

ECONOMIC DEVELOPMENT AGREEMENT

THIS AGREEMENT made and entered into this 16th day of June, 2014, but to become effective July 1, 2014, by and between the CITY OF BARTLESVILLE, OKLAHOMA. a municipal corporation, hereinafter referred to as "CITY", and BARTLESVILLE DEVELOPMENT AUTHORITY, an Oklahoma Trust, hereinafter referred to as "BDA",

WITNESSETH:

WHEREAS BDA has been formed for the purpose of furthering economic development in the Bartlesville area and City wished to contract with BDA for such purposes and BDA also desires to enter into such an agreement with City.

NOW THEREFORE, for valuable consideration, the receipt of which is hereby acknowledged by both parties hereto, the parties hereto hereby agree as follows:

1. PURPOSE. BDA agrees to use its best efforts to further the economic development of the City of Bartlesville and its surrounding area. It will use its best efforts to promote Bartlesville as a community of excellence, known for a superior life style, a diverse economic base, and a highly skilled workforce which foster the growth of tourism and business, providing quality employment opportunity for all citizens.

BDA has presented a strategic plan and a budget to fund its operational expenses for the period from July 1, 2014 through June 30, 2015, copies of which are attached hereto and incorporated herein.

2. FUNDING. City agrees to appropriate to BDA the unrestricted funds remaining with BDA on June 30, 2014 (estimated to be approximately \$1,238,061) to fund the attached budget starting on July 1, 2014.

All funds appropriated to BDA by City shall be used for a proper public purpose. In the event BDC shall desire to expend funds for other purposes, it shall be entitled to do so but shall be obligated to make expenditures from private funds raised and accounted for separately from public funds. On or prior to June 1 of each year, BDA agrees to submit to City its annual action program, goals, and proposed budget which will help form the basis for the amount to be appropriated by City. It being clearly understood that City is under no legal obligation to appropriate funds for another year.

3. TERM. This agreement shall expire on June 30, 2015, but it is intended that the relationship between the parties be a long-term relationship with agreements similar to this agreement, being signed by the parties on an annual basis.

4. REPORTING. BDA will report to the City Council of City on a quarterly basis as to its financial standing and its economic development plans and all else it may deem appropriate or as to any specific subject requested by City. Additional reports will be presented to City if so requested by City and such additional reports shall include any items so requested by City. All such reports shall be open records in accordance with the open records laws of the State of Oklahoma.

5. MEETINGS. The BDA will comply with the provisions of the Oklahoma Open Meetings Act.

6. AMENDING ARTICLES. Article VII of the First Amendment to the Trust Indenture provides a method for selecting the members of the Board of Trustees and other provisions relating to their terms. BDA agrees that this portion of its Trust Indenture not be further amended without the prior approval of the Bartlesville City Council.

7. CODE OF ETHICS. The parties agree that BDA has presented to the City Council a Code of Ethics policy which policy has been reviewed and approved by the City Council and said policy shall remain in effect during this contract period.

8. BIDDING. BDA is encouraged to institute a policy of seeking competitive bids relating to the expenditure of its funds whenever possible. It is recognized that bidding is not always possible or practical but to the extent that BDA finds it advantageous, it is encouraged to seek competitive bids. In addition, BDA will comply with the Public Competitive Bidding Act of 1974.

9. INDEPENDENT CONTRACTOR. BDA is an independent contractor to the City in connection with this agreement. The officers and employees of BDA involved in the program of this contract shall not be considered for any purposes to be the officers of City.

10. AUDIT. The parties agree that the City shall annually cause an audit by an independent auditor to be made of the records of BDA to the extent that they involve directly or indirectly the expenditure of funds appropriated to BDA by City pursuant to this agreement. The cost of such an audit shall be borne by BDA.

11. RIGHT TO SUBCONTRACT. It is understood and agreed that BDA may itself perform its obligations and duties relating to economic development or that it may subcontract certain portions of its duties and responsibilities to other parties. However, in the event that certain duties are subcontracted, BDA will remain responsible to City for the results.

12. PROHIBITION ON EMPLOYMENT. It is agreed that the Chief Executive Officer of the BDA will be only employed by and responsible to the BDA. Specifically, the Chief Executive Officer of the BDA will not also be employed by the Bartlesville Regional Chamber of Commerce or any related or similar entity.

13. EXISTING INCENTIVE CONTRACTS. In addition to its other duties, BDA shall be responsible for the monitoring of existing and future incentive agreements between City and other entities and shall report to City on a quarterly basis relative to compliance with existing contracts.

THIS AGREEMENT shall be binding upon the parties hereto, their successors and assigns.

CITY OF BARTLESVILLE

BY



Mayor

ATTEST:

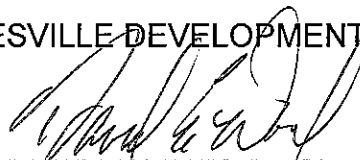


City Clerk



BARTLESVILLE DEVELOPMENT AUTHORITY

By



President

ATTEST:



Secretary