

May 5, 2016

Re: Your April 26th Letter to Larry Wolfe

Dear Kim,

I have received and reviewed the letter from your office to Larry Wolfe, dated April 26, 2016.

I have given this situation much thought, and am responding to the letter for purposes of public record and to make sure there is no misunderstanding regarding my assessment of this situation or my intent.

The reason you directed your staff to engage with Larry Wolfe in the fashion this letter represents is because you and Larry had a disagreement in a meeting regarding trails Inn on the Creek intends to allow to be placed on-property as part of a public/private partnership. The morning following that initial disagreement is when your tone drastically changed and your office began summoning Larry for discussion and issuing letters to Inn on the Creek to Larry's attention on Village of Salado letterhead.

This shift in the manner in which you are choosing to conduct yourself is disappointing. It is immature. It is unprofessional. Most importantly to me, it is impeding Inn on the Creek from focusing on our guests and visitors.

Kim, yesterday and today Inn on the Creek is hosting editors from HGTV Magazine, Architizer, Woodworking Network, and eight other national publications. I personally drove the editors through town in the Inn's limousine and took them to local businesses where they were thoroughly charmed and spent their money. Today I will be doing more of the same – exposing the charm and talent here in Salado to everyone I can. I reference this activity to make a point. Inn on the Creek is doing (and for the past decade has done) everything possible to promote both our business interests and Salado as a whole.

Any further discussions or correspondence with Inn on the Creek Properties needs to be directed to me. My address is 602 Center Circle. The address to which you sent your certified letter was not my address, Larry's address, or any address ever associated with any of our businesses. This resulted in another business owner being made aware of your chastising letter, and only served to further frustrate this situation.

I will not be responding to or taking any action regarding the content of the April 26th letter you directed to be sent to Larry Wolfe.

Again, I am so disappointed in the manner in which you have chosen to represent The Village of Salado.

Sincerely,

Will

cc:

Mayor Skip Blancett

Mayor Pro Tem Fred Brown

Alderman Amber Preston Dankert

Alderman Michael McDougal

Alderman David Williams

Alderman Frank Coachman

To Mayor Skip Blancett & The Board of Aldermen of the Village of Salado:

I have spoken with each of you regarding specific experiences I've had with our current Village Administrator, Kim Foutz. The purpose of this letter is to document examples of my first-hand knowledge of her actions and manner that are not in-keeping with her contractual obligations as the Village Administrator of the Village of Salado.

Kim initiated a \$300,000 grant application on behalf of VOS through TXDOT involving a public-private partnership for hiking & biking trails in Salado. She included VOS property as well as property owned by myself, Morris Foster, KD & Graydon Hill, and Clark Lyda.

She was responsible for securing signed commitments from each property owner, and in the beginning of the project there was considerable support. I can not comment on why other property owners withdrew their support after the grant was awarded. I can, however, make it known that my support was withdrawn for three reasons: 1) She did not communicate with me key, unalterable requirements of trail installation on my property. 2) When I voiced objection regarding some of the requirements (specifically the width of the trails and the fact they were to be made of concrete) she told other members of the trails committee that I knew from the beginning of the project those unalterable specifics, and she made statements to paint a picture of me as the reason the project was falling apart. 3) She flip-flopped on her statements regarding what was permissible for trail access. In the beginning I made it clear to her that access of the general public to the trails would need to be restricted during scheduled, private events on my property. She assured me blocking trail access for periods of time was not a problem. When the trails committee met on my property, she clearly told the group that the trail could not be blocked, as they were public trails. Later, when I met with her and Alderman Dankert, she changed her stance again, ensuring me there were not problems with blocking the trails.

Her lack of effective communication, misstatement of facts, and deception have had an extremely negative impact on my opinion of our Village government.

Kim Foutz made matters even worse by lashing out unprofessionally at Inn on the Creek management. After attending a trails committee meeting on my property, and having a disagreement with the Inn's representative, she (the very next morning) called my representative into her offices and began accusing my manager of not following a procedure that her office had previously clarified was unnecessary. She raised her voice in front of her own staff, and chastised my manager. My perception of her actions based on the account of my manager (formerly the owner of multiple Salado-based businesses) and her own staff is that her manner and actions were those of an individual with something to prove. To clarify, she makes it clear in her manner that people need to understand she is someone "not to mess with". This chosen stance is very personal, it is the embodiment of the parabolic "chip" on the

shoulder, and it is not the stance someone in her position should be taking. Further, characterization of Ms. Foutz is one I hear echoed with increasing frequency from other business leaders in our community, and I have asked those leaders to write to you of their experiences with Kim as well.

I also respectfully request that you inquire with Chrissy Lee about the exchange she witnessed in her office between Kim Foutz and Larry Wolfe. Larry manages projects for Inn on the Creek, and has had more than one exchange with Ms. Foutz where he felt her conduct was unprofessional and inappropriate. I have already asked Ms. Lee for permission to ask your board to discuss what she witnessed.

Even when Ms. Foutz attempts to conduct business in a professional manner, she falls short. An example of this is the fact that her office sent a written reprimand for my business to the address of an entirely different business owner. (The reprimand in question stemmed from the before-mentioned disagreement.)

I understand it would be inappropriate for the BOA to take action simply due to an individual's opinion of Kim's manner and performance. However, I am aware my written concerns are not the only concerns your board has been presented. And, as I previously stated, I am aware of business leaders in our community who have had similar, undesirable experiences with Ms. Foutz, and it would surprise me if you haven't already begun receiving letters from them.

I also understand there is a case to be made that we know what we have in Kim, and we could do a lot worse. That same perspective calls into discussion the possibility that she could be counseled, and her behavior altered in such a way that it be more representative of the cooperative and nurturing environment many want in Salado. To address this possibility, I ask that you have a simple discussion amongst yourselves as to how likely you believe it is possible for Kim to change the opinions of the many local leaders she has treated in ways they have not found to be appropriate.

I acknowledge there is a real concern that if Ms. Foutz is released from her duties without cause, the financial obligation of the VOS would be yet more fuel on the fire of community unrest. The Village Administrator's contract is a matter of public record. In that contract, if she is let go without cause what she is due is very clear:

- 1) Twelve Months of salary = \$80,000
- 2) All accrued sick leave & vacation time paid (which is already budgeted, whether she is let-go or not)
- 3) Six Months of health insurance coverage, or coverage until she has other coverage (whichever comes first)

This is the financial worse-case-scenario.

I am not an attorney, but I can read, and I am aware of the impact Kim's management of Village of Salado affairs has been having on our business community. If the factual content of my letter, combined with the factual content of

other letters you have received provide you reasonable documentation supporting the position that Kim Foutz has not been living up to the reasonable expectations of her employment contract then it is your responsibility as our leadership to terminate her position.

As I read the contract, the behavior and actions I've detailed in this letter (and have asked you to explore further) show clear failure on Kim's part to meet two requirements of her job responsibilities under the contract:

- 1) Overall Operation – Her miscommunication and misleading me, thereby causing me to withdraw from the trails project – in no way “ensures a coordinated effort to meet the goals and objectives established by the Mayor and Aldermen.”
- 2) Project Management – Her lack of ability to complete the trails project, which may result in the grant being pulled – can have a catastrophic impact on Salado's ability to be considered for future grants. This “black eye” on Salado which has squarely come on her “watch”, is certainly not the reasonable result of a Village Administrator doing a good job.

Thank you for taking the time to review my letter.

Please take action regarding the facts you have before you.

Respectfully,

William D. Lowery