete work. Greg Sandy made a motion to have Mr. Kellum do the work and negotiate a price for the engineering. Mike Loftis seconded the motion. Motion carried. Voting for: Dale, Loftis and Sandy. Voting against: None.

Heating and air conditioning bids were received from Briggs Heating and A/C for \$7,630 and from Comfort Specialists for \$6,750. Mike Loftis made a motion to approve the Briggs bid as he has already done previous work on the the project by submitting drawings for the City. Greg Sandy seconded the motion. Motion carried. Voting for: Dale, Loftis and Sandy. Voting against: None.

Plumbing bids were received from Murphy Plumbing, \$8,385.00; Powell Plumbing, \$8,420.00; and Tucker Plumbing, \$18,962. Mike Loftis made a motion to approve the Murphy Plumbing bid of \$8,385.00. Greg Sandy seconded the motion. Motion carried. Voting for: Dale, Loftis and Sandy. Voting against: None.

Bids were considered for concrete work from Kiser Construction and Larry Hand Construction. The Board tabled any action on the concrete work until the engineering work is completed.

Mike Loftis made a motion to approve the bid from Nelson Cranes for inspection of the cranes at the former Weldex building. However, any actual work will be deferred until the BIA has an occupant for the building. Greg Sandy seconded the motion. Motion carried. Voting for: Dale, Loftis and Sandy. Voting against: None.

The Farmers/Ag Appreciation dinner will be Friday evening, May 5. The Board agreed to spend, at the Chairman's discretion, \$300 to \$400 for some student work during the FFA auction.

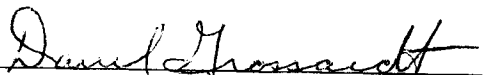
Mike Loftis will review the City's insurance policy to see if the BIA is covered for general liability on building projects. The Board may have to buy a builders risk policy.


A memorandum of the BIA's recommendation on City ordinances was sent to the City Manager and Mayor.

The announcement of the new rail operator will be May 5 at 8:30 a.m., at City Hall. A field day will be held soon to review railroad improvements and ride the rail.

Steve Herron, who baled the 38 acres south of Electron has declined to bale the hay this year. An offer to bale the hay has been received from Ross Cline for a grass lease of \$5.00 per bale.

There being no further business, Mike Loftis made a motion to adjourn.


Chairman


Secretary

9/5/2008

Profit and Loss Statement - Aug 2008:2

8/1/2008 through 8/31/2008 (Cash Basis)

Category Description	8/1/2008- 8/31/2008
INCOME	
Oper. Income	
Building rentals	11,605.65
City Funding	2,500.00
Miscellaneous	200.00 <i>class pay</i>
Other Interest	1,194.41
TOTAL Oper. Income	15,500.06
TOTAL INCOME	15,500.06
EXPENSES	
Oper. Expenses	
Consultant	2,000.00
Cost Share	200.00
Equip. Maint.	21.00
Health Insur	413.94
Loan Interest Exp.	4,259.22
Marketing-Trave	720.51
Miscellaneous	72.20 <i>flowers/okla.</i>
Mortgage Real Estate Exp	1,482.45
Office Supplies	49.13
Payroll Taxes	108.06
Secretary	1,416.66
Site Maintenanc	1,499.00 <i>Parker Rest/Murk</i>
Telephone	229.59
Website	34.90
TOTAL Oper. Expenses	12,506.66
Rest. Expenses	
HMT	1,310.00 <i>Smith & Oakes</i>
TOTAL Rest. Expenses	1,310.00
TOTAL EXPENSES	13,816.66
OVERALL TOTAL	1,683.40