

MINUTES OF MEETING  
OF THE  
BOARD OF DIRECTORS

THE STATE OF TEXAS §  
COUNTY OF TRAVIS §  
SH130 MUNICIPAL MANAGEMENT DISTRICT NO. 1 §

The Board of Directors (the "Board" or "Board of Directors") of SH130 Municipal Management District No. 1 (the "District") met in regular session, open to the public, on February 21, 2024 at 401 Congress Avenue, Suite 2100, Austin, Texas 78701, a designated office of the District outside the boundaries of the District, and the roll was called of the members of the Board to-wit:

Mike Krusee	President
Vacant	Vice President
Austin Talley	Secretary
Albert Hawkins	Asst. Secretary
Robert Walker	Asst. Secretary

All members of the Board were present at the commencement of the meeting. All directors present at the time a vote was taken voted on all items that came before the Board. Also present were Matt McPhail and Ujaala Rashid-Ferraro, attorneys, and Kimberly Studdard (via teleconference), paralegal, of Winstead PC ("Winstead"), General Counsel and Bond Counsel for the District, Keith Young of Doucet & Associates, engineers for the District, Michele LaCour of Inframark, LLC ("Inframark"), bookkeepers for the District, and Jon Hockenyos, economic development consultant for the District. Additionally, Aundre Dukes, Tim Alcott, Kristinn Massay, Candice Salazar (via teleconference) and Kerry Joiner, all employees for the District, were also in attendance as well as Marcus Metzger of Hayes Innovation Center for Advanced Manufacturing ("HICAM"), Marc Spier, board member for HICAM, Jennifer Freel, special counsel for the District, Adam Harden and Rudy Mejia, consultants for the Texas Workforce Housing Foundation and related public facility corporations, and Heather Wagner Reed and Tyler Ostby of Juice Consulting, public relations firm for the District.

1. The Board called for public communications and comments, and there being none, the Board proceeded on with the agenda.
2. There being no one to appoint to the unexpired term of former Director Harris, the Board proceeded to the next item on the agenda.
3. It was noted that the Board would table discussions on possible appointment of a Board Member to the Texas Workforce Housing Foundation, and as is such, the Board proceeded on with the agenda.

4. The Board was presented with Minutes from the January 17, 2024 regular meeting, and after a brief discussion, and upon motion by Director Krusee, seconded by Director Walker, said Minutes were approved as written.

5. Ms. LaCour with Inframark then discussed the Financial Statements for the month ending January 31, 2024, a Cash Balance Report and Payment Register by Bank Account (collectively, the "Accounting Report"), and revenues and expenditures as well as cash balances for both the District and the Texas Workforce Housing Foundation, formerly Texas Essential Housing Public Facility Corporation ("TEHPFC"), were discussed in detail. It was noted that total District revenue collected through January was \$4,649,023 while expenses were roughly \$1,903,027, and that the total TEHPFC revenue collected through December was \$4,697,765 with roughly \$2,307 in expenses. Additionally, it was noted that total District funds exceed \$11 million as of the date of the meeting. A couple of invoices were presented to the Board and discussed at length, and upon motion by Director Krusee, seconded by Director Talley, the Board unanimously approved the Accounting Report as well as the following invoices: Chasnoff Stribling in the amount of \$54,994.16 and Chasnoff Stribling in the amount of \$52,884.16. It was noted that the Board would like the Accounting Report to reflect the HICAM mortgage and additional budgeted operating expenses moving forward.

6. Regarding annual District audits and any necessary Agreed Upon Procedures Reports ("AUP"), Ms. Massay noted that District staff was currently working with the auditor to determine whether or not the District should record the land value related to closed TEHPFC deals on the District's audit as assets of the District. Mr. McPhail noted he saw email traffic concerning outstanding items necessary for completion of the AUP, but that he had not yet seen a draft of said AUP.

7. Mr. McPhail discussed with the Board a proposed renewal for worker's compensation insurance through July 31, 2024 which is reflective of a prorated amount to ensure the worker's compensation policy expires at the same time of the rest of the District's insurance policies and bonds outside of any property insurance the District has in place. Upon motion by Director Krusee, seconded by Director Talley, the Board unanimously approved renewal of the District's worker's compensation policy through July 31, 2024. It was noted that the Board would like Mr. Alcott to approve and execute District insurance renewals moving forward.

8. Mr. Metzger provided a brief update with regard to HICAM, noting Juice Consulting is doing a great job promoting the SXSW event as well as the kickoff event slated for March and that the architect is underway with design of the space. Mr. Harden presented the Board with a Resolution Approving the Creation of HICAM, which included a Certificate of Formation and Bylaws, and it was noted that upon approval by the Board, the Certificate of Formation would be filed with the Secretary of State to legally create the entity and that Mr. Harden would simultaneously be applying for 501(c)(3) status to, among other things, allow for HICAM to apply for grant opportunities in the future. After a brief discussion, and upon motion by Director Krusee, seconded by Director Talley, the Board unanimously approving the Resolution Approving the Creation of HICAM and related Certificate of Formation and Bylaws, all as attached hereto as **Exhibit "A"**.

9. Ms. Wagner Reed provided an update with regard to public relations and media endeavors currently underway by Juice Consulting, and it was noted that a HICAM press release



was sent out the prior day to roughly \$12,000 people and that an article in the Austin Business Journal was published the prior week with an exclusive on HICAM. It was noted that there would be a "first look" facility tour for HICAM on March 21<sup>st</sup> and that Mr. Ostby was busy working on community outreach opportunities for HICAM.

10. There being no action regarding internal staff procedures and rules of governance for the District, the Board proceeded with the next item on the agenda.

11. Upon motion by Director Krusee, the Board entered into Executive Session at 1:28 p.m., and all District staff and consultants exited the meeting.

12. At 3:55 p.m., following Executive Session, Director Krusee announced that the Board would reconvene in public session and that no action was taken in Executive Session.

It was noted that a compensation package for a current employee was discussed in detail and that action would be taken at a future meeting.

13. There being no additional items for discussion, the Board confirmed their next regular meeting date, and there being no further business to conduct, Director Krusee moved that the meeting be adjourned, which motion was seconded by Director Walker, and unanimously approved, and the Board adjourned until further call.

APPROVED AND ADOPTED this 20<sup>th</sup> day of March, 2024.



Austin Talley, Secretary  
Board of Directors  
SH130 Municipal Management District No. 1

