

KENTUCKY CAPITAL DEVELOPMENT CORPORATION
MINUTES
February 9, 2023

A special called meeting of the Kentucky Capital Development Corporation ("KCDC") was called to order at 4:05 p.m., February 9, 2023 at 109 Consumer Lane, Frankfort, KY.

Those members of the Board of Directors (BOD) present were Clay Patrick, Chairman; Danny Willis, Vice Chairman; Lynn Faulkner; Kimberly Gester; Richard Rosen; Mayor Layne Wilkerson; Franklin County Judge Executive Michael Mueller; and Clay Hulette. Terri Bradshaw, President/CEO, City Commissioner Leesa Unger and Ben Mackin, The State Journal, were also present. The meeting, all of which was public, was livestreamed on KCDC's Facebook page.

Workforce Grant - Ms. Gester updated the group on the application for the workforce grant. Ms. Bradshaw advised that KCDC Counsel was still reviewing the documents associated with the grant. A request was made for an estimate of the legal fees to be incurred for the review and a determination of whether KCDC would be responsible for those fees. There was an expression of desired consistency of the project narrative. Regarding the \$147,000 in-kind donation, it was reported that Andy Seth stated that KCDC did not need to include the amount in the budget, because this amount will include Ms. Bradshaw's time and effort, as well as KCDC's attorney fees.

Finding that there was additional work to be accomplished in the drafting of documents, the BOD decided to meet again on Monday, February 13, at 12:30 p.m. to continue discussion.

There being no further business to come before the BOD at the time, at 5:15 p.m., Ms. Faulkner made a motion to adjourn the meeting. Mr. Rosen seconded the motion. The motion was approved and the meeting was adjourned.

CHAIRMAN



SECRETARY

KENTUCKY CAPITAL DEVELOPMENT CORPORATION

MINUTES

February 13, 2023

A special called meeting of the Kentucky Capital Development Corporation ("KCDC") was called to order at 12:02 p.m., February 13, 2023 at 109 Consumer Lane, Frankfort, KY.

Those members of the Board of Directors (BOD) present were Clay Patrick, Chairman; Danny Willis, Vice Chairman; Lynn Faulkner; Kimberly Gester; Richard Rosen; Mayor Layne Wilkerson; and Franklin County Judge Executive Michael Mueller. Terri Bradshaw, President/CEO, City Commissioner Katrisha Waldridge and Anna Latek, The State Journal, were also present. Mr. Andy Seth, President of Sustainable Strategies, Washington, DC, was present via Zoom. The meeting, all of which was public, was livestreamed on KCDC's Facebook page.

Workforce Grant - Ms. Gester provided an updated Memorandum of Understanding ("MOU") to the group and answered questions about that document. Ms. Gester made a motion for

Ms. Bradshaw to finish making any necessary revisions to complete the application, including getting signatures on the MOU from Interapt and Kentucky State University ("KSU") with the help of Penny Peavler and to submit the application via grants.gov by the deadline of February 28, 2023, 11:59 PM Eastern and that Ms. Bradshaw and KCDC work in good faith with Interapt and KSU to implement the program as outlined in the application once the funds are secured.

The motion was seconded by Mr. Rosen. The motion failed by a vote of 3-2 with Mr. Patrick, Mr. Willis and Ms. Faulkner citing that the document had not yet been approved by KCDC legal counsel as the reason for their votes.

There being no further business to come before the BOD at the time, Mr. Patrick adjourned the meeting.

CHAIRMAN

R. Clay Hullette

SECRETARY

KENTUCKY CAPITAL DEVELOPMENT CORPORATION
MINUTES
February 21, 2023

The regular meeting of the Kentucky Capital Development Corporation ("KCDC") was called to order at 12:09 p.m., February 21, 2023 at 109 Consumer Lane, Frankfort, KY by Mr. Patrick.

Those members of the Board of Directors (BOD) present were Clay Patrick, Chairman; Danny Willis, Vice Chairman; Lynn Faulkner; Kimberly Gester; Richard Rosen; Mayor Layne Wilkerson; Franklin County Judge Executive Michael Mueller; and Clay Hulette. Terri Bradshaw, President/CEO, KCDC legal counsel, Bob Kellerman, Penny Peavler and Ben Mackin, The State Journal, were also present. The public portion of the meeting was livestreamed on KCDC's Facebook page.

Mr. Wilkerson noted that the title of the agenda for this meeting should be revised to remove "Special Called" to reflect that the meeting is the regular meeting of the BOD. The BOD agreed and the Secretary was asked to note the change.

MINUTES

Mr. Hulette presented the draft minutes from the following meetings:

- Regular BOD meeting of December 1, 2022;
- Special called BOD meeting of February 9, 2023; and
- Special called BOD meeting of February 13, 2023.

After discussion and various clarification regarding the draft documents, Mr. Rosen moved to approve the minutes, as modified, and Mr. Willis seconded the motion. The minutes were approved.

PRESENTATION

To respect the time of Mr. Kellerman, the BOD asked him to proceed with his presentation of an overview of KCDC's procedures as a joint commission of the City and County governments, as well as its independent role for the benefit of the community. His discussion included various topics including the organization's by-laws, Code of Conduct, the City and County Ethics Code(s), BOD expectations and financial procedures. Discussion also included compliance with the Open Meetings and Open Records laws. Mr. Kellerman talked about possible repercussions for noncompliance, which may include legal appeal to the Attorney General of the Commonwealth of Kentucky, the Franklin Circuit Court. Possible remedies for parties opposing action by the BOD could include having such actions voided and possible award of attorney fees.

A significant discussion ensued in which Mr. Hulette was accused of violating KCDC's financial procedures by failing to obtain a second signature on the transfer of funds from KCDC's bank accounts to an investment account established for the organization. Mr. Hulette offered in his defense the minutes from the September 2022 KCDC BOD meeting, which were signed by Mr.

Patrick and Mr. Hulette, as well as citation of other emails and discussions with the BOD and Ms. Bradshaw as sufficient basis for creating the ladder of certificates of deposit within the investment account. To quell the accusations leveled against Mr. Hulette, Mr. Rosen made a motion to ratify the transactions in which KCDC funds were wire transferred to the organization's investment account and the investment in the ladder of certificates of deposit as they exist at the time. Ms. Gester seconded the motion. Voting for the motion were Ms. Faulkner, Ms. Gester, Mr. Rosen and Mr. Hulette. Voting against the motion were Mr. Patrick and Mr. Willis. The motion was approved.

Mr. Rosen made a motion asking the Executive Committee to review KCDC's current financial procedures and draft changes to be presented at the next regular meeting of the BOD. Ms. Gester seconded the motion. Voting for the motion were Mr. Patrick, Ms. Gester, Mr. Rosen and Mr. Hulette. Abstaining from the vote were Ms. Faulkner and Mr. Willis.

MONTHLY BUSINESS

Invoices - Ms. Bradshaw presented the monthly invoices for December 2022, January 2023 and February 2023. A copy of those invoices are attached to these minutes. Upon motion by Ms. Faulkner and second by Mr. Rosen, the invoices were approved, as presented.

Financial reports - Mr. Hulette reported that the financial statements, as provided with the agenda, were in error. The reports improperly report the transfer of funds into certificates as expenditures. He had been working with Ms. Bradshaw and KCDC's part-time bookkeeper to properly record the transactions and the subsequent interest credited to the investment account.

OLD BUSINESS

Workforce Grant - Mr. Seth stated that Form SF424, Application for Federal Assistance, was the only document that was required to be filed by February 28. The form is a .pdf and would need to be formalized with an electronic signature. The Memorandum of Understanding ("MOU") would not be required at that time. Ms. Peavler reported that any expenses incurred prior to the grant submission were ineligible to offset grant funds and be reimbursed to KCDC. Mr. Kellerman estimated that his total fees would be approximately \$4,000-\$5,000. Regarding in-kind contributions, it was reported that there is no match on this grant and there is no need for KCDC to identify such. Further, Form SF424 can be amended in the future. Mr. Seth recommended communicating with the Department of Labor ("DOL") to advise them about the balance of documents that will be forthcoming. The BOD agreed with this recommendation and Mr. Seth offered to make that first contact with the DOL. Mr. Rosen made a motion to conduct a special called meeting on March 9 to further discuss the workforce grant. Ms. Gester seconded the motion and the motion was approved. The time of the meeting was established at 4:30 p.m.

NEW BUSINESS

Proposed budget for 2023-2024 - Mr. Hulette, citing the need for up-to-date financial information, suggested that the Proposed Budget and Budget Request provided by Ms. Bradshaw be revised. It was determined that March 9 is the deadline for submission of the document with the City of Frankfort. Therefore, Mr. Hulette was asked to update the Proposed Budget and Budget Request in draft form and provide it to the BOD before the special called meeting on March 9. Adjustments and modifications would be made quickly and the document would be submitted electronically by Ms. Bradshaw.

Lease of facilities – The BOD reviewed the existing lease between KCDC (“Landlord”) and L.S.U.S. 20, LLC (“Tenant”) dated 12/15/2021. Ms. Bradshaw reported that the tenant, Liquor Barn, had leased the upstairs office space from KCDC for the past few years in order to establish a presence within Franklin County. A motion to approve the renewal of the lease was made by Mr. Hulette and second by Ms. Gester. The renewal of the lease was approved.

Mr. Willis left the meeting at 2:05 p.m.

Mr. Mueller left the meeting at 2:10 p.m.

Mr. Wilkerson and Ms. Bradshaw left the meeting at 2:15 p.m.

Nominating Committee – Mr. Rosen presented the following slate of officers for consideration by the BOD for the 2023 calendar year:

Chairman – Danny Willis

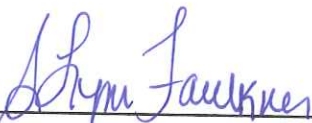
Vice Chairman – Kimberly Gester

Secretary/Treasurer – Clay Hulette

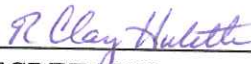
Upon motion by Mr. Rosen and second by Ms. Gester, the discussion was tabled until the next regular meeting of the BOD.

Mr. Rosen expressed concern that SteelBlue Building Components’ decision to halt its plans to move into newly-renovated facilities formerly known as the Sears Building. Mr. Hulette made a motion to ask Ms. Bradshaw to provide a report in conjunction with Ms. Peavler at the next regular meeting of the BOD to summarize the events leading to the business decision by SteelBlue. The motion passed.

There being no further business to come before the BOD at the time, at 2:25 p.m. Ms. Faulkner made a motion to adjourn the meeting. Mr. Hulette seconded the motion. The motion was approved and the meeting was adjourned.



CHAIRMAN



SECRETARY