

IN THE SUPREME COURT OF THE STATE OF OKLAHOMA
IN THE DISTRICT COURT OF OKLAHOMA COUNTY

JUL 14 2016

RICK WARREN
COURT CLERK

05

IN THE MATTER OF THE MULTICOUNTY)
GRAND JURY, STATE OF OKLAHOMA)

Case No. SCAD-2014-70
Oklahoma County No. GJ-2014-1

FINAL REPORT

We, the State of Oklahoma's Fifteenth Multicounty Grand Jury, duly empaneled on the 21st day of January 2015, upon the verified application of the Attorney General of the State of Oklahoma, and pursuant to the Order of the Supreme Court of the State of Oklahoma dated November 7, 2014, and the provisions of the Constitution and Statutes of the State of Oklahoma, OKLA. CONST. Art. II, § 18 and 22 O.S. 2001 §§ 350 *et. seq.*, and charged with the responsibility of investigation into all seventy-seven (77) counties of the State, all manner and grade of crimes constituting public offenses under the laws of the State of Oklahoma, including, but not limited to, murder, rape, bribery, extortion, arson, perjury, fraud, embezzlement, violations of the Uniform Controlled Dangerous Substances Act, organized crime, public corruption, securities violations, and crimes involving the sale or purchase of good or services by state and local subdivisions. We have regularly met and faithfully investigated allegations of such criminal conduct over these eighteen (18) months as provided by law.

The Fifteenth Oklahoma Multicounty Grand Jury, sitting in Oklahoma City, Oklahoma County, Oklahoma, at its principal meeting place, having met for forty-nine days over sixteen sessions, and having issued seventeen hundred and seventy five (1775) subpoenas, and having entertained three hundred and thirty one (331) witness appearances, and having, in a fair and impartial manner, duly considered all such testimony and exhibits to the best of our ability and understanding, with due regard to the Court's instructions, and having heretofore, after due

deliberation, voted according to law, and having previously issued to the Court partial *Interim Reports* at the conclusion of each of its several sessions that are each, hereby, reaffirmed, do hereby submit to this Honorable Court this, its *Final Report*, as follows:

BACKGROUND

During this term, the Fifteenth Multicounty Grand Jury has used its statutory powers to investigate various types of alleged criminal activity throughout the State. These crimes include:

- 1) Murder;
- 2) Racketeering;
- 3) Rape;
- 4) Manslaughter;
- 5) Arson;
- 6) Conspiracy;
- 7) Money Laundering;
- 8) Indecent Exposure to a Minor Child;
- 9) Transmitting Obscene Videos to a Minor Child;
- 10) Child Abuse
- 11) Lewd Molestation;
- 12) Forcible Sodomy;
- 13) Bribery
- 14) Embezzlement;
- 15) Improper Disposal of Medical Waste
- 16) Uttering of Forged Instruments;
- 17) Delivery of Counterfeit Checks;
- 18) Obtaining Money by False Pretenses;
- 19) Violation of the Computer Crimes Act;
- 20) False Personation of a Police Officer;
- 21) Possession of a Firearm after Felony Conviction
- 22) Extortion;
- 23) Delivery of Contraband into a Penal Institution;
- 24) Elderly Abuse;
- 25) Neglect or Financial Exploitation of the Elderly by a Caretaker;
- 26) Official Misconduct;
- 27) Larceny;
- 28) Knowingly Concealing Stolen Property;
- 29) Violations of the Prepaid Funeral Act;
- 30) Medicaid Fraud;
- 31) Workers Compensation Fraud;
- 32) Insurance Fraud;
- 33) Food Stamp Fraud;

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- 34) Consumer Fraud;
 - 35) Charitable Fraud;
 - 36) Home Repair Fraud;
 - 37) Welfare Fraud;
 - 38) Tax Evasion;
 - 39) Threatening an Act of Violence;
 - 40) Unauthorized Use of a Credit Card;
 - 41) Engaging in or Soliciting Prostitution;
 - 42) Forcible Oral Sodomy;
 - 43) Burglary;
 - 44) Grand Larceny;
 - 45) Larceny of Cattle;
 - 46) Larceny of Farm Equipment;
 - 47) Possession of a Stolen Vehicle;
 - 48) Perjury;
 - 49) Unlawful Cultivation of a Controlled Dangerous Substance;
 - 50) Trafficking of a Controlled Dangerous Substance;
 - 51) Conspiracy to Distribute a Controlled Dangerous Substance;
 - 52) Maintaining a Home for the Distribution of a Controlled Dangerous Substance;
 - 53) Unlawful Distribution of a Controlled Dangerous Substance
 - 54) Possession of Drug Proceeds;
 - 55) Possession of Child Pornography;
 - 56) Robbery in the First Degree;
 - 57) Sexual Battery;
 - 58) Assault and Battery;
 - 59) Negligent Homicide;
 - 60) Violation of a Protective Order;
 - 61) Leaving the Scene of an Accident;
 - 62) Threat to Use an Explosive Device to Damage Property or Injure a Person; and
 - 63) Identity Theft

Always mindful of the protections afforded individuals under the Constitution of the United States and Constitution of the State of Oklahoma, it is clear the power to subpoena documents, records and other evidence, and compel the attendance and testimony of witnesses under oath across county boundaries, is an extremely effective tool in the investigation of criminal activity occurring in single or multiple counties across Oklahoma. The power to compel testimony has enabled the Oklahoma Multicounty Grand Jury to obtain the testimony of witnesses whose vital information would likely not have been obtained by other processes.

Likewise, the authority to subpoena different types of financial, business, and phone records has been pivotal in discovering and documenting criminal activity throughout the State without prematurely alerting those under investigation and giving them the opportunity to dispose of evidence, change their method of operation, or otherwise hinder lawful investigations.

The grand jury process serves an important function in the protection of a free citizenry in a representative republic such as ours. The Oklahoma Multicounty Grand Jury is composed of ordinary citizens from our State. We do not decide guilt or innocence, but rather, determine whether there is sufficient evidence which, if unexplained or uncontradicted and presented in court to a jury of one's peers, would prove the defendant's guilt beyond a reasonable doubt. When there is sufficient evidence of both type and quality, the grand jury's responsibility is to bring an indictment, or accusation of a crime, so that the State may require the indicted to face his accusers and stand trial. We have worked diligently and believe we have fulfilled our responsibility to the best of our ability in this regard.

The necessity and effectiveness of the Multicounty Grand Jury has been demonstrated by the assistance this body has rendered to numerous federal, state, and local law enforcement agencies investigating crimes within our state. In total, the Multicounty Grand Jury has assisted ninety nine (99) such agencies, as set out in *Appendix I* to this report. Most law enforcement agencies, whether it is an issue of manpower, resources, or authority, do not have all of the tools available to them that the Oklahoma Multicounty Grand Jury brings to the investigative table. This Multicounty Grand Jury has made a significant difference in many investigations.

II. GENERAL DESCRIPTION OF ACTIONS TAKEN

The Fifteenth Oklahoma Multicounty Grand Jury, during the course of its investigations, issued three Accusations for Removal and returned fifteen (15) indictments charging a total of

twenty four (24) individuals as set out in *Appendix II* to this report. While in session, the Fifteenth Oklahoma Multicounty Grand Jury had occasion to investigate matters arising throughout the various counties and municipalities of Oklahoma. In numerous instances, the Multicounty Grand Jury directly assisted District Attorneys including David Prater, Mike Fields, Jason Hicks, Rex Duncan, Craig Ladd, Matt Ballard, Laura Thomas, Brian Kuester, John Wampler, Brian Hermanson, Emily Redman, Greg Mashburn, and Christopher Boring. The Multicounty Grand Jury has also worked closely with numerous Assistant District Attorneys from various districts. By obtaining testimony, the respective district attorneys and local law enforcement agencies were able to eliminate individuals as potential suspects, strengthen their investigations, make charging decisions, and/or further pursue leads resulting from testimony.

III. PARTICULAR AREAS OF INVESTIGATION

We do not find it necessary to use this report to address every investigation covered by the Fifteenth Oklahoma Multicounty Grand Jury. This report details an area which we believe worthy of specific mention not previously addressed in our *Interim Reports*:

I. Campaign Donations to Vic Regalado for Sheriff.

On March 10, 2016, the Multicounty Grand Jury received a complaint dated March 7, 2016, regarding donations to the campaign of Vic Regalado, a candidate for Tulsa County Sheriff. It alleged illegal campaign donations made by numerous employees of ISTI Plant Services, a company based in Tulsa with operations largely taking place at a facility at the Port of Catoosa, and their spouses. The complaint specifically alleged violations of Ethics Commission Rule 2.18¹, Rule 2.37(A)², and 21 O.S. § 187.1(A)(3)³

¹ Prohibiting contributions in the name of another individual.

After hearing testimony and reviewing evidence, the Multicounty Grand Jury found no evidence to substantiate the allegations. The Grand Jury heard testimony from numerous witnesses, including the following employees named in the complaint: Glen Cole, Manuel Sigala, Santiago Barraza, Steven Scott, Daniel Sigala, Levi Gonzalez, Justin Gonzalez, Marcelo Cepeda, and Thomas Fawcett. During the course of the investigation, the company and its employees voluntarily provided financial documents and appeared before the Grand Jury to provide testimony. Additional records were secured by way of subpoena, including banking records of several employees. With the exception of two employees, each earned in excess of \$100,000.00 during calendar year 2015.⁴ Included in their income were year-end bonuses of \$10,000.00 to more than \$150,000.00. Records show that bonuses were also provided to most named employees in previous years.⁵

The witnesses testified to a variety of reasons for donating to Sheriff Regalado's campaign. Most testified they thought he was the best candidate for the job. Two witnesses testified his family and Sheriff Regalado's family are from the same part of Mexico. Although there were discussions among the employees about candidates prior to donations being made, the employees maintained the donations were voluntary. One witness testified his father, who is a

² Limiting individual donations to any candidate committee to \$2,700.00 prior to a primary election.

³ Prescribing criminal penalties for violations of Ethics Commission donation rules. The statute has further prohibitions against "straw" donations wherein an individual evades donation limits by donating through an "intermediary or conduit."

⁴ One employee started in August 2015 and earns more than \$100,000.00 annually based on payroll data provided by the company. The only other employee earning less than \$100,000.00 did so by a few thousand dollars. Records for some employees were received as far back as 2013. The lowest income during the time period was about \$90,000.00.

⁵ Not all donating employees were employed prior to 2015, however.

part owner of ISTI, asked him to donate to Sheriff Regalado's campaign. Similarly, Mr. Barraza testified after meeting with Sheriff Regalado, he spoke highly to co-workers about Sheriff Regalado's qualifications to be the next sheriff. One witness testified Mr. Barraza asked that he consider making a donation to the campaign. The topic of the Tulsa County Sheriff's election was a popular discussion amongst employees. The county was going to elect its first new sheriff in several decades and the previous sheriff had left office after being indicted by a county grand jury. Each employee, however, testified he donated freely, voluntarily, and without coercion or force from personal funds. Each denied receiving funds in advance of their donation or to reimburse them for their donation.

VI. EXPRESSIONS OF APPRECIATION

The Fifteenth Oklahoma Multicounty Grand Jury wishes to express our appreciation to several individuals and agencies who have contributed to a successful term. Specifically, we thank the Oklahoma Supreme Court for their Order convening the Grand Jury, and for their appointment of the Honorable Donald L. Deason, District Judge, Judicial District 7, as Presiding Judge of the Fifteenth Oklahoma Multicounty Grand Jury. Judge Deason and his staff always made sure we were comfortable and made every effort to accommodate our scheduling needs and the scheduling needs of our legal advisors even when Grand Jury sessions coincided with his own jury trial docket. Judge Deason is a great asset to the grand jury process, and we hope that he is willing to preside over future multicounty grand juries.

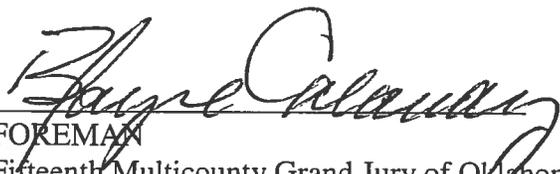
Additionally, we were especially impressed with, and would like to gratefully commend, the office of the Oklahoma County Public Defender, Bob Ravitz, and his staff for providing able legal counsel to indigent witnesses; to the Honorable Timothy Rhodes and the Honorable Rick

Warren, Jr., Oklahoma County Court Clerk, and their staff; and finally to City Reporters, who ably served as Official Court Reporters for the Grand Jury. Finally, we wish to thank our families and employers for their support and patience during our jury service.

V. CONCLUSION

Based upon our experience, we believe the Oklahoma Multicounty Grand Jury serves as an essential, necessary, and invaluable tool for achieving the goal of fair, impartial, and adequate enforcement of the laws of the State of Oklahoma. We believe we have served to fulfill an important role in many criminal investigations where justice may not otherwise have been served. Information and evidence was obtained, investigations progressed, and many cases were solved that likely would not have been otherwise, but for the power of the subpoena and the authority of the Oklahoma Multicounty Grand Jury to question witnesses to crime. We are confident this grand jury has played an important role in many criminal investigations to help ensure justice has been served. We are pleased to have served as the Fifteenth Oklahoma Multicounty Grand Jury.

Respectfully submitted,


FOREMAN
Fifteenth Multicounty Grand Jury of Oklahoma

CERTIFIED COPY
AS FILED OF RECORD
IN DISTRICT COURT

JUL 14 2016

RICK WARREN COURT CLERK
Oklahoma County


APPENDIX I

1. Ada Police Department
2. Attorney General/MCGJ
3. Attorney General/MFCU
4. Attorney General/Anti-Money Laundering Division
5. Attorney General/PPU
6. Attorney General/WCIFU
7. Bartlesville Police Department
8. Beckham County Sheriff's Office
9. Bethany Police Department
10. Bixby Police Department
11. Blackwell Police Department
12. Bokchito Police Department
13. Broken Arrow Police Department
14. Canadian County Sheriff's Office
15. Chouteau Police Department
16. Claremore Police Department
17. Cleveland County Sheriff's Office
18. Collinsville Police Department
19. District 3 District Attorney's Office
20. District 6 District Attorney's Office
21. District 7 District Attorney's Office
22. District 8 District Attorney's Office
23. District 9 District Attorney's Office
24. District 10 District Attorney's Office
25. District 12 District Attorney's Office
26. District 19 District Attorney's Office
27. District 20 District Attorney's Office
28. District 21 District Attorney's Office
29. District 26 District Attorney's Office
30. Durant Police Department
31. Edmond Police Department
32. El Reno Police Department
33. Enid Police Department
34. Federal Bureau of Investigation
35. Frederick Police Department
36. Grove Police Department
37. Guthrie Police Department
38. Harrah Police Department
39. Hooker Police Department
40. Jackson County Sheriff's Department
41. Kay County Sheriff's Office
42. Latimer County Sheriff's Office
43. Lawton Police Department

44. Leflore County Sheriff's Department
45. Logan County Sheriff's Office
46. Marlow Police Department
47. McClain County Sheriff's Office
48. McAlester Police Department
49. Miami Police Department
50. Midwest City Police Department
51. Moore Police Department
52. Mustang Police Department
53. Nichols Hills Police Department
54. Noble County Sheriff's Office
55. Norman Police Department
56. Nowata Police Department
57. Oklahoma Bureau of Narcotics/Ardmore
58. Oklahoma Bureau of Narcotics/Lawton
59. Oklahoma Bureau of Narcotics/OKC
60. Oklahoma Bureau of Narcotics/Tulsa
61. Oklahoma City Police Department
62. Oklahoma Department of Agriculture
63. Oklahoma Department of Corrections/McAlester
64. Oklahoma Department of Human Services/OIG/Chickasha
65. Oklahoma Department of Human Services/OIG/McAlester
66. Oklahoma Department of Human Services/OIG/OKC
67. Oklahoma Department of Veterans Affairs
68. Oklahoma Highway Patrol
69. Oklahoma Insurance Department
70. Oklahoma State Bureau of Investigation/Ardmore
71. Oklahoma State Bureau of Investigation/Kingfisher
72. Oklahoma State Bureau of Investigation/Lawton
73. Oklahoma State Bureau of Investigation/McAlester
74. Oklahoma State Bureau of Investigation/OKC
75. Oklahoma State Bureau of Investigation/Okemah
76. Oklahoma State Bureau of Investigation/Purcell
77. Oklahoma State Bureau of Investigation/Stillwater
78. Oklahoma State Bureau of Investigation/Tahlequah
79. Oklahoma State Bureau of Investigation/Tulsa
80. Oklahoma State Bureau of Investigation/Weatherford
81. Oklahoma State Bureau of Investigation/Woodward
82. Ottawa County Sheriff's Department
83. OU Police Department
84. Owasso Police Department
85. Perkins Police Department
86. Piedmont Police Department
87. Ponca City Police Department
88. Pryor Police Department

89. Purcell Police Department
90. Pushmataha County Sheriff's Office
91. Seminole County Sheriff's Office
92. Skiatook Police Department
93. Southeastern University Police Department
94. Texas and Southwestern Cattle Raisers
95. Tulsa Police Department
96. United States Department of Homeland Security
97. Village Police Department
98. Weatherford Police Department
99. Woodward Police Department

APPENDIX II

**MONTHLY SESSIONS
FIFTEENTH OKLAHOMA MULTICOUNTY GRAND JURY**

MONTH	NUMBER OF WITNESSES	INDICTMENTS
February 17, 18, 19, 2015	22	0
March 17, 18, 19, 2015	23	1 Indictment charging 1 person
April 14, 15, 16, 2015	19	1 Indictment charging 1 person
May 12, 13, 14, 2015	20	0
July 14, 15, 16, 2015	33	1 Indictment charging 2 persons
August 25, 26, 27, 2015	26	1 Accusation for Removal 2 Indictments charging 7 persons
September 22, 23, 24, 2015	16	4 Indictments charging 3 persons
October 20, 21, 22, 2015	20	0
November 30, December 1, 2, 3, 2015	16	0
January 19, 20, 21, 2016	14	0
February 16, 17, 18, 2016	18	0
March 29, 30, 31, 2016	16	1 Accusation for Removal 1 Indictment charging 2 persons
April 12, 13, 14, 2016	18	1 Indictment charging 4 persons
May 17, 18, 19, 2016	18	1 Indictment charging 1 person
June 14, 15, 16, 2016	26	1 Accusation for Removal 1 Indictment charging 1 person
July 12, 13, 14, 2016	26	1 Accusation for Removal 2 Indictments charging 2 persons