



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Water Utilities
ACM: Christine Taylor
DATE: July 13, 2026

SUBJECT

Consider recommending approval of a resolution of the City of Denton, Texas authorizing the submission of an application to the Texas Water Development Board (TWDB) for the Water Supply and Infrastructure Grant Program in an amount up to \$35,000,000 for the funding of an Advanced Metering Infrastructure project; designating the City Manager as the authorized representative of the City for the purposes of furnishing such information and executing such documents as may be required in connection with such grant application and the rules of the TWDB, and to take those actions necessary in connection with such application, award and administration of the grant; designating the City's financial advisor, engineer and bond counsel and authorizing them to aid, assist and appear on behalf of the City before TWDB; approving the TWDB application filing and authorized representative resolution document and the execution thereof by the Mayor; and providing an effective date.

STRATEGIC ALIGNMENT

This action supports Key Focus Area: Enhance Infrastructure and Mobility.

INFORMATION/BACKGROUND

Denton Water Utilities is seeking up to \$35,000,000 in funding from the Texas Water Development Board (TWDB) Water Supply and Infrastructure Grant (WSIG). TWDB introduced a one-time grant opportunity to implement water supply and water infrastructure projects. The City of Denton is eligible to receive a grant of up to \$35,000,000 to fund one applicable project that is ready to proceed with construction. Denton Water Utilities has identified the Advanced Metering Infrastructure Implementation Program as an ideal candidate to take advantage of this grant opportunity, as it addresses one of the grant's focus areas: water loss.

On April 21, 2026, City Council awarded a contract with Badger Meter Inc. for \$26,000,000 for the AMI Implementation Program. This program will replace all the water meters throughout the City of Denton with "smart meters" in an effort to reduce overall meter reading costs and provide valuable data on water demand patterns. This project includes a customer-facing data portal that will facilitate customers' ability to better manage their water usage and empower water conservation efforts. Smart meters continuously monitor flow and compare usage data against established patterns, allowing abnormal flows to be easily identified and alert both the customer and the utility to these conditions. The additional granularity and availability of water use data through the AMI system is expected to greatly increase the effectiveness of many future water conservation management efforts. Staff is coordinating with Badger Meter to prepare an amendment to the contract that incorporates the supplemental contract conditions required by the TWDB and formally includes the installation of new meter boxes. This amendment is necessary because the original AIS incorrectly indicated that new boxes were included, when in practice the contract provided for the use of existing City of

Denton standard meter cans with new plastic lids. The inclusion of all new meter boxes is the vendor's recommendation and aligns with industry-accepted practices to ensure project uniformity and support the overall success of the installation.

The WSIG has a tiered level of funding support based on the applicant's population. Denton's population is over 150,000, which allows us to be eligible for up to \$35,000,000 in grant funding for construction costs. Due to our population, we are not eligible to receive funding for planning and design. The grant does not require any matching funds and is expected to fund 100% of the eligible project costs. The application deadline is July 31, 2026, and approvals are anticipated to be administered by the end of the year.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 21, 2026, City Council approved RFP 8623 for a Professional Services Agreement between the City of Denton and Badger Meter Inc. in the not-to-exceed amount of \$26,000,000.

RECOMMENDATION

Staff recommends approval of the resolution authorizing submission of a TWDB Water Supply and Infrastructure Grant application for the Advanced Metering Infrastructure (AMI) Implementation Program and authorizing the necessary actions related to the application, award, and administration of the grant.

SUSTAINABILITY MEASURES

The project will enhance water conservation by providing customers with increased transparency into their consumption data, enabling early detection of leaks and promoting more efficient usage. Waste will be reduced through improved system monitoring and automated data collection. In addition, the project will help mitigate fossil fuel emissions by significantly reducing the need for vehicle trips traditionally required for manual meter reading and maintenance.

ESTIMATED SCHEDULE OF PROJECT

The Advanced Metering Infrastructure Implementation Program will begin meter replacements in September 2026 and is anticipated to be complete in Q4 2028.

FISCAL INFORMATION

These services are currently funded from Water Metering account 630465523 but will be reimbursed when the grant funds are released in 2027.

EXHIBITS

Exhibit 1: Agenda Information Sheet
Exhibit 2: Resolution
Exhibit 3: Presentation

Respectfully submitted:
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