

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

October 19, 2022

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 October 19, 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: Jennifer Schein of The Carlton Law Firm, P.L.L.C.; Brody McKinley of SafeGuard Aquatics; Enid Simon of Pioneer Real Estate Services; and residents of the District.

Director Peterson convened the meeting at 6:02 p.m. The Board introduced themselves to the meeting attendees, and Director Peterson took up 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.

Enrique Alvarez, District resident and former Board member, addressed the Board and expressed concern that candidates for the upcoming November director election, Kimberly Minjarez and Roberto Mandujano, have yet to attend a District meeting. Mr. Alvarez further mentioned that Director Castille is publicly discussing neighborhood security and patrol times, that is discussed by the Board only in closed session for safety reasons, on the NextDoor website. Lastly, Mr. Alvarez showed the Board and the public a photo of Director Castille giving him “the finger” as an obscene gesture.

District resident Mike Canty mentioned that he has lived in the District for 22 years. Mr. Canty asked why two candidates are running on one ticket, and asked who is seeking to control the Board. Mr. Canty further questioned who is funding the two candidates running together.

District resident David Rappold asked about the circumstances needed to disqualify a Board member. Mr. Rappold also asked if candidates running for the Board could have affiliations with current Board members, whether personal, business, or other interpersonal relationships. Mr. Rappold questioned if candidates are required to show the origin of campaign funding and asked

about the guidelines for campaign finances. Lastly, Mr. Rappold asked if living in the District was a requirement to run for a Director position.

District resident Melissa Putenney stated that she emailed questions to the election attorney the District engaged. Ms. Putenney mentioned that she was unhappy with the amount of notice given before the deadline to submit a candidate application.

Carolyn Pilgreen, District resident and candidate for Director, discussed the widespread resident concerns that two of the candidates do not live in the District, one or both candidates may have disqualifying criminal records, and that both candidates lied on their applications. Ms. Pilgreen asked if anyone would be pressing fraud charges. Ms. Pilgreen stated that she lives on a District street that is not a main thoroughfare, but she sees Director Castille on her street almost daily. Ms. Pilgreen expressed to the Board that Director Castille's continual unexplained presence on her street is unnerving.

Gene Garcia spoke to the Board about the home services he provides and holiday lights.

District resident Tim Cunningham addressed the Board and said that in his years of living in the District, the Board has been underappreciated and diligently focused on the community. Mr. Cunningham suggested the public use care when choosing the new Directors in the upcoming Director election. Mr. Cunningham wanted to thank the outgoing Directors for their service on the Board.

Noel Gonsalvez introduced himself as a District resident and stated that he is running for a position on the Board in the upcoming Director Election. Mr. Gonsalvez discussed his concerns that some candidates do not live in the District and stated that part of his motivation for running is to ensure the voices of actual residents are heard.

Mr. Gonsalvez informed the Board that his campaign signs have been repeatedly stolen from multiple locations. Mr. Gonsalvez stated that his signs have been placed in the City right-of-way or on private property with permission. Mr. Gonsalvez reiterated that despite receiving written permission from the applicable property owners, he still had two additional signs taken the morning of October 19, 2022. Mr. Gonsalvez lastly noted that the joint Minjarez-Mandujano campaign signs are not being removed.

Item 2 – Public Comment on Agenda Items. Maureen Gerlofs signed up to speak on item 5. Tim Cunningham signed up to speak on item 12. Brian Whelan signed up to speak on items 8, 9, 10, 11, 12, and 13 of the agenda. Noel Gonsalvez signed up to speak on items 12 and 13.

CONSENT ITEMS

Item 3 – Consider approval of the September 21, 2022 regular meeting minutes. The Board discussed corrections to the September 21, 2022, meeting minutes. Approval of the September meetings minutes was tabled and no action was taken.

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 as provided and discussed the updated check register that had two last minute invoice additions. Director Krueger requested \$74,000 to be transferred to the operating account for payment of the September bills. Director Dowling moved to approve the updated check register with the additional invoices and the \$74,000 transfer for payment of bills. Director Schauer seconded the motion, and the motion passed 4-0-1 with Director Castille abstaining.

Director Castille moved to add a \$100,000 contribution to the reserve fund to fund potential future projects. Director Castille said the District has aging infrastructure that needs to be repaired. Director Krueger stated the District's budget already contemplates potential renovation needs. Director Krueger also stated there is a pool reserve account with all the savings and revenue that comes from the pool. She further explained the pool reserve account includes an insurance check that was received after the winter storm damage that occurred last year. Director Castille also asked about an update to the fixed asset category of the balance sheet to reflect the land value based on the tax roll values. Director Krueger replied that the land values cannot be changed by the District, the document is created by the auditor. There was no second to Director Castille's motion.

Director Krueger discussed an amendment to the FY2023 budget due to the monthly pond fee increasing by \$10. The new pond budget line-item total is \$3,900. Director Krueger also suggested adding a new \$5,000 line item under maintenance for port-a-potties. Director Krueger moved to approve the amendments to the FY2023 budget, with Director Castille seconding the motion. The motion passed 4-0-1, with Director Castille abstaining.

Director Dowling stated that the Board does not address any open-ended capital expenditures projects without it being tied to an agenda item.

- (b) **Consider engagement of an auditor to perform the FY2022 audit:** Director Krueger mentioned that the District's next audit should be for FY2020-2021. The Carlton Law Firm should speak with Maxwell Locke & Ritter to check the status of the FY2020 and FY2021 audits. Director Krueger confirmed that the audits for both FY2020 and FY2021 have been included in the District's budget and that the Board previously moved to engage an auditor for FY2021.
- (c) **Review and approve quarterly investment reports.** Director Krueger presented the second quarter investment reports. Director Schauer moved to approve the second quarter investment reports. Director Castille seconded, and the motion passed 5-0.
- (d) **security issues including report from Travis County Sheriff's Office:** Director Krueger stated that Lt. Mendoza will be attending the November board meeting. Director Krueger was told that the Sheriff's Office was very busy interviewing new

hires. Director Krueger mentioned she put in a request to have the patrol hours shifted to cover more overnight hours. Director Krueger further stated that the District is patrolled every week but no other patrol information is announced. Director Krueger explained that the invoices received describe the time spent patrolling previously, schedules are not shared publicly prior.

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 reviewed the September report as provided in the meeting packet. Mr. McKinley mentioned there were 498 pool entries in September. Mr. McKinley discussed the recent issue of the wading pool overflowing and stated that it was a mistake on his staff’s part that has been resolved. Mr. McKinley also discussed the 2022 revenue summary. Ms. Gerlofs mentioned that a water hose was left on overnight from Monday 10/10/22 to Tuesday 10/11/22 and wanted to thank Director Peterson for addressing it once she called him about it. Ms. Gerlofs also stated that a hose has been left on before and suggested the Board renegotiate the contract to add in a clause stating that if the water hose is left on overnight, the pool vendor must pay the incurred fee or be fined. Mr. McKinley stated he could submit a proposal for a pool autofill that would fix the hose issue, but the cost is likely not worthwhile. Director Peterson said the pool committee will discuss the autofill item at the next meeting.

Item 6 – Receive report from the District’s landscape maintenance contractor and Park Committee and consider taking related action:

- (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:** Mr. Mowen discussed the September report with the Board. Mr. Mowen said the ant bait has been laid at all the parks, the gazebo has been repaired, several valves been checked and repaired, and the trees have been planted at several parks.
- (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:

- (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:** Enid Simon of Pioneer Real Estate Services stated the tennis court lights have been adjusted to run from 6:00 p.m. to 7:30 a.m. Ms. Simon also informed the Board that the bathroom at the pool house and the bad timer relay have been fixed. Ms. Simon further stated the strike plate for the magnetic lock has been replaced. Director Krueger addressed an email that was sent to her by Director Castille, where Director Castille informed Director Krueger that he watched a person break into and vandalize the pool house bathroom, despite knowing that Ms. Simon was working on the lock and that a vendor had been called already for a different repair. Director Castille responded that he was told he cannot

take any action on behalf of the District outside of Board meetings. The Board informed Director Castille that he can call 911 or the property management if he witnesses additional vandalism to District property occurring. Ms. Simon mentioned there were homeless people that had been living in the bathrooms and there is damage. Ms. Simon mentioned she has submitted a work order to repair the damaged bathroom. Ms. Simon updated the Board that benches have been ordered, that they should arrive in 4-6 weeks and will be stained and installed. Ms. Simon also said that the graffiti on the picnic tables has been removed.

A District resident asked about possibly adding a panel for the neighborhood kids to draw on and Director Krueger stated she has considered that option. Director Krueger explained that the parks committee is working to address the graffiti issue.

- (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:** Ms. Simon said the deed drive has been added to the agenda packet.

Item 8 – Receive report from the Communications Committee and consider action regarding the following: Director Dowling said the Communications Committee did not meet this week.

- (a) **website content:** Director Dowling mentioned that the website has been updated and is compliant with the State requirements, and includes the items suggested by the Carlton Law Firm and items mentioned in previous meetings. Director Dowling stated The Carlton Law Firm will take over agenda postings and the Communications Committee will be in contact with them about website access and information.
- (b) **newsletter:** Director Dowling requested that newsletter content be preapproved by the Board, including notices of the Parks Committee meetings, the Parks Committee agendas, and conduct allowed at the meetings. Director Dowling would also like to include the Director election results, limited to the names of the elected Directors. Director Krueger made a motion to approve the newsletter content, and Director Castille seconded the motion. The motion passed 5-0.

Item 9 – Receive General Counsel report and consider taking related action regarding the following: Brian Whelan addressed the Board and asked why Director Castille was supporting criminals in an attempt to control the Board. Mr. Whelan asked if Director Castille knows he is supporting a felon. Mr. Whelan stated that two of the candidates lied about their residency on the candidate applications. Mr. Whelan stated that Mr. Mandujano falsified his address and that Mr. Mandujano does not live on 2611 Howellwood. Mr. Whelan also stated that Ms. Minjarez has a criminal history of felony convictions, including two counts of forgery, financial abuse of an elder, and grand theft. Mr. Whelan asked who the “Residents of Tanglewood” are that are funding the campaign for Mr. Mandujano and Ms. Minjarez, as their campaign signs read. Mr. Whelan asked why the website NextDoor has been used for political means by Director Castille to control

political discussions. Mr. Whelan mentioned that looking at the evidence, Mr. Mandujano and Ms. Minjarez are not fit to be Board members and feels that Director Castille, as the benefactor of their campaign, should resign.

- (a) **pending contract issues, open records requests, and election matters:** The matter was not addressed.
- (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):** The matter was not addressed.
- (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:** The matter was not addressed.

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.

Item 11 – 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.

OTHER MATTERS

Item 12 – Discuss and consider Board member duties, responsibilities, and actions. Mr. Gonsalvez would like to lodge a formal complaint against the candidates, Mr. Mandujano and Ms. Minjarez, and whoever is financially backing their campaign about the removal of his campaign signs. Mr. Gonsalvez requests written proof giving Mr. Mandujano and Ms. Minjarez the approval to remove Mr. Gonsalvez’s political signs. Mr. Gonsalvez wants to know what could be done in 2024 to make sure this issue doesn’t happen again to the residents of Tanglewood. Mr. Gonsalvez also asked what the Board could do to ensure political signs are following all legal requirements. Mr. Gonsalvez said that according to section 255.01 of the Texas Election Code all political signs must include one of the following: the name of the person paying for the sign, the PAC authorizing the advertising, or the candidate or committee supporting the candidate. Mr. Gonsalvez stated as far as he can tell being supported by the “residents of Tanglewood” does not meet that requirement. Mr. Gonsalvez stated he knows of no PAC that goes by that name or any committee known as the residents or friends of Tanglewood. Mr. Gonsalvez also asked what the Board will do to make sure that Director candidates are provide accurate residency information. Director Krueger stated that the Board cannot regulate or manage anything that has to do with elections, and they have hired an elections attorney to vet all five of the candidates. Director Krueger mentioned any issues can be filed as an ethics complaint and should be filed online with the Secretary of State. Director Dowling stated that elections issues should be submitted to the election law firm and that the Board cannot comment on the election enforcement. Ms. Pilgreen asked about any steps that can be taken to prevent further election issues in the future and what can be changed. Director Peterson said the

issues mentioned by the residents will be taken under advisement, but the Board cannot be involved in election issues.

Mr. Cunningham said that he has read through several sets of meeting minutes and has noticed one Board member has proven himself to be less than a friend to Tanglewood. Mr. Cunningham said that the Board member he speaks of is not on the ballot but is promoting two of the candidates on the ballot. Mr. Cunningham said that he advises the candidates to beware the company they keep, and it is his view that the particular Board member's actions are often not helpful or effective. Mr. Cunningham stated the particular Board member is frequently the only one to abstain from voting when Board approval is required, and Mr. Cunningham feels that is a reflection of his lack of work ethic. Mr. Cunningham also noted that the Board member regularly accuses the other Board members of needing refined ethics training and drug testing, and the Board member has gone on record at least twice offering his conditional resignation from the Board. Mr. Cunningham said anyone can read the public meeting minutes on the District's website, which have been approved by the Board. Mr. Cunningham asked the public to take note of the actions of the Board. Ms. Schein reminded the public that all previous Board meeting minutes are available online on the District's website as far back as the previous year and minutes from previous years are available upon request. Director Krueger stated there was recently a question about the meeting minutes not being available on the website. Director Krueger said that the Board met in August, had a second special meeting in August, met in early September, then met for regular session in September. Director Krueger said in the second September Board meeting they addressed the previous four meeting minutes that were not yet posted. Director Krueger also explained the editing process that occurs prior to posting that can lead to a posting delay.

Item 13 – Discuss and consider revisions to the District's Code of Ethics. Mr. Gonsalvez requested the Board's Code of Ethics include some provisions: 1) that a person can't run for the Board if they don't live in the District; 2) that a candidate's current driver's license must reflect residency in the District; 3) a candidate's voter registration ID cannot reflect a voting precinct that is not within the District; and 4) that a candidate cannot have been a defendant in a lawsuit where the District is a Plaintiff in the lawsuit or have a criminal history or conviction in any state in the US. Mr. Gonsalvez feels that if a candidate has a criminal history and is not allowed to vote, they should not be allowed to be a Board member. Mr. Gonsalvez stated that he would like his signs back that have been illegally removed. Ms. Pilgreen said that a person should not be able to run for the Board if they cannot vote for the Board.

Mr. Whelan discussed how Director Castille has been sending him many upsetting and inappropriate texts messages, and that he has asked Director Castille to stop messaging him. Mr. Whelan asked why Director Castille thinks the two candidates he is supporting would be good additions to the Board since they either do not live in or have very recently moved to the District, and have histories that compromise their ability to sit on the Board. Mr. Whelan asked why Director Castille could not find candidates to support that are qualified to be Board members. Mr. Canty replied to Mr. Whelan and said then Director Castille could control the Board, by having three voting members against any other two. Mr. Gonsalvez said that there would be a meet and greet for all the candidates and asked the meeting attendees to spread the word and take a card if they would like. No action was taken.

Item 14 – Discuss and consider time, date, and agenda items for the next Board meeting. The next regular meeting will be held on November 16, 2022, at 6:00 p.m.

Meeting adjourned at 6:39 p.m.

(Seal)

A handwritten signature in black ink that reads "Nikki Krueger". The signature is written in a cursive style and is positioned above a horizontal line.

Nikki Krueger, Secretary
Board of Directors

Date: November 14, 2022