

ORDINANCE NO. 25-_____

AN ORDINANCE OF THE CITY OF DENTON, A TEXAS HOME-RULE MUNICIPAL CORPORATION, AUTHORIZING THE CITY MANAGER OR THEIR DESIGNEE TO INTERVENE IN PETITIONS FOR STREAMLINED EXPEDITED RELEASE (PUBLIC UTILITY COMMISSION OF TEXAS DOCKET NOS. 58460 AND 58462) FILED BY MCCART ST, LLC WITH THE PUBLIC UTILITY COMMISSION OF TEXAS AND ANY OTHER STREAMLINED EXPEDITED RELEASE PETITIONS RELATED THERETO OR INVOLVING NEARBY PROPERTIES; AUTHORIZING THE CITY MANAGER OR THEIR DESIGNEE TO TAKE THOSE ACTIONS NECESSARY TO EFFECTUATE THE INTENT AND PURPOSES OF THIS ORDINANCE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City possesses Certificates of Convenience and Necessity (“CCN”) Nos. 10195 (Water) and 20072 (Sewer) granted by the Public Utility Commission of Texas (“PUCT”); and

WHEREAS, a CCN holder has the right and obligation to provide retail water or wastewater service to a specified service area; and

WHEREAS, the City’s CCNs help to secure its service area and to inform and support its capital planning and investments; and

WHEREAS, the City’s CCNs may be altered by the PUCT, subject to the Texas Water Code and PUCT rules; and

WHEREAS, Section 13.2541 of the Texas Water Code allows certain landowners owning tracts of twenty-five acres or more to file a petition with the PUCT for release from the City’s CCN, provided they meet certain requirements (“Streamlined Expedited Release”); and

WHEREAS; tracts that are released from the City’s CCN are no longer required to be served by the City; and

WHEREAS; state law requires the PUCT to grant an administratively complete petition for Streamlined Expedited Release within sixty days after it is filed and there is no opportunity for a hearing; and

WHEREAS; the Texas Water Code and PUCT rules provide an appraisal process to allow a CCN holder to seek compensation for losses associated with Streamlined Expedited Release; and

WHEREAS, intervening in petitions for Streamlined Expedited Release enables the City to seek compensation pursuant to the appraisal processes and procedures provided by PUCT rules and the Texas Water Code; and

WHEREAS, to intervene in petitions for Streamlined Expedited Release, the City must, among other actions, prepare and submit filings within a procedural schedule established by a PUCT Administrative Law Judge; and

WHEREAS, to protect and maintain the integrity of the City’s water and sewer CCNs; the City’s long-range water, sewer, drainage, and street planning; and the City’s development standards within the City’s Extraterritorial Jurisdiction, the Denton City Manager or their designee need the ability to efficiently and expeditiously prepare and submit filings, as needed; and

WHEREAS, McCart St, LLC filed two petitions for Streamlined Expedited Release with the PUCT on July 28, 2025 (Docket Nos. 58460 and 58462); and

WHEREAS, in the petitions, McCart St, LLC seeks to release approximately ninety-two (92) acres of land from the City’s CCN; and

WHEREAS, the City constructed a sewer line immediately east of the eastern property McCart St, LLC seeks to release in the petition associated with Docket No. 58462; and

WHEREAS, a water line to be dedicated to the City and associated with Legends Ranch will be constructed south of the properties McCart St, LLC seeks to release; and

WHEREAS, the City plans to construct a wastewater line along North Hickory Creek that will run through the western property McCart St, LLC seeks to release in the petition associated with Docket No. 58460; and

WHEREAS, the City Council finds it is in the public interest to delegate authority to the City Manager or their designee to intervene in petitions for Streamlined Expedited Release filed with the PUCT by McCart St, LLC (Docket Nos. 58460 and 58462) and any other Streamlined Expedited Release petitions related thereto or involving nearby properties; and

WHEREAS, the City Council finds the delegation of its authority to the City Manager or their designee under this Ordinance will lead to the efficient implementation of City initiatives conducted pursuant to the policies and direction of the City Council.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The recitations contained in the preamble of this Ordinance are incorporated herein by reference as findings of the City Council.

SECTION 2. The City Council hereby authorizes the City Manager or their designee to intervene in petitions for Streamlined Expedited Release filed by McCart St, LLC (Docket Nos. 58460 and 58462) with the Public Utility Commission of Texas and any other Streamlined Expedited Release petitions related thereto or involving nearby properties.

SECTION 3. The City Council hereby authorizes the City Manager or their designee to take all actions as they find reasonable and appropriate to accomplish the intents and purposes of this Ordinance.

SECTION 4. This Ordinance shall become effective immediately upon its passage and approval.

The motion to approve this ordinance was made by _____ and seconded by _____, the ordinance was passed and approved by the following vote [____ - ____]:

	Aye	Nay	Abstain	Absent
Mayor Gerard Hudspeth:	_____	_____	_____	_____
Vicki Byrd, District 1:	_____	_____	_____	_____
Brian Beck, District 2:	_____	_____	_____	_____
Suzi Rumohr, District 3:	_____	_____	_____	_____

Joe Holland, District 4: _____
Brandon Chase McGee, At Large Place 5: _____
Jill Jester, At Large Place 6: _____

PASSED AND APPROVED this the _____ day of _____, 2025.

GERARD HUDSPETH, MAYOR

ATTEST:
INGRID REX, INTERIM CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY: Christopher Mullins