Fleming County Project Development Board
201 Court Square, Courthouse Annex
Flemingsburg, KY 41041
Record of Meeting Minutes, February 5, 2008, 5:00 pm Eastern

The meeting was called to order at 5:07 pm by Chairperson CJE Larry H. Foxworthy. Roll Call was completed as noted below:

Present: Honorable Larry H. Foxworthy, Pam Lowe, Marvin W. Suit, David DeAtley, Honorable Stockton B. Wood, J. Scott Brown, Honorable W. Todd Walton II (5:09PM), Mayor Louie Flanery (5:22PM)

Other Attendees: Tim Christopher, AOC
Sam Howard, Trace Creek Construction
Michael Carroll and Eric Chambers, Brandstetter Carroll, Inc.

Old Business:

Closed Session: Appraisal Review

A motion was made to review appraisals in closed session at 5:10 PM.
Motion by Suit. Seconded by Wood. All in favor.

A motion was made to go into open session at 6:23 PM.
Motion by Wood. Seconded by Flanery. All in favor.

Chairperson Foxworthy stated the board had collectively decided to assess two variations of a potential judicial center location on North Main Cross. One option will exclude Community Trust Bank and the other one was to demolish it and use the whole corner. The board determined that budgetary concerns probably would not allow use of Community Trust Bank. Eric Chambers, Brandstetter Carroll Inc., presented a current assessment Option A of utilizing the North Main Cross area leaving the bank and the Dudley House. It would involve keeping CTB in its current state on the corner and utilizing spaces up hill toward the McCartney property, including the green space, Robert Reeder Property and MacDonald, Walton and Razor. It will also include the three properties on West Water Street: Dye Property, Frank Spencer Estate, and Stivers-Wood property for general public parking which are approximately Fifty-five spaces. Public asked how many parking spaces are required for general public. Michael Carroll, Brandstetter Carroll, responded that there was no formal requirement in AOC standards for public parking spaces because of there's always unknown about how much property will be acquired. The general desire is to get as many as you can and that Fifty-five is a generous amount. Public asked if they would be losing some parking. Carroll responded we are replacing some of the parking that is currently Community Trust Bank parking area on West Water and that we would not be adding fifty-five new ones to downtown. This option does not include utilizing the Methodist Church parking lot. General elevations of what the center might look like were reviewed. Mr. Carroll stated there were not final elevations. The potential main entrance and buffer zones between existing buildings were discussed. Public asked how Brandstetter established estimates for floor elevation given the flood zone. Mr. Chambers stated they would need a current topographic survey before we could estimate, which we do not have at this time. Brandstetter reviewed Option Two for North Main Cross and discussed if the bank did come down, again leaving the Dudley House in place. The

potential main entrance could be at the intersection on Main Cross/West Water with secured parking at the back side of the courthouse. General parking would be the same as in Option A with similar
elevation as Option A, just showing the deletion of the bank. Chairperson Foxworthy stated that appraisals would need to be completed by Mary Clay on three properties. Clay agreed to do that by the next meeting. Foxworthy stated upon completion of the appraisals, along with other some other preliminary figures the decision could be made if whether this site is going to work or not.

A motion was made to approve Mary Clay to complete appraisals on Reeder Property, Law Office and CTB parking area behind bank. Motion by Wood. Second by Flanery. All in favor.

Clay agreed to complete appraisal by February 28, 2008

Brandstetter Carroll and Trace Creek Construction agreed to develop informational package detailing development costs, supplemental conditions costs, acquisition costs, demolition factors and any additional cost factors to assist board members in site selection process. Brandstetter stated that it was going to be rough numbers and there are a lot unknowns but thinks it would probably help the board.

Approval of Minutes

A motion was made to approve the minutes of November 13, 2007. Motion by Suit. Seconded by DeAtley. All in favor.

A motion was made to approve the minutes of January 15, 2008 meeting. Motion by Suit. Second by Flanery. All in favor.

Approval of Claims

A motion was made to approve the claims for December 2007 through January 2008. Motion by DeAtley. Second by Flanery. All in favor.

New Business:

Foxworthy asked Tim Christopher about approval to use courtroom facilities and recording equipment for meetings due to renovation activities. Lowe stated new recording equipment was going to be installed and requested the board check with her also on use of room. Christopher stated he would check that tomorrow and let Foxworthy know.

Foxworthy stated another site proposal was received this week from Frank Hinton offering land on Bypass/Hwy 32.

Judge Walton discussed a letter he received from AOC dated January 28, 2008 from Jason Nemes, Director, about an investigation of the Fleming County Project Development Board regarding allegations of inappropriate conduct in the selection of contractors. Judge Walton was not aware of the investigation until receiving the letter. The letter stated no inappropriate conduct was discovered during AOC's investigation and the allegations are false. Sam Howard, Trace Creek Construction stated he never personally contacted any board member to try to influence their decision except to inquire about submission of proposal. Judge Walton asked if anyone knew who

filed the allegations and no board member knew any further details other than the questions they were asked. Mayor Flanery stated he asked the question to investigators as to who filed the allegations, but no answer was given. Judge Wood stated he believed the focus of the investigation may be because of Walton's family ties with Trace Creek. But also stated that he would expect any of them that serve on a public board would have to disclose any interest which was done at the first PDB meeting by Judge Walton regarding ties with Trace Creek and potential judicial center locations and he abstained from the selection of construction manager services. Wood stated there was no influence what so ever in the process. Foxworthy stated the investigators came to his office and stated they wanted to talk to him regarding an investigation about if he was influenced or coerced into selecting Trace Creek as your construction manager for the justice center. Foxworthy stated they did not mention anybody's name. He stated to the investigators, absolutely not. Wood stated for the record that nobody put any pressure, influence or even contacted him about Trace Creek at all. Walton stated Foxworthy told him Chief Justice Lambert directed those investigators to come and find out. Foxworthy stated one investigator said Chief Justice Lambert and they did mention his name in passing but that's not who signed that letter. DeAtley stated he answered the questions he asked me directly, and I told him that I was not coerced by anybody and not aware of anything going on. DeAtley stated that it was a six to one and one abstain vote. Walton stated there was no basis for allegations that there was inappropriate conduct because there were none and that he stayed completely away from it from the very first meeting. Walton stated either they have lied, or someone has created a false statement to the Chief Justice that's been investigated and proven to be totally untrue. Walton stated this was intolerable and very unacceptable. Walton stated there was no reason to question him or Jason Walton or Sam Howard or his company because none of us have done anything wrong and have been above board in our disclosures and conduct and totally ethical and within the law. Sam Howard stated that his company purposely did not make contact with board members, did not solicit, did not lobby, nothing with this board with the direct knowledge that Jason was the son of a board member. Walton stated they purposely stayed away from it. DeAtley stated to investigators that he was contacted a couple of times by Codell but never talked to them outside of the public meetings and his vote was my own opinion. Lowe stated they were in my office several times too and I did talk to them but I didn't know Trace Creek was even submitting bids for construction manager. But she hadn't decided either way. Sam Howard asked for clarification of whom, to Lowe. Lowe stated Codell. Foxworthy stated that everybody did everything above board and the AOC's letter was a situation that Walton would need to address with AOC and that no body did anything wrong, including Walton.

The next regular meeting will be held on March 4, 2008 at 5:00 PM at the courthouse's main court room upstairs.

A motion was made to adjourn at 6:56 PM. Motion by Brown. Seconded by Foxworthy. All in favor.