

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

May 18, 2022

THE STATE OF TEXAS §
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COUNTY OF TRAVIS §

The Board of Directors of Tanglewood Forest Limited District met in regular session, open to the public, on May 18, 2022, 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
Kat Dowling	Vice President	Present
Nikki Krueger	Treasurer / Secretary	Present
Robbie Castille	Director	Present
Josh Schauer	Director	Present

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

Director Peterson convened the meeting at 6:00 p.m. and took the agenda items in the order described below.

PUBLIC COMMENT

Item 1 – Receive communications from the public on items not listed on the posted agenda. Brian Whelan asked about the estimate to clean out the pond at Lindshire Park.

Item 2 – Public Comment on Agenda Items. Brian Whelan signed up to speak on Item 9.

CONSENT ITEMS

Item 3 – Consider approval of the April 20, 2022, regular meeting minutes. Director Dowling had a revision to Item 8(f) and said that she did not suggest the deed drive committee. Director Castille made the statement but that it was his suggestion to reinstate the committee. Director Krueger moved to approve the April 20, 2022, regular meeting minutes with corrections to Item 8(f) as discussed. Director Schauer seconded the motion, and the motion passed 5-0

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 Krueger presented the financial report included in the packet. Director Krueger discussed the two checks from last month that were withheld and stated that Ms. Giles researched and verified that one of the invoices, invoice #4695, was not a double charge. Director Krueger suggested releasing the check to pay invoice #4695 for \$175 and continuing to hold invoice #5222 for \$1,412 until they receive an itemized breakdown of the costs as the District had previously requested. Director Krueger also mentioned that Mr. Thompson would reach out to A-1 Services again regarding the breakdown for invoice #5222. Director Krueger asked the Board if there were any questions regarding the current invoices and mentioned that some invoices spanned several months. She suggested that the Board needs a system to ensure that the invoices are not paid late. Director Krueger further mentioned that there was an invoice from November of 2021, and she spoke with Mr. Thompson to make sure the vendors are turning in their invoices in a timely manner to be reimbursed. Director Krueger stated per diem invoices should be turned in monthly or every two months at maximum. Finally, Director Krueger requested a \$53,000 transfer to pay the invoices provided in the packet. Director Castille moved to approve payment of all invoices except invoice #5222 and to approve of the \$53,000 transfer to the operating account for bill payments. Director Peterson seconded the motion, and the motion passed 5-0.

Director Krueger also noted that the Profit and Loss statement would have some adjustments made due to some expenses being misclassified and the changes would be reflected next month.

Director Castille had a question about the District's CDs and asked if the Chase representative had spoken with Director Krueger. Director Krueger responded that the representative had not called her back and that she would reach out again to Chase. Director Castille suggested that the District enroll as a private client to receive better service. Director Krueger stated that they are a business client. Director Castille mentioned that if a client has over \$500,000 with Chase then they would be considered a private client regardless of the type of entity. He further mentioned that as a private client Chase would send a representative to the District's office.

Director Peterson made a motion that per diems submitted more than two months late not be paid. There was no second. Director Krueger mentioned that all per diems should be submitted in a timely manner for payment.

- (b) **amendments to budget for FY2022:** Director Krueger stated there are no amendments to discuss.
- (c) **security issues including report from Travis County Sheriff's Office:** Director Krueger stated there were no security issues to discuss.

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. Brody McKinley of SafeGuard Aquatics presented the April report as provided in the

meeting packet. Mr. McKinley stated that the pool opened April 23. Mr. McKinley discussed the season passes and sales that have occurred in the first two weeks of opening. Mr. McKinley mentioned there was a rescue of a five-year-old in the pool. He further discussed maintenance that had been done for the pool and stated the summer hours would begin on May 31st. Finally, Mr. McKinley said that there was a party reservation scheduled for May 28th, to begin at 11 am and to last for two hours, for about 40-50 people. Mr. McKinley wanted the Board's input on the reservation as it would require opening an extra hour earlier on the holiday weekend. Director Peterson said that he spoke with the resident regarding the reservation, and he mentioned the hours the pool is open on the weekends. He also mentioned to the resident that they would have to go by the capacity rate for lifeguard fees. Director Krueger clarified that the lifeguard fees would be billed to SafeGaurd Aquatics, and Mr. McKinley confirmed they would. Director Peterson instructed the resident requesting the reservation to fill out the required paperwork and to contact Mr. McKinley if she had any questions. Director Peterson said he would like to charge \$100 for use of the canopy for the resident's reservation and that the District would charge a fee if any clean up after they reservation was necessary. Mr. McKinley asked if SafeGuard Aquatics would be charging the fee, and Director Peterson asked if Safeguard Aquatics could charge the fee and pass the money on to the District. Mr. McKinley responded that once the District knew for sure that they wanted to charge as a fee, SafeGuard Aquatics could work out how to charge the fees. Director Dowling mentioned they need to make sure the fees are consistent for everyone who asks to reserve the canopy or is charged for cleanup. Director Peterson said once the fees are set then the residents will pay Mr. McKinley directly. After hours there would be a charge for two lifeguards for two hours and four lifeguard hours would be \$350 in total. Further, any additional lifeguards would be \$75 per guard per hour. When Director Peterson spoke with the resident seeking the reservation, he gave her some options on the reservation, and the resident was not sure what she wanted yet. Mr. McKinley mentioned that the pool capacity is 190 people. Director Peterson explained to the resident that if capacity was reached some of her guests would not be able to swim. Director Dowling asked if the resident would consider altering her reservation to 10am to noon so that it would not affect the pool capacity in regular operating hours. Mr. McKinley said it would be better if the party could be before the regular operating hours. Director Peterson asked Mr. McKinley to contact the resident about changing her reservation hours.

Director Krueger asked if the Pool Committee had any information regarding a pool policy and any fees, including the canopy, and if it would be different for district vs. non district residents and private parties. Director Krueger made a motion to approve the \$100 canopy rental flat fee, give the Pool Committee authority to make the decision to approve the resident's reservation on May 28th, suggested the 10 a.m. to noon reservation time, and that the pool room would not be reserved. Director Dowling seconded the motion, and the motion passed 4-0-1, with Director Castille abstaining.

Director Peterson mentioned that the diving board is currently closed because the engineer report indicated that the board was unsafe and that the base is the problem not the board itself. Director Dowling asked if it would be possible to position lifeguards at the deep end of the pool, and Mr. McKinley responded they already have a guard there and the deep end of the pool is still open. Director Castille asked if they could use the diving board in the future. Director Schauer said they probably could not use the board because of the safety and liability issues. Director Castille asked about the problem with the diving board, and Director Peterson said that the base for the diving board is sinking. Director Peterson mentioned that he heard the pools in the City of Austin may not have any diving boards.

Director Peterson asked about the status of the estimates for the pool renovations. Mr. McKinley responded that he is working on getting the prices and concepts together. Director Peterson said that once the prices have been gathered, he will work with Mr. Carlton to determine how best to proceed.

Item 6 – Receive report from the District’s landscape maintenance contractor and Park Committee and consider taking related action: Charlie Mowen of TexaScapes presented the landscape report detailing April activities, as provided in the packet. Mr. Mowen explained that they cleaned up the excessive amount of oak leaves that dropped this year, cleaned the guardrail at Idyllwyld Park per the Parks Committee request, and began their spring planting, which is about 95% completed. He also confirmed that the Scout project was approved and that TexaScapes will begin the irrigation improvements tomorrow using the nearby rotor zones across the trail.

Director Peterson stated that he spoke with the City of Austin regarding a school zone light that they would like moved within the District. Director Peterson said that depending on the cost, the District may be able to move the light because of how close it is to the road, and Mr. Mowen said he would drive by and look into it.

Director Krueger mentioned that I9 Sports has been using Greenbriar Park on the weekends and that she is working with them to formalize I9’s use of the park. Director Krueger also said that the Parks Committee has been discussing Lindshire Park, has been inspecting it, and planning for improvements in the future. Director Krueger stated that she would like to contract with someone to research and apply for grants that the District is eligible for. Director Krueger mentioned that each committee could meet to determine what they think could be grant funded and task someone to research what grants could be available. Director Krueger asked if the Board would be interested in having someone research grants for the District. Director Schauer thinks they should pursue a proposal. Director Krueger said she will do some research to locate information and potential contracts to present to the Board. Mr. Carlton stated that any commitment to expend money requires Board approval.

Director Dowling mentioned there was a quote for \$1,153 waiting to be approved for screen and services for the upcoming movie night in the park and asked for Board approval for up to \$2,500 to include the tip, rights, and tax. Director Castille asked if that price included food, and Director Dowling said that it would include popcorn and bottled water. The movie in the park would be on June 10 at 8:45 p.m. Director Castille moved to approve \$2,500 for the movie in the park event and Director Dowling seconded the motion. The motion passed 5-0. Director Dowling asked Mr. Mowen to check the irrigation schedule in Tanglewood Park to turn off or adjust the irrigation to avoid watering during the movie night. Director Dowling suggested the Finance Committee may need to revisit the funday events since they may not spend the entire \$2,500 approved for the movie night. Director Dowling asked if the Board would give her the authority to select a G rated movie for the movie in the park event. There was no objection from the Board.

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

- (c) **Relocation or removal of ducks from Lindshire Park:** Director Peterson mentioned they have removed 13 ducks, but they still need to remove more. Director Krueger mentioned that three months ago there were about 140 ducks at the pond and there are not as many there now. Director Krueger further mentioned that the Parks Committee has been discussing the issue of the ducks at Lindshire Park and that she was working with Mr. Mowen to research ways to move the ducks. She also mentioned that Central Texas Duck Refuge was a free resource and a farm and they were the ones who relocated the 13 ducks. Director Krueger said that about 10 or fewer ducks is best for the pond. Director Peterson said that he has been receiving complaints from residents about the ducks entering their yards. He also stated that he would like to try to keep around 50 in the pond. Tim Cunningham asked about the research that was done and what the research shows would be the optimal number of ducks to keep at the pond. Mr. Whelan asked if the Board could consider clearing the walks of duck poop. Director Krueger responded that the parks Committee will discuss power washing of the sidewalks at the next meeting. Director Krueger moved to use Central Texas Duck Rescue to relocate the ducks as needed. Director Dowling seconded the motion, and the motion passed 4-0-1, with Director Castille abstaining.

Item 7 – Receive report from District’s General Manager and consider taking related action, including matters related to:

- (a) **management services, and related issues:** 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:** Mr. Thompson discussed the work order list that was provided in the packet. Mr. Thompson stated he had two bids for the pool gate. The first was for \$3,300 from All American Coatings and Remodeling, and the second was for \$2,465 from Community Lock Services. Director Castille moved to approve the quote from Community Lock Services for \$2,465 invoice #1619. Director Krueger seconded the motion, and the motion passed 5-0. Director Peterson asked how soon it could be done and Mr. Thompson said he would look into it and get back to him.

Mr. Thompson also presented two mulch bids. One from LBS for \$13,900 and one from Sunscapes for \$20,265.21, which had been previously presented to the Board. Director Krueger moved to approve the LBS bid for \$13,900 with Director Schauer seconding the motion. The motion passed 5-0. Director Dowling mentioned that the budget needs to include upkeep for \$10,000 each year.

Mr. Thompson also mentioned that he spoke with the City of Austin regarding the drainage ditch and was advised that the crews have had other emergencies to address but it should be addressed by mid-June.

Next Mr. Thompson presented a bid for the Greenbriar Monument sign. A-1 Services provided an itemized breakdown of the invoice for \$4,035. Director Dowling asked if they were ready to move forward with the A-1 Services invoice this year or if the Board wanted to wait until next year to begin the trenching work. Director Krueger said she would prefer to wait until next year so they can obtain

another bid to consider. Mr. Thompson said it would be about 387 feet of trench.

Director Castille asked about three metal signs, noting that two of them had the tree on the sign painted silver and the other is rust. Director Dowling mentioned that all three signs are supposed to be rust. Director Castille mentioned he spoke with the metal worker about the signs and the original specifications for the tree was that it was supposed to be painted. Director Krueger asked Director Castille why he would contact the metal worker about the signs. Director Castille mentioned he was friends with the metal worker. Director Castille asked Mr. Carlton about whether there was a prohibition for a Board member to ask a question to a vendor or only that a Board member cannot order or ask a vendor to do something outside of a Board meeting that contradicts what was approved in a meeting. Mr. Carlton explained that no Board member can bind the District individually. Mr. Carlton further stated Board took action to prohibit Mr. Castille from representing the District without Board authorization.

Finally, Mr. Thompson presented a bid for the Gazebo from Texas Backyard Services. Director Krueger asked for the takedown and haul off to be included in the bid. Director Krueger moved to approve Texas Backyard Services Order 19471 for \$14,226. Director Castille seconded the motion, and the motion passed 5-0. Director Castille asked if the Texas Backyard Services Order would include electrical work for the Gazebo. Director Dowling replied that the original Gazebo did not include electrical and it was considered too late, but it could be added on at a later date.

- (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) **report from General Manager and Deed Restriction Committee regarding enforcement of deed restrictions with the District:** Mr. Thompson let the Board know that he did not complete the deed drive before the meeting, but he will complete it this week or next week. Mr. Thompson advised that he has discussed the problems with updating the owner information with Mr. Meisler. He also suggested that Pioneer handle the resale certificates so that Pioneer could have a better process for keeping track of any changes of ownership. Mr. Carlton advised that the District does not provide resale certificates. Mr. Thompson will request the owner information from the Appraisal District.
- (g) **contract for management services with the District:** Director Krueger reviewed the Pioneer contract amendment and discussed it with the Board. Director Krueger moved to approve the Pioneer Contract Amendment. Director Dowling seconded the motion, and the motion passed 4-0-1, with Director Castille abstaining.

Item 8 – Receive report from the Communications Committee and consider action regarding the following: Director Castille made a motion to purchase a Meeting Owl to stream the monthly Board meetings. Director Peterson mentioned that the same motion had been made in a previous

Board meeting and it did not pass. Director Castille said when the Board previously addressed the issue, the Board was going to do research and then address the motion again. There was no second.

- (a) **website content:** Mr. Thompson has been updating the website with Board meeting agendas and meeting minutes. Pool information and election information will also be added in June.
- (b) **newsletter:** Director Dowling said that she is trying to get the newsletter out within the next two weeks and will include information about the movie night. The next election date will also be included, as it had been in previous years. The pool hours, a link to the website to register, and the season pass information will be included. There will also be a section describing the Eagle Scout project. There will be a section regarding the pond advisory that the fountain will be off temporarily for the season and requesting the residents not feed the ducks. Director Kruger moved to approve the newsletter content, and Director Schauer seconded the motion. The motion passed 5-0. Director Castille asked if the newsletter for last month went out as he has not seen one. Director Dowling confirmed that the newsletter went out, and Directors Krueger and Peterson confirmed receiving it. Director Dowling asked Director Castille to not send his own newsletter to the District residents because it is confusing.

Item 9 – Receive General Counsel report and consider taking related action regarding the following:

- (a) **pending contract issues, open records requests, and election matters:** Mr. Whelan said that, since election time is coming up, he had a question regarding the requirement to own land that is subject to taxation in the District or be a qualified voter in the District and that he is not sure what that means. Mr. Carlton explained that a qualified voter is essentially a registered voter within the District. Mr. Whelan asked the Board to take steps to prevent ineligible candidates from making the ballot. Director Schauer asked who evaluates the candidate applications. Mr. Carlton responded that The Carlton Law Firm reviews the candidate applications and then presents items to the Board for their decision.
- (b) **District’s process for legal action and legal action on deed restriction enforcement (including Tanglewood Forest Limited District v. Ninfa Yanez, Cause No. D-1-GN-19-007074 in the District Court of Travis County, Texas):** Mr. Carlton advised that there are ongoing violations and a permanent injunction on the property. Mr. Carlton provided photos of the property and asked the Board whether they would like to pursue a violation of the injunction. Director Peterson mentioned he has seen code enforcement for the City of Austin taking photos of the property for violations. No action was taken.
- (c) **other litigation matters:** The matter was not addressed.
- (d) **legal investigations and other legal issues, if any:** The matter was not addressed.
- (e) **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:** Mr. Carlton let the Board know that some records had been released to Director Castille per his records request. There were other records

regarding the Horizon lawsuit that were withheld, and The Carlton Law Firm requested and received an opinion from the Attorney General's office regarding the release of the records. Mr. Carlton disagrees with the opinion issued by the Attorney General and will discuss options to proceed with the Board in executive session, excluding Director Castille due to Director Castille's conflict of interest since he is the requestor. Director Castille said he wanted to clarify that he is not asking for any attorney client protected material and only wants to know the amount of money spent so far. Mr. Carlton replied that since the request is for the invoices, he recommends keeping them withheld. Mr. Carlton also explained that Director Castille cannot attend the executive session that discusses this issue as he has a conflict of interest but can be involved with any action taken outside of executive session.

Item 10 – Receive report from Special Counsel regarding One Barton Place v. Horizon HOA Management, Lauren DeWilde et al., Cause No. D-1-GN-20-001451 in the District Court of Travis County, Texas. The matter was not addressed.

OTHER MATTERS

Item 11 – Discuss and consider approval of the management response to the FY2019 audit: The Board discussed the response to the FY2019 audit, Director Krueger moved to approve the response and Director Dowling seconded the motion. The motion passed 4-0-1, with Director Castille abstaining.

Item 12 – Discuss and consider approval of the Director's Bond renewal. No action taken.

Item 13 – Discuss and consider Board member duties, responsibilities, and actions. Director Krueger reminded the Board members that the Board took action to prohibit Director Castille from acting on behalf of the District without prior Board authorization since he is not an officer or on any Board Committees. Director Castille asked Mr. Carlton if the Board could prohibit him from sending his own newsletter. Mr. Carlton said he is not aware of anything that could prevent sending out a newsletter as long as District funds are not used to do so. Mr. Carlton also stated that the Board could take action to prohibit representations that appear to be on behalf of the District. Director Dowling mentioned that Director Castille references his District email address in the newsletter and that is a resource paid for by the District. Mr. Carlton responded that he would look into the matter. The Board continued to discuss any confusion that could be caused with two newsletters in the District. Mr. Whelan mentioned that he believes it would seem to residents that a newsletter from Director Castille, who is a board member, would appear to be from the District as opposed to an individual since they did not attend the Board meetings to know otherwise.

Item 14 – Discuss and consider revisions to the District's Code of Ethics. Director Castille moved to enroll the Directors in random ten panel drug testing and that refusal would be grounds for removal from all committee offices and the Board. There was no second for Director Castille's motion.

Item 15 – Discuss and consider time, date, and agenda items for the next Board meeting. The next regular meeting will be held on June 15, 2022, at 6:00 p.m.

The Board entered into executive session at 7:22 p.m. The Board returned to open meeting from executive session at 7:27 p.m. Director Peterson stated that no action was taken in the executive session.

Director Krueger moved to authorize The Carlton Law Firm to appeal the Attorney General's opinion regarding Director Castille's records request. Director Peterson seconded the motion, and the motion passed 4-0-1, with Director Castille abstaining.

Meeting adjourned at 7:33 p.m.

(Seal)



Nikki Krueger, Secretary
Board of Directors

Date: June 15, 2022