

# No Standing News

Since we have no standing, we stand with those left standing.

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## **THE RE-NAMING GAME in which WAL-MART GETS FLIM-FLAMED FOR ANOTHER \$3,000 and RMU IS CAUGHT LYING.**

By Phil (People Helping Individuals Learn)

**T**he prominent picture and story in the October 6, 1999, Rolla Daily News is a smiling Dain Ward accepting a second check for \$3,000 from the Wal-Mart manager for "economic development efforts." What is wrong with this picture? First, the story identifies Ward as the chairman of the Rolla Economic Development Committee (REDC), an appointed but dormant city board. REDC is one of the two economic development committees that do exactly nothing. REDC has only three members left on it, Dain Ward, Terry Brewer and Dean Keith. If they do anything or if they even meet, no one knows about it. But it does provide a handy "shell" organization for taking Wal-Mart's money. In this case the money, by some mysterious process, will wind up in the hands of the Rolla Community Development Corporation (RCDC)\* which is not a city committee and will be used to the benefit of RCDC's\* Hy-Point Industrial Park, which is not a city-owned property. We're curious whether he will just cash it himself, deposit it directly into RCDC's\* bank account, or run it through Murphy's books leaving a handy audit trail of the crime.

\*Since most readers have trouble distinguishing one from the other we will start adding an asterisk whenever RCDC\* is referred to so you can clearly identify this rogue organization which gets its hands on your utility rate payments the tune of about \$600,000 per year.

In the article it said the money was for "preparation of 40 acres next to the Hy-Point Industrial Park." That would make you think it wasn't really part of Hy-Point if you didn't know that the city council gave (that's "gave" city property away, not sold) that acreage to RCDC\* just a few months ago. Wal-Mart probably has no clue that they have now donated a total of \$6,000 to a private corporation that Smiling H. Dain Ward and Ed "The Kernel" Owsley (city councilman) own stock in.

**The Re-Naming Game.** In the same article the newspaper, by accident or design, transformed the last "C" in RCDC\* to "Committee" instead of "Corporation." Calling RCDC\* a committee will fool the casual reader into thinking RCDC\* is just another harmless volunteer community group or that it is REDC the Rolla Economic Development Committee, a city committee with almost the same name and initials. When both are linked in the same sentence it is usefully confusing.

**RMU's New Name.** The Rolla Municipal Utilities has recently tried a variant of the "name game" but with a twist. They have been conducting an expensive media campaign (with your rate money) to plant in your mind that they are a non-profit group. After hearing this outrageous claim on the radio a few times, Lois Marler went to RMU and asked the manager, Dan Watkins, for the state incorporation papers

to check on this interesting claim that they were a not-for-profit (or non profit) corporation of the state. Watkins, a little red in the face, admitted they were not a non-profit corporation but he hastily explained that RMU was "sort of an AGENT for the city." Come on Danny, "Agent for the city," my Aunt Fanny! Is that what the board told you to say or did you make it up yourself? RMU is a city owned utility and a city department, plain and simple. The RMU board is appointed by the city council just like the Park Board we used to have before Ken Kwantes and Don Brown got rid of it. Proof of the RMU lie is right on the RMU web page.\* It explains how the city bought the utilities in 1945 and also says that the council appoints RMU board members! If anyone needs more proof there is a whole chapter in the city code book proving the same thing. RMU utility board members are not just liars they're really bad liars. Since the day Marler demanded proof, we haven't heard that particular RMU lie broadcast again.

To get back to the Wal-Mart flim-flam here's how it works (watch the initials carefully, this is tricky). H. Dain Ward, **RMU** board member, **REDC** board member, **RCDC\*** board member and Rolla City Economic Developer, gets his picture taken accepting Wal-Mart's second check for \$3,000 on behalf of one of his public positions - Chairman of the REDC. Dain Ward posing as the REDC (a city committee, which hasn't met in years,) will give the \$3,000 to RCDC\* (the **private** non-profit Dain Ward is also Chairman of). The money will wind up being spent to increase the commercial value of the private (RCDC\*) industrial park project he and Ed Owsley, some bankers and Chamber members own. THANKS WAL-MART! Now you understand why H. Dain Ward is smiling don't you? The Wal-Mart people actually believe they are donating their money for some public purpose. Wal-Mart has now been conned twice. The public generally has the mistaken impression that non profit corporations or not-for-profit corporations are some kind of money-losing

charity. Not true at all. Non-profits can pile up any amount of wealth, in this case in the form of property improvements at the industrial park and when the asset is sold or liquidated, the stockholders may receive cash for their stock many times the cost of the original purchase price. Will Wal-Mart claim this "charitable contribution" to REDC/RCDC\* on their taxes? I don't think the IRS would be amused.

**The Utility Rate Flim-Flam.** That method, with front-page publicity, is just for Wal-Mart's money; when it's your utility rate payments RCDC is receiving, the flim-flam works like this - but they don't do publicity shots for this one. H. Dain Ward and his fellow city officers on the RMU board, **James Stoffer, Maurice Alfermann and William Jenks, III**, vote secretly to overcharge you for your utilities. They then annually siphon off a half-million or more of your rate money and give it to the city. The city passes it along to the Rolla Community Development Corporation (RCDC\*). The "C", remember, is for corporation, not committee. Smiling H. Dain Ward is the chairman of RCDC\* and one of the stockholders of Hy-Point Industrial Park which has been absorbing millions of dollars of your utility payments. This system of laundering your utility rate payments into the pockets of RCDC is a blatant violation of the Missouri Constitution Article 6, section 23. In case you're waiting for the state to come riding in on a white horse to save you from being bilked for an illegal purpose - don't hold your breath. The state does not rescue us from suffering the consequences of bad local government that we elected. The council could stop this practice in just a few minutes by passing an ordinance requiring RMU to hold PUBLIC RATE HEARINGS to justify their charges. It's that simple.

The city, you may be surprised to learn, does have it's own industrial park. It's a neglected weedy strip of land between the railroad tracks and Old St. James Road and none of the RMU

money ever gets spent on it. As chairman of REDC (the one that hasn't met in years), H. Dain should be seeing that Wal-Mart's \$3,000 goes to the city industrial park - not the industrial park he owns stock in. We can safely assume that Smilin' H. Dain is one of many city officials who can't spell conflict-of-interest.

**The End Product.** Since we're getting so close to December 31st, it's worth pointing out again that Dain Ward and his fellow board members can't keep the power on, the water mains are blowing up on a regular basis. The Mayor is looking after our health and safety by waiting until the last minute to find out if RMU is Y2K compliant. If the utilities aren't ready, it will be too late to do anything about it by the time the mayor and council get the report. Because of the millions of dollars that have been drained out of utility revenues to benefit RCDC\*, RMU has only \$6 million dollars in their emergency reserve. That may sound like a lot of money but it is not a fraction of what they should have in reserve in case of a natural disaster or a Y2K disaster. We see and hear the utility crews trying to cope with the deteriorating electric and water infrastructure - it sounds like they're losing the battle and running out of baling wire. We hope these hardworking employees understand why they can't be paid better or have better equipment - RCDC\* really, really needs all that money. We wonder if the utility workers ever wonder how much the \$600,000 RMU gave to the city/RCDC in 1998, would have helped their working conditions and their paychecks this last budget year?

**In Rolla We Pay More - Get Less.** It's probably safe to say that Rolla has, per capita, more people allegedly involved in "development" and more money spent on "development" than any other city in the state and we have less to show for it than any other city in the state. Part of the reason for this is that we have a number of "development" committees who have no incentive to do anything because they were created, and the

appointees carefully selected, to make sure nothing interfered with the cash pipeline from RMU to Hy-Point. Think what a disaster it would be if the council appointed new people (who were not stockholders of RCDC\* or direct beneficiaries of RCDC's\* ill-gotten gains) to one of Rolla's economic development committees? Wouldn't it be embarrassing if they started asking why the committee they're on never meets? Wouldn't it be appalling if one of them asked why that \$3,000 wasn't being spent on the city industrial park?

**The Legal Migraine.** One of Ward's latest appointments thanks to Ed Owsley and Mayor Morgan is the Economic Developer for the city. This was H. Dain Ward's fourth and most recent city appointment. Morgan, Owsley and Butz created his position without an ordinance - again skipping the legal part. They now routinely skip that part. In July, they hired John Petersen to be a community developer for the city Community Development Department. What, you ask, is the difference? We don't know and neither does the council because the job description for this new, salaried officer of the city was never written down. Butz just makes this stuff up, Morgan announces it, the council asks no questions and, Voila! it's done. The council doesn't appear to know they are supposed to be creating or amending ordinances for all of this job reshuffling. Butz either doesn't know or care about doing this legally and correctly. He's probably "comfortable" violating this state law also. Judging from the last few fiascos with city ordinances our conclusion is that John Butz lacks a basic understanding of the rule of law and how it applies to city operations. He and Morgan have the law firm of Bushie and Beger at their disposal but again - judging from the results - they share the same indifference to complying with state law as Butz. After he invented Petersen's new department, if it is a department, Butz later claimed that it is not really about economic development but actually does something with planning and zoning. If Petersen's job is about

planning and zoning, isn't that a function of the Public Works Department headed by Steve Hargis? Isn't Hargis the Director of Public Works or, was he the director before but now he isn't? By the way, don't confuse this Department of Public Works with the Board of Public Works, which is really RMU in disguise. Confused aren't you? See how well the name game works.

Legitimate ordinances, **required by state law** (we keep pointing that out and they keep ignoring it), describing jobs and duties for salaried officers of the city are now so lacking in Rolla that we doubt even some employees could explain what they are doing and what department they're in. This musical chairs method of knee-jerk hiring and re-assigning duties to salaried city officers is going to cause real damage some day - probably to some unwitting and innocent employee. Is this another example of how to run the city like a business?

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· RSMo 91.470. "Any member of said board of public works, who shall accept a nomination or appointment for any other office during his official term, shall be deemed thereby to have resigned as a member of said board, and his said membership shall thereby be ipso facto vacated."

· Rolla Ordinance # 35-151. "No member shall hold any other office, either by appointment or election, during his official term as a member of the board and any member of the board of public works who shall accept a nomination or appointment for any other office during his official term, shall be deemed thereby to have resigned as a member of the board and his membership shall thereby be, ipso facto, vacated."

· RMU board list  
<http://www.rollanet.org/~city/boards.html#Public Works>

**\*RMU site:**

<http://www.rollanet.org/~kwhh20/general.html#rhpw>

.....**tear off and save**.....

### A Bonus for NSN readers: **The 1999 Rolla Conflict-of-Interest SCORE CARD**

Confused? Need a chart to keep track of who's really running things - and much more important, who is deciding how to spend your tax money. That's the whole point of the game. You're not supposed to figure it out. The less you understand, the more indifferent you are. The more indifferent you are, the easier it is for them to get away with breaking laws and diverting your taxes to their purposes. We provide this handy tear off score card of who's who and what they do - or have failed to do. The Mayor complains that he is having trouble finding people to accept city appointments these days. It's not surprising considering what appointees are expected to (wink, wink) go along with. The names of those holding overlapping city appointments are in bold caps. These are the major facilitators. The other board members listed are just expected to shut up and let it happen.

### **A. THE CITY BOARDS and COMMITTEES:**

**1. Rolla Municipal Utilities (RMU) aka The Board of Public Works** (neither an "Agent of the city" nor a non profit and should not be confused with the Public Works Department. This is where most of RCDC's\* money is generated in inflated utility bills and skimmed off.)

1. **H. DAIN WARD** (see also city IDA and RCDC\* and REDC and Rolla Economic Developer)
2. James Stoffer
3. Maurice Alfermann
4. William Jenks, III.

**2. Rolla Economic Development Committee (REDC)** (This city committee has recently been taken off the Rolla City web page. Does it no

longer exist? If it has been eliminated by another wave of the Butz magic wand, why is H. Dain taking Wal-Mart's money for it? They never report to the council on what they're doing about economic development. Do they ever meet? Isn't it obvious that this just another convenient front group?)

1. **H. DAIN WARD** (see also city IDA and RCDC\* and RMU and Rolla Economic Developer)
2. **TERRY BREWER** (owner of Brewer Science in Dain Ward's industrial park and grateful recipient of many, many thousands of your utility dollars.)
3. Dr. Dean Keith
4. **Vacancy**
5. **Vacancy**

3. **Rolla Economic Developer** - This is not a board but a position. It's either **H. DAIN WARD** or John Petersen depending on how John Butz is defining their jobs this month. We included these because they add to the general confusion.

4. **Industrial Development Authority (IDA)** A real, and the only legal, city industrial development committee. Meets at the call of the chairman, which means they don't meet at all. Why should they? Every thing there is to spend goes to RCDC's\* industrial park. These members, who are also on the RCDC\* board, are a form of insurance that no complaint from a legitimate IDA member will ever be raised and nothing will be done to interfere with RCDC's\* raids on the city treasury.

1. **ED LOUGHRIDGE** (see also RCDC\*)
2. Roy Charles
3. **STEVE BOWLES** (see also RCDC\*)
4. **DON CASTLEMAN** (see also RCDC\*)
5. **JOHN WILLIAMS** (see also RCDC\*)

**B. "THE CONNECTED" PRIVATE BOARDS:** You wouldn't get the whole picture

without knowing the players on some private boards who have "interesting" city appointments or who receive significant benefits from your tax dollars. When you see any of these "civic leaders" be sure to congratulate them on pulling off such a slick one on the taxpayers.

1. **Rolla Community Development Corporation, (RCDC\*)** owner of Hy-Point Industrial Park (not a city industrial park)

1. **H. DAIN WARD** (see also city IDA and REDC and RMU and Rolla Economic Developer)
2. **JOHN WILLIAMS** (see also city IDA)
3. **ED LOUGHRIDGE** (see also city IDA)
4. Ray Rucker
5. Bob Thompson
6. **ED OWSLEY** (also Rolla City Councilman who isn't shy about voting in favor of all city appropriations of cash to RCDC\*. He can't spell conflict-of-interest either.)
7. Bob Stoltz
8. **WILLIAM JENKS III** (see also RMU board)
9. Bob Tucker
10. **STEVE BOWLES** (see also city IDA)
11. **DON CASTLEMAN** (see also city IDA)

2. **Rolla Area Chamber of Commerce** -

Unbelievably, the chamber is listed in the city directory as if it were a city department! <http://www.rollanet.org/~kwhh20/citydir.html> They aren't of course but they have controlled so much of what goes on in the city for so long even city hall has forgotten they're just a private business lobby organization. Currently, the chamber receives about \$180,000 annually in city tourist tax revenues.

1. Buz Harvey, Chairman
2. Steve Bowles

3. Terry Harris
4. Dennis Bennett
5. Joe Coonrod
6. Dick Elgin
7. Kim Haas
8. Linda Hagler
9. Cathie John
10. Mohammed Qayoumi
11. Ward Merrell
12. Gary Peters
13. Fred Voss

We will keep this list of civic leaders updated for you on an annual basis. That is, we will if the names ever change. Most of the city appointments have been the same for many years doing the same thing - just maintaining the status quo for the benefit of a few at great cost to many.

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### **FREE JUDGE MAYBERRY NOW!!!**

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