MUSTANG SPECIAL UTILITY DISTRICT

REGULAR MEETING MINUTES

7985 FM 2931
Aubrey, TX 76227
www.mustangwater.com

Monday, June 22, 2026 **6:00 PM** **Mustang SUD Offices**

Meeting Agenda
Mustang SUD Board of Directors

Call to Order: Invocation, Roll Call of Directors:

(The MSUD Board of Directors enforces Section 551.042 of the Texas Government Code in which no discussion or action can be taken on an item that is not properly noticed.)

President Michael Walker called the meeting to order @ 6:00 p.m.
Director Michael Skelton, open invocation

In Attendance:

President Michael Walker	*Chris Boyd*
Vice President Matt Gauntt	*Shelly Schon*
Secretary Kim Lehere	*Mitch Haug*
Director Michael Skelton	*Michael Kivlan*
Director Michael Bolton	*Corey Fischer*
Director Jeff Stafford (arrived @ 6:04 p.m.)	*Josh Young*
Director Mark Millar	*Heather Morgan*
Director Rob Adams	*Emily Simon*
Director Angela Zarallo	

Absent:
Kristen Fancher *Legal*

Visitor Comments: Recognition of Visitors and Visitor Comments:

(Visitors wishing to address the Board must complete a Speaker's Request form and return it to the Board Administrator. Comments will be heard on a first-come first-serve basis. Visitors are allowed 3 minutes to speak. The Board is unable to respond to or discuss any issues that are brought up during this session that are not on the agenda, other than to make statements of specific information in response to a visitor's inquiry or to recite existing policy in response to the inquiry. In addition, this is not the appropriate forum to address complaints against employees. Complaints of this nature should be addressed through the administration.

Visitors:
Brian Boerner Self

CONSENT AGENDA:

1. May 2026 Financial Report
   April 2026 Water Audit Report
   051826 Regular Meeting Minutes

a. *Vice President Matt Gauntt made a motion to approve the consent agenda as presented. Director Michael Bolton seconded the motion. All present in favor.*

THE BOARD WILL DISCUSS THE FOLLOWING INDIVIDUAL ITEMS:

2. Engineer Report:
Regarding engineer matters, including current capital projects, planning recommended courses of action, specifications, proposed project reviews, operational requirements, and regulatory compliance.

   a. *Mitch Haug gave updates on current District projects.*

3. Communication Report

   a. *Josh Young gave updates on District Communication relating to public events and future outreach efforts.*

THE BOARD WILL DISCUSS AND ACT ON THE FOLLOWING INDIVIDUAL ITEMS:

4. Regarding MSUD Board of Directors Committee Appointments.

Policy & Procedure Committee:	***Audit Committee:***
President Michael Walker	*Vice President Matt Gauntt*
Secretary Kim Lehere	*Director Michael Skelton*
Director Michael Bolton	*Director Mark Millar*
Director Angela Zarallo	*Director Rob Adams*

Investment Officer:
Jeff Stafford

   a. *Vice President Matt Gauntt made a motion to nominate Jeff Stafford as the Investment Office. Secretary Kim Lehere seconded the motion. All present in favor.*

5. Regarding Resolution 062226-01 to Authorize the General Manager to Execute an Electrical Easement with Oncor for Electrical Services at the Cottonwood Well #1.

   a. *Director Jeff Stafford made a motion to approve Resolution 062226-01 to authorize the General Manager to execute an Electrical Easement with Oncor for Electrical Services at the Cottonwood Well #1 as presented. Director Michael Bolton seconded the motion. All present in favor.*

6. Regarding Resolution 062226-02 to Request Water Supply & Infrastructure Grant Funds for the Construction of Two Wells at Green Meadows.

   a. *Director Jeff Stafford made a motion to approve Resolution 062226-02 to Request Water Supply & Infrastructure Grant Funds for the Construction of Two Wells at Green Meadows as presented. Director Michael Bolton seconded the motion. All present in favor.*

7. Regarding the Award of Master Contracts Pursuant to Well Drilling IDIQ.

   a. *Vice President Matt Gauntt made a motion to Award Master Contracts Pursuant to well Drilling IDIQ as presented. Director Jeff Stafford seconded the motion. All present in favor.*

8. Regarding the Award of a Work Order for the Drilling of Two Public Water Wells in the Seven Springs Development.

    a. *Vice President Matt Gauntt made a motion to Award of a Work Order for the Drilling of Two Public Water Wells in the Seven Springs Development to Hydro Resources – Mid Continent Inc. in the amount of $5,647,332.00 plus an additional 10%, not to exceed 10% of the original construction contract for the execution of changeorders as presented. Director Michael Bolton seconded the motion. All present in favor.*

9. Regarding the Interlocal Agreement between Mustang Special Utility District and the City of Gunter.

    a. *Vice President Matt Gauntt made a motion to approve the Interlocal Agreement between Mustang Special Utility District and the City of Gunter as presented. Director Jeff Stafford seconded the motion. All present in favor.*

10. Regarding the Non-Standard Service Agreement by and between Mustang Special Utility District and HWC Lantern, LLC.

    a. *Vice President Matt Gauntt made a motion to approve the Non-Standard Service Agreement by and between Mustang Special Utility District and HWC Lantern, LLC, as presented. Director Michael Bolton seconded the motion. All present in favor.*

11. Regarding Generator Purchase for Maverick Farms WRF.

    a. *Director Jeff Stafford made a motion to approve the Generator Purchase for Maverick Farms WRF as presented. Director Mark Millar seconded the motion. All present in favor.*

12. Regarding Authorization to Begin Sale Proceedings for a Decommissioned Well Site on Bledsoe Road.

    a. *Vice President Matt Gauntt made a motion to Authorize to Begin Sale Proceedings for Decommissioned Well Site on Bledsoe Road as presented. Director Jeff Stafford seconded the motion. All present in favor.*

EXECUTIVE SESSION:

13. Executive Session:

The Board of Directors will Recess to Executive Session Pursuant to Tex. Gov't. Code Section 551.072, regarding granting or acquisition of property for water resource facility.

President Michael Walker convened to Executive Session at 7:23 p.m.

14. Return to Regular Session:

The Board of Directors will Reconvene to Open Session to discuss and act on Executive Session Pursuant to Tex. Gov't. Code Section 551.072 to discuss regarding granting or acquisition of Property for water resource facility.

President Michael Walker called the meeting back to order at 7:39 p.m.

No motion made out of Executive Session.

GENERAL REPORTS:

- Legal Services Update:
  Regarding current legal projects. Recommended courses of action, review of any District legal matters with actions taken and potential future legal matters which may impact the District.

  None

- President's Report:
  Regarding the conduct of the meeting, posted agenda items, committee assignments, and matters of current and future interest to the District.

  None

- General Manager's Report:
  Regarding legislative and regulatory matters, budgets, current projects, daily operational matters, including water and wastewater services, future planning, personnel, and future events and functions.

  The next board meeting will begin budget planning. The Procedure and Policy Committee will need to have multiple meetings regarding changes.
  An employee of a subcontractor of the contractor doing the work at the Stanley Creek plant, we were informed that the employee is filing a lawsuit for injury against everybody from his employer through Mustang.
  Next month's board meeting will discuss some water resource projects that have been talked about in the past.
  Chris has a meeting on Wednesday regarding the brackish groundwater study results.
  Upper Trinity member breakfast on July 22.

15. Recommendations of Items / Issues to be added to the agenda of the next MSUD Board Meeting:
    (There can be no discussion of these items, only a listing.)

    None

16. Adjournment: *7:46 p.m.*

    Matt Scott for

    Michael Walker, Board President