MUSTANG SPECIAL UTILITY DISTRICT

REGULAR MEETING MINUTES

7985 FM 2931
Aubrey, TX 76227

www.mustangwater.com

Monday, September 28, 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.
President Michael Walker, open invocation

In Attendance:

President Michael Walker	*Chris Boyd*
Vice President Matt Gauntt	*Mitch Haug*
Secretary Kim Lehere	*Josh Young*
Director Angela Zarallo	*Michael Kivlan*
Director Rob Adams	*Corey Fischer*
Director Mark Millar	*Teresa Hayduk*
Director Jeff Stafford	*Emily Simon*
Director Michael Bolton	*Shelly Schon*
Legal Kristen Fancher	*Landon McBride*

Absent:
Director Michael Skelton

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:

Dewayne Brawner	*resident*
Clifton Harlin	*Maverick Water Group*
Wes Whitney	*Maverick Water Group*

CONSENT AGENDA:

1. August 2026 Financial Report
   July 2026 Water Audit Report

082426 Regular Meeting Minutes
Amendment of Board Operating Principles related to Healthcare Reimbursement Account

a. *Vice President Matt Gauntt made a motion to approve the consent agenda as presented. Director Jeff Stafford 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 CIP with a presentation and went over current District projects.*

3. Communication Report

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

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

4. Regarding Adoption of the Operating and Capital Budgets for FY 2027, and Order 092826-01 Amending the District Rate Order.

a. *Vice President Matt Gauntt made a motion to approve Order 092826-01 Amending the District Rate Order as presented. Director Jeff Stafford seconded the motion. Six in favor, two opposed. Motion passes.*

b. *Vice President Matt Gauntt made a motion to approve the Adoption of the Operating and Capital Budgets for FY 2027 as presented. Director Rob Adams seconded the motion. All present in favor.*

5. Regarding Renewal of Auditor Contract.

a. *Vice President Matt Gauntt made a motion to authorize the General Manager to engage in an agreement with Mike Ward Accounting and Financial Consulting, PLLC for the Single Audit as presented. Director Rob Adams seconded the motion. All present in favor.*

6. Regarding Interlocal Agreement for Billing Services Between Denton County MUD No.8 and Mustang Special Utility District.

a. *Vice President Matt Gauntt made a motion to approve the Interlocal Agreement for Billing Services Between Denton County MUD No. 8 and Mustang Special Utility District and authorize the Board President to sign and approve the Agreement as presented. Director Michael Bolton seconded the motion. All present in favor.*

7. Regarding migration of Enterprise GIS and Asset Management Systems.

a. *Vice President Matt Gauntt made a motion to approve the Enterprise GIS and Asset Management Systems to CloudPoint Geospatial as presented, and authorize the General Manager to approve the contract. Director Rob Adams seconded the motion. All present in favor.*

8. Regarding Change Order Authorization for Light Ranch Transmission Main Phase 1A.

    a. *Vice President Matt Gauntt made a motion to approve the authorized amount for Light Ranch Transmission Main Phase 1A project to $2,550,000.00 as presented. Director Michael Bolton seconded the motion. All present in favor.*

9. Regarding the Award of a Construction Contract for the Seven Springs Well #2 Chemical Treatment and Site Improvements.

    a. *Vice President Matt Gauntt made a motion to approve the Award of a Construction Contract for the Seven Springs Well #2 Chemical Treatment and Site Improvements with TTE, LLC as presented. Director Rob Adams seconded the motion. All present in favor.*

10. Regarding the Award of a Construction Contract for the Temple Dane 1.5 MG Elevated Storage Tank.

    a. *Vice President Matt Gauntt made a motion to approve the Award of Construction Contract for the Temple Dane 1.5 MG Elevated Storage Tank to CB&I Storage Tank Solutions, LLC, as presented. Director Michael Bolton seconded the motion. All present in favor.*

11. Regarding an Agreement with UTRWD to Transfer Wastewater Facilities.

    a. *Vice President Matt Gauntt made a motion to approve the Agreement with UTRWD to Transfer Wastewater Facilities and authorize the Board President to execute the agreement as presented. Director Rob Adams seconded the motion. All present in favor.*

12. Regarding the Non-Standard Service Agreement between Mustang Special Utility District & Jersey Development Company, LLC.

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

13. Regarding the Non-Standard Service Agreement between Mustang Special Utility District & Celina Development Group, LLC.

    a. *Vice President Matt Gauntt made a motion to approve the Non-Standard Service Agreement between Mustang Special Utility District & Celina Development Group, LLC as presented. Director Jeff Stafford seconded the motion. All present in favor.*

14. Regarding Partial Assignment and Assumption of Non-Standard Service Agreement between Mustang Special Utility District and MM Cottonwood 640, LLC, MM Cottonwood Phase 1, LLC, Squeaky Sherman, LP, and Maverick Infrastructure II, LLC.

    Removed from the Agenda

15. Regarding template First Amendment to Non-Standard Service Agreement between Mustang Special Utility District and: (i) MM Bryson Ranch, LLC; (ii) MM Platinum Ranch, LLC, et. al.; (iii) MM Cottonwood 640, LLC; (iv) MM Creekview 1027, LLC; and (v) MM Mobberly 236, LLC.

    Removed from the Agenda

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.

  Michael Walker and Matt Gauntt met with State Senator Brent Hagenbauch and State Representative Jared Patterson regarding infrastructure and the area's rapid growth.

- 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 Texas Alliance Special Utility District group has met several times and submitted bills to legislative counsel supporting SUDs. The next meeting is in October.

  Just notified that Upper Trinity has a major leak on the line that feeds Temple Dane Well, which could affect water supply.

16. 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

17. Adjournment: *7:30 p.m.*

Michael Walker, Board President