



December 1, 2022

Delivered Electronically

Mr. Ray Golden
General Manager
Ticaboo Management, LLC & Offshore Marina, Inc
DBA North Lake Powell
Email: ray@ticaboo.com

Dear Ray,

We the trustees of the Ticaboo Utility Improvement District would like to thank you for your email and letter of 11-21 and 11-22-2022. Both documents were read into the record as you requested and will become permanent parts of the minutes of that meeting.

In response to your email and letter, this board feels that much of the information that you presented and allegations that you made against the district and its manager, Chip Shortreed, are overly exaggerated, show your lack of knowledge of the operation of a governmental entity, and are simply not true. Be it known by this statement from the Trustees, we unequivocally have full confidence and trust in Chip as our manager and a person and can say without question or hesitation that he has always kept this board informed and has not operated unilaterally as you have charged. We therefore feel it necessary to address these issues and will be presenting our comments on the public record.

You bring up the following.

- 1) You refer to several items that were on our agenda for our 11-22-2022 meeting. These items were posted for general discussion and action by the Trustees. Under the Utah Open and Public Meetings Act (OPMA), we are required to post to our meeting agendas all items that are presented for discussion and action by the board and these discussions must be heard in an open forum that allows the public to be present and heard. Contacting numerous public officials, state and county agencies and stating that our agenda items, are “most blatant example of greed, graft, corruption and fiscal irresponsibility by any organization I have ever seen in my life”, implies that without even listening or attempting to understand the items at hand that you have a predisposed agenda against the district as a whole.
- 2) Next you make unsubstantiated statements accusing our General Manager of apparently interfering and threatening (“looked like he was going for a weapon in the back of his truck”) you and your wife in your capacity as an official investigating a possible search and rescue. You announce that you and your wife have armed yourselves and have threatened retaliatory action and have also issued a no trespass letter to Chip and his family to the extent of prohibiting access to TUID’s legal rights of ways and easements. This statement, which is in contradiction to the allegations you made against Chip to Sheriff Perkins in your email on 11/20/22, where you accused Chip of swerving off the road, “and jumped out of his vehicle to



film me". Two entirely different statements from you. It is hard to tell which one to believe since they are both so different statements and neither of those statements are representative of Chip's behavior in the 12 years he has faithfully and publicly served this district. IF...Chip was allegedly going for a weapon, why wouldn't you state as much to Sheriff Perkins in your SAR reporting email? Why wait for a meeting of the board to have your inflammatory comments read into the record? Was it so you could attempt to embarrass and publicly humiliate Chip? It was by your actions Ray, that the trustees were forced to act and place this for discussion at our meetings. We needed to prepare for and take measures to protect the district and its employees against specious allegations and retaliations from you or your employer while attempting to service, maintain, and inspect our utilities. Not to mention the unconscionable acts you have personally taken against our employee and his family.

- 3) In your letter of 11-22-22, you demand that the trustees "place Ticaboo Management, LLC into the role of temporary management of the district" for the period of 12-15-22 to 1-15-22. By making this demand, all you have done is convince the trustees that you have seriously negative bias against them, the district, our employee(s) and have us questioning your integrity and qualifications for such actions.
- 4) You then profess to have no knowledge of why Chip Shortreed is leaving the employment of the district. This has been addressed in several public meetings since late September where it has been stated this was a mutually agreed up separation between Chip and the TUID Board. To set the record straight, again, and once and for all, we are laying it out here. Due to your well-known stated intentions and numerous conflicts with Chip, that we will not delve into here, you told our chairman, Mr. Tom Hill, in October of 2021 that you had no desire to work with Chip at all anymore and that you would do anything within your power to "run him out of town". This was echoed to other members of the community by you and employees of your organization. Your employees have also stated to members of the community and the trustees ourselves that they have been either directly or indirectly told by you not to cooperate with Chip, and doing so could jeopardize their jobs. Chip **WAS NOT** fired from TUID, and neither did he quit. The members of the board as well as many members of the community did not, and do not, want Chip to leave. It became evident that your egregious, hateful, and divisive acts of defamation, bullying, harassing, intimidating, and issuing ridiculous and unenforceable no trespassing orders against Chip and his family were not going to go away. That you were going to relentlessly continue these malicious attacks against TUID and Chip regardless of consequences. You had succeeded in your quest to make the situation untenable for anyone to live in, and therefore forcing Chip to leave. Simply put, there is no other reason Ray, you caused this to happen. All you did was hurt a community, not help it.
- 5) You then go on to attack the districts fiscal and financial procedures. The use of the words "forensic accounting" implies allegations that we are not following generally accepted accounting practices (GAAP) and guidelines. Before you make these accusations, we suggest that you familiarize yourself with the term Fund Accounting. It is quite different than for profit business accounting. Just a few of the nuances; Each operation within the district must be



separately funded and expensed within the budget. The budget must be balanced and separate provisions for bond payments, reserves, and emergency funds must be shown. The budget must go through a public review processes before final approval by the board and filed with the State Auditor. Then, annually the district goes through a thorough audit by an independent auditor, and the findings of that audit are filed with the State Auditor's office. As you can see there are many checks and balances that guard against your implications.

- 6) You also accused us of deliberately hiding payroll expense in our 2023 Budget. Ray, you know fair well that this is false. If you have truly reviewed our past years budgets you would see that payroll and associated costs are completely transparent. When addressing the 2023 budget, you and your staff were working with us on transitioning to an outside management contract. It was anticipated that the district would no longer incur payroll expenses, and those funds were reallocated administrative expense and were expected to be used to pay for outside services. We discussed this with you and Tim Kelley, and you both agreed. Further, during an open and public meeting of the board on 11-17-22, which you were in attendance, this was explained in more detail for your benefit.
- 7) You go on to question the districts sharing of expense reports with the public. This is done at every one of our regular meetings and these expenses are submitted to Transparent Utah quarterly as required by law. Every regularly held public meeting has an agenda item where our General Manager presents the up-to-date financials with the trustees and seeks approval by vote of those financials. There are checks and balances in place to make sure our expenses are reviewed, reported, and approved. Before any bill is paid, at least two trustees must approve the expense.
- 8) Chip's compensation is also public record. We cannot profess to know where you derived your numbers from but can unequivocally say that your assumptions are false. What you fail to include in your over inflammatory accusation is that Chip's salary was discussed in an open and public meeting of the board on October 22, 2020, where this board approved additional compensation to Chip for covering both field and administrative duties as the only fulltime employee of the district at the time. This, following your divisive tactic of luring our only other full-time employee to work for you for \$6.00 more an hour. Knowing good and well that TUID could not compete with a wage increase of that magnitude at the time. This is yet another aggressive bullying tactic and defamation taken by you towards your desire of running Chip out of town.
- 9) You make derogatory comments ("Their lives are at risk because we have to allow Chip Shortreed to continue to threaten us and harass us on our own property?") when referring to Chip as if he is making the final decision about disconnection. You know this was on the agenda as a board decision, not a unilateral decision to be made by Chip. Further, we would thank you to stop using the terms "our own property". You do not own any property in Ticaboo, you are provided employee housing by your employer. Quite frankly, you have brought this on yourself, forcing the board to even have to consider exercising our right to access and properly maintain our equipment in our easements and rights of way.



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*Providing Power, Water, Wastewater, Solid Waste Services
Since 2012*

In closing, we would like to say that we could continue to address in detail more of the outlandish accusations that you have presented, however we have more than demonstrated your lack of knowledge when it comes transparency in the operation of a governmental organization not to mention your malice against TUID and your continued efforts to bully, harass, intimidate, and defame the character of our employee and his family.

We can assure you that we are now well aware of your intentions and concerns, and should you wish, we welcome the opportunity to rationally discuss these matters further and on the record. False, and uninformed allegations do nothing for anyone in the end unless your intentions are to skew public perception of TUID, its operations, and employees.

Sincerely,

Thomas Hill, Chair

Michael Morlang, Vice Chair

Jim Bell, Treasurer