

**MINUTES OF MEETING OF BOARD OF DIRECTORS OF
TANGLEWOOD FOREST LIMITED DISTRICT**

February 21, 2024

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

The Board of Directors of Tanglewood Forest Limited District met in regular session, open to the public, on February 21, 2024, at the Tanglewood Pool House, located at 9809 Curlew Drive, Austin, Texas, pursuant to notice duly given in accordance with law. A copy of the Certificate of Posting of the Notice is attached hereto as **Exhibit “A”**.

The following Board Members were present, thus constituting a quorum:

Ron Peterson	President	Present
Nikki Krueger	Vice President	Present
Brian Whelan	Treasurer / Secretary	Present
Robbie Castille	Director	Present
Vacant	Director	-

Also present for the meeting were: John Carlton of The Carlton Law Firm, P.L.L.C.; Brody McKinley of SafeGuard Aquatics; Charlie Mowen of TexaScapes; Vangie Bocanegra of Pioneer Real Estate Services; and residents of the District.

Director Peterson convened the meeting at 6:10 p.m. and took the agenda items in the order described below. The Directors each introduced themselves to the attendees of the meeting.

PUBLIC COMMENT

Item 1 – Receive communications from the public on items not listed on the posted agenda.

Catherine Rockwell, a District resident, mentioned that she has lived in the District over 20 years, has a long history of attending Board meetings, and had previously served on the Board. Ms. Rockwell said that the people who live in the District are good people and while there may have been disagreements in the Board meetings, it is a good place to live. Ms. Rockwell said that she sees no reason for law enforcement to be at the meetings and while she means no personal offense, she will act as if the officers are invisible. Ms. Rockwell mentioned she is glad that everyone is here and encourages everyone to apply for a spot on the Board of Directors. Ms. Rockwell said that if anyone has any questions people should talk with Directors Krueger, Peterson, Whelan or herself. Ms. Rockwell also noted that working on the Board is quite an experience. David Rappold, a District resident, said he has lived across the street from Noel Gonsalvez for 17 years and said Mr. Gonsalvez is running for a position on the Board in November 2024. Mr. Rappold said Mr. Gonsalvez has helped with tree damage and chopping up trees to help the neighbors. Mr. Rappold also said Mr. Gonsalvez puts things like sofas in the dumpsters himself, and he hasn't met a person better suited to serve on the Board than Mr. Gonsalvez. Sam Vaugh, a District resident, said he is speaking on behalf of Mr. Gonsalvez. Mr. Vaugh said he is the Vice President of a large engineering company and has worked with Mr. Gonsalvez since 1998 and noted that Mr.

Gonsalvez is an excellent employee and is a soccer referee for the love of the game for many years. Mr. Vaugh said nobody serves as a referee for that long without being recognized as a fair person with integrity. Mr. Vaugh mentioned that Mr. Gonsalvez is beloved in the community and has served with Meals on Wheels for 25 years and has recruited others to help as well. Mr. Vaugh also mentioned he has traveled to El Salvador with Mr. Gonsalvez to serve the people in need and each trip he takes Mr. Gonsalvez send gifts even when he cannot go in person. Dorcas Rockwell, a District resident, said she has lived in the District for over 20 years and came to the Board meeting last month and was disappointed and upset that armed security is at the meetings. Ms. Rockwell also said that if the District is paying for security she wants the security at the parks and in the neighborhood and not babysitting at the Board meetings. Ms. Rockwell noted she does not want her money spent on security for the Board meetings. Noel Gonsalvez, a District resident, discussed a PSA that was posted on the NextDoor website about the Board meeting and noted it was promptly taken down for public shaming. Mr. Gonsalvez said we all know who the leader on NextDoor is and who is on the NextDoor website. Mr. Gonsalvez said the only way to get things taken down on NextDoor is to report the item to support@nextdoor.com. Director Krueger asked Director Castille if he can get off of his cellphone and Director Castille responded that he is not on the phone. Director Krueger asked if he would take out his earbuds as it looks disrespectful, and Director Castille responded that he would not. Enrique Alvarez, a former 8-year Board member, said he agrees with Ms. Rockwell's statement that the former Board could agree to disagree with many things but never mudslinging and character attacks. Mr. Alvarez read several text messages he received from Director Castille including one where he called Mr. Alvarez a fat meatball head. Mr. Alvarez also mentioned some emails he received after Mr. Gonsalvez had his windows broken and flat tires. Mr. Alvarez also mentioned he has suffered broken windows and flattened tires. Mr. Alvarez also spoke about firing Director Castille as a District vendor while Mr. Alvarez was on the Board due to Director Castille doing things not approved by the Board, causing the Board to have to pay for them. Mr. Alvarez further discussed the Board spending taxpayer money on lawsuits.

Item 2 – Public Comment on Agenda Items. Addressed in items below.

CONSENT ITEMS

Item 3 – Consider approval of the January 24, 2024 regular meeting minutes. Director Krueger moved to approve the January 24, 2024 regular meeting minutes as presented. Director Whelan seconded the motion, the motion passed 3-1 with Director Castille opposed.

REPORTS AND COMMITTEE MATTERS

Item 4 – Receive report from the Finance Committee and Treasurer and consider taking related action regarding the following:

- (a) **monthly financial report, payment of monthly bills and invoices and transfers of District funds:** Director Whelan reviewed the check register and requested a \$40,000 transfer to pay bills and invoices. Director Peterson moved to approve the check register and \$40,000 transfer. Director Krueger seconded the motion, and the motion passed 3-1 with Director Castille opposed specifically to checks 2445, 4457, 4458, and 4459.

- (b) **Presentation on FY2021 audit.** Mr. Gonsalvez said the 2020 audit shows the attorney fees jump from \$60,000 to \$192,000 related to the Horizon lawsuit, and mentioned that District records were destroyed and had to be recreated. Mr. Gonsalvez said he believes the money being spent on lawsuits and recreating documents is solely due to one person and it is not due to the Board, but that the Board is doing its due diligence in fighting the lawsuits. Mr. Gonsalvez said Director Castille is causing money to be spent on litigation and he applauds the District for fighting the Minjarez lawsuit. Mr. Gonsalvez noted the lawyers Minjarez is using are with the Terrazas firm, and those are the same lawyers Director Castille used regarding his deposition. Mr. Gonsalvez further noted that Director Castille is going on the NextDoor website and saying the District is wasting taxpayer money even though Director Castille is the one causing everything to happen. Mr. Gonsalvez asked those in attendance to speak with their neighbors and let them know who the real problem is.

Jimmy Rommel presented two documents regarding the FY2021 audit. Mr. Rommel discussed the unmodified or clean opinion and explained that page 8 is the balance sheet, page 9 is the start of the revenue and expenditures and there is an overall increase in the fund balance of \$153,000 and page 10 is the budget to actual comparison for the general fund and it shows revenues were ahead of plan by about \$180,000. Mr. Rommel also discussed page 16 regarding capital assets with a slight decrease in book value of capital assets of about \$808,000, that page 25 shows the District collected 99.4% of property taxes, and reminded the Board the tax year is always a year behind the fiscal year. Mr. Rommel also discussed the letter to the governing body and said the FY2019 audit had been delayed and the District is still trying to catch up. Mr. Rommel also noted that there are no material weaknesses or significant deficiencies in the FY2021 audit. Director Krueger moved to accept the audit, authorize the filing with the Texas Commission on Environmental Quality, and authorize Director Peterson to sign the affidavit of filing same. Director Castille seconded the motion, and the motion passed 4-0.

- (c) **amendments to the budget for FY2023:** There are no amendments to the budget this month.
- (d) **security issues including report from Travis County Sheriff's Office and renewal of contract with Travis County Sheriff's Office for 2024:** Director Peterson said he has asked the Sheriff's Department to check on graffiti and damage in the some of the parks including Lindshire Park.

Item 5 - Receive report from the District's pool operations contractor and Pool Committee and consider taking related action, including matters related to: pool operator and pool maintenance/lifeguard contract; leak repairs; pool maintenance, general repairs and upkeep; operating schedule; pool programs; pool funding; lifeguards; and rates and fees for pool use. Mr. McKinley discussed the report as presented in the agenda packet. Mr. McKinley discussed the routine pool maintenance and chemicals. Mr. McKinley noted there was no drain damage during the January freeze and said he will send swim lesson and registration information to the pool committee in the next few weeks.

Item 6 – Receive report from the District’s landscape maintenance contractor and Park Committee and consider taking related action: Maureen Gerlofs, a District resident, said that in Greenbriar Park some of the trail washed away after the last rain near the drainage ditch and noted it could be a tripping hazard. Ms. Gerlofs also mentioned that some dogs in Tanglewood Park got through the fence and requested that if the fence can’t be fixed, the District enforce the deed restrictions. Mr. Mowen discussed the report as presented in the packet. Mr. Mowen mentioned there were only two January visits and said the biannual ant bait may be out early in April or May. Mr. Mowen also mentioned that the ladybug release will be the week of March 18th.

- (a) **Landscape maintenance contract, proposals and estimates for additional landscaping work, maintenance, repair, replacement and improvements to landscaping and landscape related facilities, irrigation systems, and tree trimming:** Director Krueger noted that the invoice for Tony Galindo for photos of parks for \$500 was not in the packet. Director Whelan moved to approve the invoice \$500 invoice for Tony Galindo park photos. Director Castille seconded the motion, and the motion passed 4-0.

Director Krueger discussed a request for tennis soccer in the tennis court area. Director Krueger mentioned that she doesn’t think that the District needs tennis soccer because of the use of tennis courts for tennis and pickleball. Director Whelan would like to see how the City of Austin handles tennis soccer. Director Krueger said only one park in the City of Austin allows tennis soccer. Director Peterson said he does not like the idea of tennis soccer because of existing usage. Director Castille does not like the idea of tennis soccer on the tennis court. Director Krueger mentioned the Board approved the Girl Scout Community Carnival about two or three months ago to be held on Saturday, April 27, 2024, from 10am-1pm subject to The Carlton Law Firm review of their insurance. Director Krueger asked Mr. Carlton if he had received the insurance from the Girl Scouts and he said he has not received it yet.

- (b) **consider amendments to the Park Rules:** The matter was not addressed.

Item 7 – Receive report from District’s General Manager and consider taking related action, including matters related to: Director Krueger provided the General Manager reports except for the Deed Restriction report since Vangie Bocanegra was sick.

- (a) **management services, and related issues:** The matter was not addressed.
- (b) **use, maintenance, repair, replacement and improvement of District property and facilities including, but not limited to, buildings, restrooms, electrical systems, lighting, and parking areas:** The matter was not addressed.
- (c) **Large event requests:** The matter was not addressed.
- (d) **park and restroom cleaning and related services from cleaning contractor:** The matter was not addressed.
- (e) **pond cleaning and related services from Aquatic Features:** The matter was not addressed.
- (f) **regarding enforcement of deed restrictions with the District:** Director Krueger discussed the deed violation graphs and said she will put them on the District

website and noted that there are 239 Stage 1 violations and most are landscaping violations.

- (g) **discuss and consider security cameras for the District pool house:** The matter was not addressed.

Item 8 – Receive report from the Communications Committee and consider action regarding the following: Director Krueger said she has inquired about the use of Kocurek Elementary to hold District Board meetings as more people are attending the meetings.

- (a) **website content:** Director Krueger said all minutes and court documents have been posted to the District website and she will add the deed restrictions graph as well. Director Castille moved to upload the Original Petition filing from the Minjarez Litigation. Director Peterson seconded the motion, and the motion passed 3-1 with Director Whelan opposed. Mr. Carlton clarified that the petition is for Minjarez lawsuit.
- (b) **newsletter:** The matter was not addressed.

Item 9 – Receive General Counsel report and consider taking related action regarding the following: Mr. Carlton discussed the current legal issues.

- (a) **pending contract issues, open records requests, and election matters:** Mr. Carlton discussed the status of the response to Director Castille’s request for invoices from 2019 and noted there were some issues with redacting, but they will be completed and given to Director Castille. Mr. Carlton discussed the November 2024 election and election calendar presented in the agenda packet.
- (b) **other litigation matters:** The matter was not addressed.
- (c) **legal investigations and other legal issues, if any:** The matter was not addressed.
- (d) **the Attorney Generals response to The Carlton Law Firm’s request for exception to R. Castille’s February 4, 2022, Open Records Request and Cause No. D-1-GN-22-002141:** The matter was not addressed.

Item 10 – Discuss, consider, and take any action necessary regarding the State of Texas v. DeWilde, Lauren (Cause No. D-1-DC-22-900009) in the 299th District Court of Travis County, Texas. The matter was not addressed.

Item 11 – Receive report from Special Counsel and consider taking action regarding Cause No. D-1-GN-23-001675; Plaintiff’s Verified Original Petition and Application for Temporary Restraining Order, Temporary Injunction, and Permanent Injunction in the matter of Kimberly Minjarez vs. Tanglewood Forest Limited District; Ron Peterson, Nikki Krueger, Brian Whelan, each in his or her Official Capacity as Directors of Tanglewood Forest Limited District. Mr. Carlton reported on the Motion for Summary Judgment hearing and the Temporary Injunction hearing. Mr. Carlton said that both the Motion for Summary Judgment and Temporary Injunction were denied. Director Krueger moved to schedule a meeting for Monday at 6:00 p.m. to begin the process to appoint someone to the vacancy on the Board. Director Peterson seconded the motion and the motion passed 3-0-1 with Director Castille abstaining.

OTHER MATTERS

Item 12 – Discuss requirements for candidates and sitting board members of the District to qualify to serve as a board members. (No action will be taken). Ms. Rockwell suggested that if anyone lives in the District they strongly consider running for the Board. Ms. Rockwell said also encouraged anyone attending the Board meeting to speak with their neighbors to encourage them to know who is running for the Board to make sure whoever is running has the District's best interest at heart. Mr. Gonsalvez said that as a District under the Water Code they are vulnerable to people who can rent an address or apartment and use it to run for office and it has happened in 2020 and 2022. Mr. Gonsalvez urged the Board to require any Director Elect to fill out their bond application and have it signed in front of the whole board. Mr. Gonsalvez said having that requirement could help stop someone from applying online for a bond using someone else's information. Director Whelan moved to have surety bonds for elected Board members be managed by the District's attorney and must be approved by the District's bonding company. Mr. Carlton said that the Board is not posted to be able to take action on this item and action would have to be taken at a future Board meeting. Director Castille asked Mr. Carlton to clarify that there is no law that says the Board can decide what bond is good enough for the Board. Mr. Carlton said under the law, the District is required to approve the bond. Mr. Carlton said he believes the Board has the obligation to review the bonds and consider approving them or not. Director Whelan said that he would like to have the oath of office of a newly elected Board member administered by the District's attorney at a regularly scheduled Board meeting. Director Whelan said he would send an email to Mr. Carlton with the two items he would like added to the next meeting agenda.

Item 13 – Discuss and take action on Texas Comptroller Special Purpose District Financial and Tax Reporting Requirement. Mr. Carlton explained the report. Director Krueger moved to authorize the filing of the Special Purpose District Report. Director Castille seconded the motion, and the motion passed 4-0.

Item 14 - Discuss and consider rules of conduct during Board meetings. Director Krueger requested Director Castille stay off of his phone and remove his earbuds during the meeting to show respect for the room.

Item 15 – Discuss and consider Board member duties, responsibilities, ethics, and actions. Ms. Rockwell reiterated that if anyone has questions, she can answer questions regarding Board duties. Ms. Rockwell noted there are three Board member positions opening in November. Director Krueger would like to echo Ms. Rockwell's sentiments and said that Director Castille tends to post on NextDoor and communicate through his own Facebook page and social media pages and much of that is personal. Director Krueger said that the District will post more information once the public requests more information and noted the District website holds meeting minutes that obtain official District information. Director Peterson said that the District's main responsibility is trying to keep up with the amenities and the park and everything that goes with that.

Item 16 – Discuss and consider time, date, and agenda items for the next Board meeting. The Board announced there will be a special meeting held on February 26, 2024 at 6:00 p.m. The next regular meeting will be held on March 20, 2024, at 6:00 p.m.

The meeting adjourned at 7:00 p.m.

(Seal)

A handwritten signature in black ink, appearing to read "Brian Whelan", written over a horizontal line.

Brian Whelan, Secretary
Board of Directors

Date: March 20, 2024