



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Capital Projects

ACM: Frank Dixon

DATE: October 21, 2025

SUBJECT

Consider adoption of an ordinance of the City of Denton approving a Water and Wastewater Utility Relocation Standard Utility Agreement (“Agreement”) by and between the City of Denton (“City”) and the Texas Department of Transportation (“TxDOT”), for (I) the reimbursement of eligible costs incurred in the adjustment, removal and relocation of City facilities of both Water and Wastewater utilities along I-35E from US 288 to Ganzer Rd and more specifically called TxDOT projects construction CSJ# 0195-02-074 and ROW CSJ # 0195-02-079 and (II) the quitclaim of a portion or all of the underlying land interests (“Utility Relocations Project”), within the County and City of Denton, Texas; authorizing the City Manager to execute and deliver the agreement and related quitclaim deeds; providing for the expenditure of funds in an amount not to exceed \$6,872,339.48 for utility relocations project; and providing an effective date. The Public Utilities Board recommends approval (6-0).

BACKGROUND

The Texas Department of Transportation (TxDOT) began widening Interstate 35 (I-35) in early 2025. To prepare for future portions of this work, the City of Denton will relocate water and wastewater utilities as part of the Milam Creek Basin Wastewater Line and Lift Station Project.

This includes installing approximately 9,600 feet of wastewater pipeline along I-35 within a designated utility easement. The project also includes installing approximately 219 feet of steel casing under US 77 to allow the utilities to cross safely. All of the work under I-35 and its access roads will be done using trenchless methods to reduce disruption to roads and traffic.

The relocation project is expected to take about 480 days. Since the utility work is required to make room for the I-35 expansion, TxDOT will reimburse the City for \$6,872,339.48 of the project’s value, contingent upon the approval of this Standard Utility Agreement.

The \$9,933,272.91 difference between the previously approved construction contract and this Standard Utility Agreement is due to the betterment/upsizing of existing facilities to effectively provide service to growing developments in the area.

RECOMMENDATION

Staff recommends approval of the ordinance.

ESTIMATED SCHEDULE OF PROJECT

The City's Milam Creek Basin Wastewater Line and Lift Station Project is anticipated to begin construction in June 2025 and be complete in October 2026.

FISCAL INFORMATION

The City's financial obligation of \$16,805,612.39 for the construction of Milam Creek Basin Wastewater Line and Lift Station Project was approved on April 15, 2025 (Ordinance 25-638). The funding will be from accounts 640468545.1365.401000 and 640500541.1365.401000.

The project is providing a betterment to city infrastructure and due to that betterment. A reimbursement deduction of \$9,933,272.91 will be applied; leaving the city's net reimbursement as \$6,872,339.48.

EXHIBITS

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – Ordinance and Standard Utility Agreements

Respectfully submitted:
Seth Garcia, PMP
Director of Capital Projects

For information concerning this acquisition, contact: Shawn Messick, 940-349-8390.

Legal point of contact: Marcella Lunn at 940-349-8339.