

**SH130 MUNICIPAL MANAGEMENT DISTRICT NO. 1**  
201 W. 5<sup>th</sup> Street, Suite 1350  
Austin, Texas 78701

---

**Minutes of Regular Meeting**  
**of**  
**The Board of Directors of SH130 Municipal Management District No. 1**

---

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

The Board of Directors (“**Board**”) of SH130 Municipal Management District No. 1 (“**District**”) met in a regular session, open to the public, on May 15, 2024 at 100 Congress Avenue, Suite 1100, Austin, Texas 78701, a designated office of the District outside the boundaries of the District. Mike Krusee, President of the Board of Directors, called the meeting to order at or about 12:33 p.m., and then the roll was called for the members of the Board (“**Director(s)**”), namely:

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

All current Directors were present at the commencement of the meeting and, thus, a quorum was had. All such Directors were present at the time a vote was taken, and all such Directors voted on at all items that came before the Board during the meeting.

Also present at the meeting were Aundre Dukes, Tim Alcott, Kristinn Massay, Candice Salazar, and Kerry Joiner, all staff of the District; Marcus Metzger, CEO of Hayes Innovation Center for Advanced Manufacturing (“**HICAM**”); Keith Young of Doucet & Associates, engineers for the District; Nancy Olson, financial auditor with McCall Gibson Swedlund Barfoot, PLLC (“**McCall Gibson**”); Jon Hockenyos, economic development consultant with TXP, Inc.; Mike Martinez, business consultant of Adams Martinez Consulting Group; Randy Moshier, the District’s Financial Advisor with Frost Bank via teleconference; Jennifer Freel, Kate Goodrich, Emilio Nicolas, and William Venema (attorneys) and Stephanie S. Sanchez (paralegal) of Jackson Walker L.L.P. (“**Jackson Walker**”), legal counsel for the District; Andy Johnson of Johnson Petrov LLP, prospective legal counsel for the District; and Kristina Hayes, a landowner within the District.

References herein to “**Agenda Item No.**” refer to the corresponding agenda item number set forth in the meeting’s *Public Notice of Regular Meeting of the Board of Directors of SH130 Municipal Management District No. 1* dated May 10, 2024.

1. With regard to Agenda Item No. 3: The Board unanimously confirmed the execution of the appropriate statements of officer forms and administered the oath of office for new terms of office for Directors Robert Walker and Albert Hawkins.

2. With regard to Agenda Item No. 4: The Board called for public communications and comments. There being none, the Board proceeded on with the agenda.

3. With regard to Agenda Item No. 5: The Board was presented with the minutes of the Board's April 17, 2024 regular meeting. After a brief discussion, and upon motion by Director Talley, seconded by Director Krusee, said minutes were approved as written.

4. With regard to Agenda Item No. 6: Candace Salazar and Kristinn Massay presented and discussed the financial statements for the month ending April 30, 2024; the cash activity report and payment register by bank account (collectively, "**Accounting Report**"); and revenues, expenditures, and cash balances for the District, HICAM, and the Texas Workforce Housing Foundation, formerly Texas Essential Housing Public Facility Corporation. The Board also reviewed and discussed the payment of the following invoices: (a) two (2) invoices from Jackson Walker L.L.P. dated May 13, 2024 for legal services in the amounts of \$5,596.00 and \$2,316.00, respectively; (b) an invoice from Chasnoff Valkenaar & Stribling, LLP dated May 3, 2024 for legal services in the amount of \$41,234.24; (b) an invoice from STG Design dated April 10, 2024 for design services related to the HICAM building project in the amount of \$42,246.90; (c) an invoice from STG Design dated May 15, 2024 for design services related to the HICAM building project in the amount of \$74,946.25; (d) an invoice from PJC Contracting, LLC dated May 10, 2024 for construction management services related to the HICAM building project in the amount of \$65,000.00; (e) an invoice from Affordable Housing Compliance Services LLC dated April 22, 2024 for oversight and compliance services for the Heritage at Cottonwood Creek property in the amount of \$7,823.79; and (d) an invoice from Blakemore Public Affairs dated May 1, 2024 for government relations consulting in the amount of \$50,000.00. Upon motion by Director Krusee, seconded by Director Talley, the Board unanimously approved the Accounting Report and payment of the invoices, but with the caveat that charges related to summary judgment motion research in the Chasnoff Valkenaar & Stribling, LLP invoice for legal services would be reviewed to make sure it is not duplicated work.

5. With regard to Agenda Item No. 7: Nancy Olson with McCall Gibson presented the finding of the draft "Annual Financial Report" for the District ("**Audit Report**"). Ms. Olson noted that the audit opinion is a "clean or unmodified" opinion and the best possible opinion to receive. Questions about the audit were asked and answered. There was also discussion about improving invoice practices for credit card purchases and establishing internal controls for the preparation of financial statements. After further discussion, and upon motion by Director Krusee, seconded by Director Walker, the Audit Report was approved.

6. With regard to Agenda Item No. 8: The Board discussed the proposed reimbursement of approximately \$400,000 to the Hayes Family for their contributions to the District's start-up and development costs. Tim Alcott confirmed that the \$400,000 reimbursement amount was supported by receipts and other documentation. After further discussion, and upon motion by Director Krusee, seconded by Director Talley, the Board unanimously approved said reimbursement, but with the caveat that no monies used for said reimbursement shall come from bond proceeds.

7. With regard to Agenda Item No. 9: Marcus Metzger provided an update regarding HICAM, specifically, (a) the status of proposed construction contracts for the HICAM building project, (b) a general update on HICAM’s operations, budget, and expenditures, and (c) HICAM’s consideration of the possible use of AI in contracting.

8. With regard to Agenda Item No. 10 (executive session): Upon motion by Director Krusee, seconded by Director Talley, and unanimously approved, the Board recessed into executive session at or about 1:10 p.m. The executive session was attended by all four current Directors; Mr. Dukes, Mr. Alcott, Ms. Massay, Ms. Salazar, and Ms. Joiner, all staff of the District; and Ms. Freel, Mr. Nicolas, and Mr. Venema of Jackson Walker, legal counsel for the District. The executive session was had to deliberate and consult with attorneys about the matters set forth in Agenda Item No. 10, specifically: (a) Consultation with attorney(s) in accordance with TEX. GOV’T CODE § 551.071; (b) the purchase, exchange, lease, and/or value of real property in accordance with TEX. GOV’T CODE § 551.072; and (c) commercial or financial information received from a business prospect that the District seeks to have locate, stay, or expand in or near the District’s territory and with which the District is conducting economic development negotiations, as in accordance with TEX. GOV’T CODE § 551.087(1). The executive session adjourned at or about 2:42 p.m., at which time Director Krusee announced that the Board would reconvene in public session and that no action was taken in the executive session; and thus, the meeting was reopened.

9. With regard to Agenda Item Nos. 11, 12, and 13: There being no additional business to conduct, with the date of the next regular meeting of the Board to be held at a date in June 2024 to be determined by Director Krusee (as President of the Board), and upon motion by Director Krusee, seconded by Director Talley, and unanimously approved, the Board adjourned the meeting at or about 2:43 p.m.

APPROVED AND ADOPTED on this \_\_\_\_ day of \_\_\_\_\_, 2024.



---

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