

UNITED STATES DISTRICT COURT

for the

Eastern District of Kentucky

United States of America
v.

Brenda Nicole Fugate

Defendant(s)

Case No.

5:21-MJ-5312-MAS

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date(s) of December 2020-September 2021 in the county of Fayette in the Eastern District of Kentucky, the defendant(s) violated:

Code Section
21/846 & 841(a)(1)

Offense Description
Knowing and voluntary participation in a conspiracy to distribute mixtures or substances containing a detectable amount of methamphetamine, a Schedule II controlled substance

This criminal complaint is based on these facts:

See attached affidavit of Special Agent Sabrina Hager with the Bureau of Alcohol, Tobacco, Firearms & Explosives (ATF)

Continued on the attached sheet.

Signed remotely per FRCP 4.1. See addendum.

Complainant's signature

Sabrina Hager, Special Agent with ATF

Printed name and title

Sworn to before me and signed in my presence.

Date: 09/22/2021

Matthew A. Stinnett signature

Judge's signature

City and state: Lexington, KY

Matthew A. Stinnett, U.S. Magistrate Judge

Printed name and title

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF KENTUCKY
CENTRAL DIVISION
LEXINGTON**

UNITED STATES OF AMERICA

PLAINTIFF

v.

AFFIDAVIT

BRENDA NICOLE FUGATE

DEFENDANT

I, Sabrina Hager, being duly sworn, do hereby depose and state:

INTRODUCTION AND AGENT BACKGROUND

1. I am a duly sworn Special Agent (SA) of the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) and have been so employed since 2007. I began my career in the Phoenix Field Division, where I carried out my responsibilities as a criminal investigator. In 2012, I transferred from Phoenix, Arizona to the ATF Louisville Field Division where I am currently assigned to the Lexington I Field Office.

2. As a Special Agent with the ATF, I have received comprehensive training in violations of federal law specific to ATF's mandate as well as investigative techniques and procedures. I have since carried out my duties through investigations of violations of federal firearms, arson and explosive laws, as well as violent criminal groups and gangs with an ancillary jurisdiction to investigate violations of federal controlled substance laws promulgated under Title 21 of the United States Code.

3. Throughout my career, I have further received extensive training in the employment of advanced investigative techniques and have attended specialized trainings with emphasis on

firearms and drug trafficking, covert investigations and organized crime. Additionally, I have participated in numerous Federal investigations in Kentucky and across the country, in multiple capacities from Case Agent to Undercover utilizing various tools of investigation to include, but not limited to, interviews and interrogation, physical and electronic surveillance, search warrants, data analysis and arrest operations. I have personally conducted and/or assisted other Agents/Officers in investigations involving violations of Title 21 U.S.C. § 841(a)(1) involving the manufacture, distribution and possession with intent to distribute controlled substances conspiracy to commit those offenses in violation of Title 21, U.S.C. § 846.

4. During the course of my employment with ATF, I have had the opportunity to converse with admitted and known drug traffickers, as to their methods and those of their associates, regarding the manufacture, importation, transportation, distribution and sales of controlled substances, as well as their methods used to protect, conceal, transport, and launder cash and/or other types of drug proceeds. Through training and experience, I have become familiar with the types and amounts of profits made by drug dealers, their methods, language and terminology used by persons dealing in illegal substances.

5. As a federal law enforcement officer as defined in Rule 41(a)(2)(C), I am authorized to apply for a warrant under Rule 41 of the Federal Rules of Criminal Procedure.

6. The information contained in this affidavit is based on my training and experience, my personal participation in this investigation and information provided to me by other law enforcement officials, as well as witness interviews. This affidavit does not contain each and every detail known by your Affiant regarding this investigation. Instead, this affidavit provides information necessary to establish probable cause that from December 2020 until September 2021, in Lexington, Fayette County in the Eastern Judicial District of Kentucky, Brenda Nicole Fugate

did conspire to distribute mixtures or substances containing a detectable amount of methamphetamine, a Schedule II controlled substance, in violation of Title 21 U.S.C. § § 846 and 841(a)(1). Unless otherwise indicated, all statements referenced herein are set forth in substance and in part, rather than verbatim.

FACTS IN SUPPORT OF PROBABLE CAUSE

8. In late calendar year 2020, Gateway HIDTA with ATF began an investigation of a possible drug trafficking organization involving an individual named Casey Creech (hereinafter Creech) and his paramour, Brenda Nicole “Nikki” Fugate (hereinafter Fugate) for distribution of multiple ounce level quantities of methamphetamine. The investigation has revealed that Fugate resides at 1164 Ashford Lane in Lexington, Kentucky and is using this location to conduct unlawful drug transactions, including methamphetamine and heroin/fentanyl, and to store said unlawful drugs.

9. Through investigation, it was discovered that Creech and Fugate’s source of supply of methamphetamine and heroin/fentanyl is Craig Dupree Robertson (hereinafter Robertson). Robertson, originally from California, is suspected of arranging for the importation of controlled substances from California to Kentucky. In addition, investigators have learned that Robertson employs Creech, Fugate, and potentially others, to distribute the drugs in bulk quantity in Kentucky. Robertson makes frequent trips to Fugate's residence at 1164 Ashford Lane as well as a storage facility located at 755 Newtown Pike in Lexington, Fayette County, Kentucky. Additionally, in February 2021, investigators learned that Robertson directed Fugate to rent a separate apartment, located at Steeplechase Apartments at 305 Lindenhurst Drive in Lexington, Kentucky. Pursuant to a records subpoena issued to the management of the Steeplechase Apartments, investigators confirmed that on February 17, 2021, Fugate completed the leasing

paperwork for Unit #7204, in Building 7 in the Steeplechase Apartment complex. This apartment is being used as an additional storage location for unlawful drugs. While the lease was obtained in Fugate's name, investigators are aware that neither Fugate nor Creech reside there.

December 11, 2020: Distribution of Two Ounces of Methamphetamine

10. On Friday December 11, 2020, ATF and HIDTA investigators utilized a qualified confidential informant (CI) to conduct a monitored and recorded controlled purchase of approximately 57.64 grams of suspected methamphetamine from Creech and Fugate at a hotel on Harrodsburg Road in the Beaumont Center area of Lexington, Kentucky. Prior to dropping the CI off at the location to conduct the transaction, the CI observed another vehicle in the hotel parking lot that Creech has operated in the past. ATF Special Agent (SA) Sabrina Hager was able to provide Kentucky registration 2757JB as the plate number of this vehicle. A check of this registration revealed that it is a gray 2001 Chevy pickup truck registered to Craig Robertson of 819 Campbell Lane in Lexington, Kentucky. During the recorded drug transaction, Fugate is heard mentioning that Robertson had previously rented them a room at the Clarion Hotel. The suspected controlled substances were analyzed by a chemist with the Kentucky State Police Laboratory. Item 1 was .960 grams of a substance that contained fentanyl, a Schedule II controlled substance. Item 2 was 27.35 grams of a substance that contained methamphetamine, while Item 3 was 28.28 grams that contained methamphetamine. Methamphetamine is a Schedule II controlled substance.

February 4, 2021: distribution of 12 ounces of methamphetamine

12. On February 4, 2021, at around 2:00 pm, Gateway HIDTA Detectives Donovan Crabtree and Arthur Lacey were conducting surveillance of Fugate's newly rented town home at 1164 Ashford Lane in Lexington. Detective Crabtree observed as a white female, whom he recognized as Fugate, exited the residence wearing a light blue sweatshirt. Fugate entered the

driver side of a maroon in color Ford Escape. TFO Crabtree relayed this information to other investigators conducting surveillance as Fugate departed the area. On the same date, at approximately 4:18pm, ATF SA Sabrina Hager (via remote video surveillance) observed a maroon Ford Escape as it arrived and parked in the lot of 528 Booker Street in Lexington. No one was observed exiting this vehicle.

13. During this timeframe, SA Hager observed (via remoted video surveillance) Robertson and an unknown black male, exited 1925 Sandersville Road and entered into a tan Chevrolet SUV bearing Kentucky license plate number 1568JE (registered to Patricia Morgan).



14. GPS information associated to the vehicle from a judicially approved tracking warrant indicated that the SUV departed from 1925 Sandersville Road and arrived at a Space Center Storage facility (located at 755 Newtown Pike) at 4:24 pm. Data received from the GPS tracking device indicated that this vehicle then left the storage facility approximately three (3) minutes later. From there, the vehicle traveled directly to 528 Booker Street, where SA Hager was able to confirm its arrival through remote video surveillance. The SUV parked directly in front of the building entrances. SA Hager observed as a black male, recognized to be Robertson, exited the

driver side door and walked to the driver side of the parked maroon Ford Escape. Robertson appeared to converse with the vehicle's occupant before returning to his SUV for a moment before unlocking the door of Unit #3. See below image.



15. SA Hager then observed a white female (via remote surveillance camera), whom she recognized as Fugate, exit the Ford Escape and enter Unit #3 (identified as the Royal Lash Boutique, LLC¹). Robertson was then observed removing a large brown paper bag with handles from the SUV and carrying the bag inside behind Fugate. See below images.

¹ Investigators are aware that Patricia Morgan is the registered owner of the Royal Lash Boutique. Investigators are further aware that, based on extensive physical and electronic surveillance, that the Royal Lash Boutique appears to have few customers.



16. Approximately thirteen minutes later, Fugate was observed exiting the business with what appears to be the same bag that Robertson had earlier carried in, returning to the aforementioned Ford Escape and leaving the parking lot. The registration for this maroon SUV was observed to be Kentucky AKE-921, registered to AF Title Company of Memphis, Tennessee.



17. Investigators were able to follow Fugate as she drove the vehicle out of the area, ultimately returning to 1164 Ashford Lane. HIDTA Detective Matt Reed noted a white Ford Mustang known to be registered to Fugate (and also operated by her in past instances), was also parked at the residence. Around 5:32pm, Detective Reed observed a white Ford Ranger arrive and back into a parking space near 1164 Ashford Lane. A white female, recognized by HIDTA Detectives Kalan Perdue and Matt Reed as Angela Halsey (hereinafter Halsey), and an unknown white male, exited the vehicle and proceeded inside 1164 Ashford Lane.

18. At approximately 6:00 pm, Angela Halsey and the aforementioned unknown white male exited the townhome. Local traffic caused for a slightly obstructed view, but surveillance was able to determine that Halsey and this unknown male departed in the aforementioned white Ford Ranger. HIDTA Detectives initiated mobile surveillance of this white Ford Ranger. Meanwhile, the GPS tracker affixed to the tan Chevrolet SUV known to be operated by Robertson indicated that this vehicle visited the area of 1164 Ashford Lane shortly after the departure of the Ford Ranger. No observations were made of the operator of this vehicle as it arrived on Ashford Lane, though investigators are aware that Robertson was operating this vehicle only hours earlier.

19. HIDTA Detectives were able to follow the aforementioned white Ford Ranger until, due to weather conditions, visual contact was lost along eastbound Interstate 64 in Clark County, Kentucky. Suspecting that Halsey had just received a supply of controlled substances from Fugate, and further suspecting that she would be traveling to Montgomery County, Kentucky, to distribute said controlled substances, Mount Sterling Police Officers were alerted to be on the lookout for Halsey and the white Ford Ranger.

20. On February 4, 2021, Halsey was located sitting in a vehicle outside of the Ramada Inn in Mount Sterling by Mount Sterling Police Department officers. Officers ultimately seized approximately 12 ounces of suspected methamphetamine and \$1,800 in U.S. Currency from Halsey's hotel room. Halsey was arrested in connection with this seizure. HIDTA investigators conducted an in-custody interview of Halsey at the Montgomery County Jail the following morning. Halsey agreed to speak to investigators and admitted that the substance seized from her incident to her arrest was methamphetamine and that she had purchased this methamphetamine from Brenda Fugate at Fugate's residence on Ashford Lane.

March 19, 2021: possession of a large quantity of suspected methamphetamine by Fugate at 1164 Ashford Lane

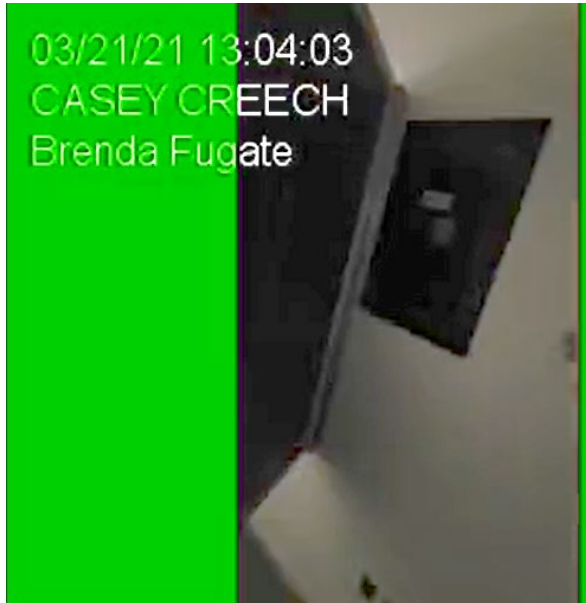
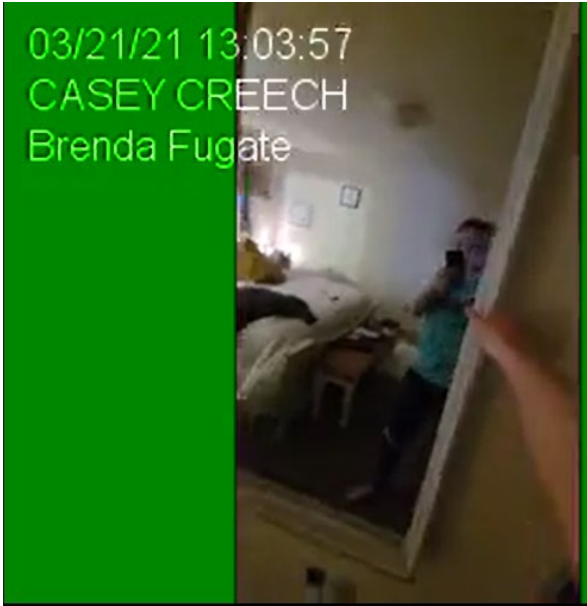
21. On March 19, 2021, at approximately 6:00pm, Creech spoke to Fugate on a video call. Fugate said that she was getting out of the car at the house (1164 Ashford Lane) and was at the other apartment (known to be Steeplechase Apartment #7204) to meet "Bodyguard 1." Creech asked why she went to meet him, and Fugate said, "I had to go over there, ya know". Fugate then held up a package which appears to be tightly bound in blue plastic wrap. Investigators, through training and experience, know that drug traffickers commonly utilize plastic wrap to package and tightly secure bulk quantities of narcotics. See below image.



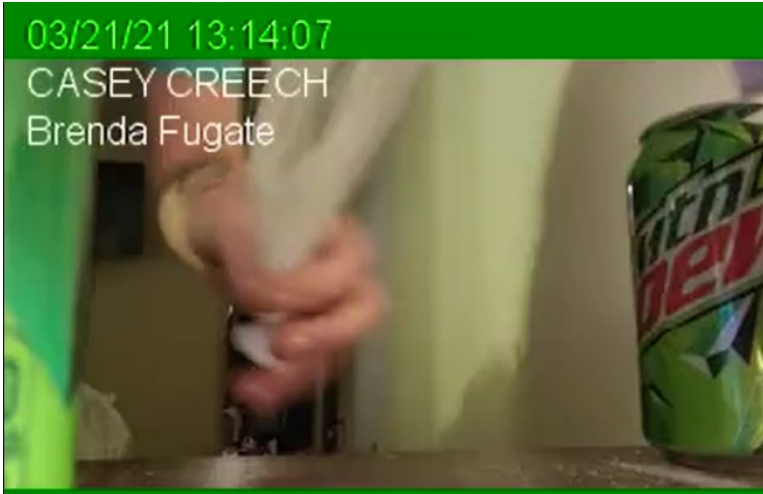
22. A review of GPS tracker data related to Fugate’s Mercedes, with KY license plate #AWB093, being tracked pursuant to tracking warrant 21-MJ-5086, revealed that on March 19, 2021, at 5:21 pm the vehicle was located in the Steeplechase Apartment complex in the parking area in front of Building 7, near Unit #7204. The vehicle departed around 5:30 pm and arrived at Fugate’s residence just after 6:00 pm as Fugate indicated during the aforementioned video call with Creech.

March 21, 2021: Video Jail Call

23. At 1:04 pm on March 21, 2021, during a video call, Creech asked what project Fugate had “Pooty” come to her house to work on previously. Fugate responded by telling Creech to “watch” as she demonstrated how a wall mirror (in her bedroom at 1164 Ashford Lane) swung open on hinges to reveal a wall safe behind it.



39. Later in the video call, Fugate displayed a box of plastic sandwich bags to Creech and said they are for her lunch, then laughed as they are set aside. She reached for another item off screen and appeared to manipulate it before the camera (phone) apparently falls. As it does, Fugate's hand can be seen, as she sets a plastic baggie down on the bedside table. The baggie is twisted and tied around a white powdery substance. Next to the baggie, there further appears to be white powdery residue believed to be a controlled substance.



April 21, 2021: Second Arrest of Angela Halsey

24. On April 21, 2021, law enforcement in Mt. Sterling received new information that Angela Halsey was staying in a local motel, again distributing drugs. Investigators approached the room occupied by Halsey and made contact with her. Investigators obtained consent to search Halsey's room. This search yielded the discovery of more methamphetamine. As before, Halsey admitted that Fugate had just supplied her with a pound of methamphetamine and further admitted

that she had seen four (4) additional pounds of methamphetamine in Fugate's purse. Halsey was again arrested. The suspected methamphetamine was sent to the DEA Mid-Atlantic Laboratory for analysis. Testing by a forensic chemist at the DEA Laboratory revealed as follows: Exhibit 28 was 445.9 grams of methamphetamine hydrochloride that was 78% pure; Exhibit 29 was .205 grams of methamphetamine hydrochloride that was 98% pure; Exhibit 30 was 42.1 grams of methamphetamine hydrochloride that was 79% pure; Exhibit 31 was 53.67 grams of methamphetamine hydrochloride that was 83% pure; Exhibit 32 was 14.94 grams of fentanyl; Exhibit 33 was .389 grams of methamphetamine hydrochloride that was 64% pure; and Exhibit 34 was 2.309 grams of methamphetamine hydrochloride that was 92% pure.

August 2, 2021: distribution of ½ pound of methamphetamine and 2 ounces of heroin/fentanyl

25. On August 2, 2021, investigators suspected that an individual operating a black Lexus sedan may be traveling to locales in Eastern Kentucky to distribute controlled substances on behalf of Robertson and Brenda Fugate. Law enforcement officers and HIDTA detectives established points of observation along Interstate 64 East in Clark County to look for the subject vehicle.

26. An officer with the Winchester Police Department was on patrol in a marked unit and observed a black Lexus sedan consistent with the one previously observed by officers during this investigation. As Officer Bloom with the Winchester P.D. attempted to get behind this vehicle, the officer observed the driver make an abrupt turn into a driveway located at an address on Lexington Road, Winchester Kentucky. Officer Bloom ultimately made contact with the driver in the driveway. Detective Purdue located a black backpack that had been discarded from the vehicle. Inside, approximately ½ pound of suspected methamphetamine and 2 ounces of heroin/fentanyl

were found. Identification cards issued to the driver of the vehicle were also found in the backpack. The driver stated that there would be “personal use” narcotics inside the backpack.

27. The driver was transported to the Winchester Police Department for a post-Miranda interview. The driver (now cooperating source or CS-1) agreed to provide a statement. CS-1 stated that the source of the drugs found in his/her possession is a male subject whom CS-1 knows as Steve Robertson (hereinafter referred to simply as Robertson, as it is the opinion of investigators that CS-1 was referring to the male subject known as Craig Robertson). CS-1 accurately described his address in the location that investigators know Robertson to reside. CS-1 admitted that he has met Robertson at his residence on various occasions to obtain heroin/fentanyl from him. CS-1 described going inside the residence to conduct the transactions, specifically, upstairs in the residence.

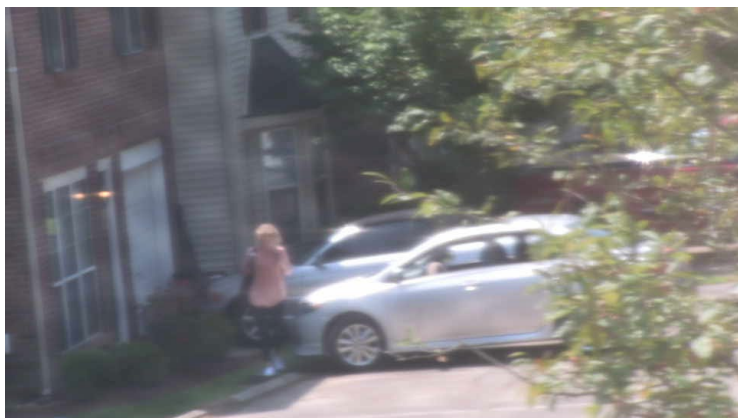
28. CS-1 further described an apartment unit location that investigators know to be the Steeplechase Apartments at 305 Lindenhurst Drive as a meeting location where he has obtained multiple pounds of methamphetamine from Robertson. CS-1 stated that s/he has been inside this apartment unit and described it as having little to no furniture. CS-1 stated that no one resides at this apartment unit on a full-time basis, but Robertson does allow acquaintances from California to stay there when visiting. CS-1 advised that s/he has seen pound level quantities of methamphetamine present at this apartment on numerous occasions. CS-1 stated that Fugate maintains a residence on Ashford Drive in Lexington where she also stores drugs on Robertson’s behalf.

29. CS-1 stated that the controlled substances found in his/her possession on this date were obtained from Robertson and Fugate the day prior (August 1, 2021) at the Steeplechase Apartments where s/he was supplied with methamphetamine. CS-1 advised that s/he then met

with Robertson at his residence to obtain the heroin/fentanyl from inside Robertson's residence. CS-1 stated that Robertson obtains resupply of drugs via the U.S. Mail and also surmised that individuals fly to California and drive drugs back to Kentucky on Robertson's behalf. CS-1 admitted that s/he had been distributing multiple ounce or pound quantities of methamphetamine obtained from Robertson and Fugate. CS-1 further admitted distributing ounce quantities of heroin/fentanyl obtained from Robertson and Fugate. CS-1 provided information in an attempt to lessen his/her criminal liability and/or sentence for drug trafficking offenses. CS-1 has a prior felony conviction for trafficking in a controlled substance first degree, less than 2 grams of methamphetamine, from 2018.

August 12, 2021: Controlled Purchase of Narcotics from Brenda "Nikki" Fugate at 1164 Ashford Lane

30. On August 12, 2021, ATF, Gateway HIDTA and DEA utilized a HIDTA CI to conduct a purchase of suspected methamphetamine and heroin from Fugate. Prior to the purchase, SA Hager utilized judicially approved remote video cameras to conduct surveillance of Fugate's residence at 1164 Ashford Lane. At approximately 12:33pm, SA Hager observed Fugate leave her residence, carrying a black bag. Fugate got into a silver Corolla (with Kentucky registration plate ATY688) and left the area.



31. Around 1:54pm, Fugate was again observed via the remote video surveillance on Ashford Lane as she was dropped off by an unknown grey Toyota truck. Fugate appeared to be carrying an additional black bag as she entered the residence.



32. Agents and officers met to conduct a briefing for the anticipated controlled drug transaction. Afterwards, the CI traveled to Fugate's residence, followed by law enforcement, to purchase the narcotics. Fugate was captured on video recording equipment inside 1164 Ashford Lane as she distributed narcotics to the CI. (see image below). A blue package could also be observed near Fugate as she appeared to be retrieving narcotics for the CI from a black bag.



After the purchase, the CI was observed exiting the residence and was again followed by law enforcement to a pre-determined location, having purchased (with ATF approved funds) a quantity of 1/2 pound of suspected methamphetamine for \$2,000 and an ounce of suspected heroin for \$1,500. The CI advised that Fugate had a large amount of methamphetamine nearby wrapped in blue packaging, which had been opened. The packaging appeared consistent with the packaging of other suspected controlled substances possessed by Fugate during this investigation, *e.g.*, the suspected narcotics in the image at paragraph 21 above. The CI surmised that the large amount was being repackaged into smaller quantities for distribution. According to the CI, Fugate retrieved the heroin from inside her black oversized purse.

CONCLUSION

33. Based on the facts set forth above, there is probable cause to believe that from December 2020 until September 2021 in Lexington, Fayette County, in the Eastern Judicial District of Kentucky, Brenda Nicole Fugate did conspire to distribute controlled substances, including mixtures or substances containing a detectable amount of methamphetamine, a Schedule II controlled substance, in violation of Title 21 U.S.C. § § 846 and 841 (a)(1).

34. I declare under the penalty of perjury that the above statement is true and correct to the best of my knowledge, information, and belief.

Signed remotely per FRCP 4.1. See addendum.

Sabrina G. Hager, Special Agent
Bureau of Alcohol, Tobacco, Firearms and Explosives

Subscribed to and sworn before me, this the 22 day of September 2021.



HON. MATTHEW A. STINNETT
U.S. MAGISTRATE JUDGE

Rule 4.1 Addendum

Per Rule 41(d)(3) and Rule 4.1, the Court processed the application remotely. The Court verified the Affiant's identity (through Affiant self-identification and by personal knowledge). Affiant simply attested to the affidavit and application, which the AUSA transmitted by remote electronic means (e-mail). The Court issued the original application and transmitted same to the Applicant and the AUSA, by remote electronic means (e-mail). The process complied with Rule 4.1.



Hon. Matthew A. Stinnett
United States Magistrate Judge

Date and Time: 3:01 PM, Sep 22, 2021