



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Development Services

CM/DCM/ACM: Cassey Ogden

DATE: October 14, 2025

SUBJECT

Consider adoption of an ordinance of the City of Denton authorizing the City Manager to execute a Solid Waste Services Contract to provide solid waste services to Denton County Municipal Utility District No. 16; and providing an effective date.

STRATEGIC ALIGNMENT

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

BACKGROUND

On April 29, 2020, the City received a petition for consent to the creation of Denton County Municipal Utility District No. 16. This Municipal Utility District (MUD) is located near FM 156 and US 380 and is also known as “Olex MUD” or “Meadows MUD”. The MUD originally featured 1,523 residential lots, 8 acres of multifamily property, and 30 acres of commercial property, and was increased to accommodate an additional 1,106 residential lots, 13 acres of multifamily, and 8 acres of commercial property.

A MUD is a special-purpose district created to provide essential services such as water, wastewater, and drainage to areas outside city limits. Governed by an elected board, MUDs fund infrastructure and operations through bonds repaid by property taxes and user fees. MUDs are required to seek City consent when the MUD is within the extraterritorial jurisdiction (ETJ) of the City.

Olex Inc. petitioned the City for consent to the creation and the City began negotiating a development agreement. Initially, a development agreement was approved by the City Council on August 18, 2020, and included provisions on Denton County’s consent, utilities, floodplain/ESA, roadway construction specifications, and limited purpose annexation to receive sales tax for commercial property. A first amendment was made to the development agreement on January 25, 2022, to name the City of Denton as the fire service provider and approve a Fire Services Agreement.

The MUD petitioned the City on October 3, 2024, for annexation of additional property into the District on the north side of US 380. Staff and the Developer negotiated the terms of the City’s consent to the annexation along with an Amended and Restated Development Agreement adopted by City Council on February 2, 2025. The Amended and Restated Development Agreement named the City as the service provider for solid waste services to the MUD, to be adopted by a separate agreement.

Staff has negotiated this agreement with the MUD and includes a requirement for the provision of services similar to Denton residents, including:

- weekly trash, recycling, yard waste, and bulk pickup, commercial trash and recycling services, and other services; and
- fees for service for a \$50 setup fee, \$3 monthly capital fee, and City Council-approved monthly rates, which would be the out-of-city rate for these customers; and
- a five (5) year initial term with 5-year renewals.

RECOMMENDATION

Staff recommends approval of the ordinance and agreement attached as **Exhibit 2** based on the City being the solid waste provider in the development agreement.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

August 18, 2020- City Council adopted a resolution of consent to the creation of the MUD.

August 18, 2020- City Council approved a Development and Consent Agreement.

January 25, 2022- City Council approved a First Amendment to the Development and Consent Agreement.

June 4, 2024- City Council held the first public hearing for a Strategic Partnership Agreement.

June 18, 2024- City Council held a second public hearing and adopted a resolution approving the Strategic Partnership Agreement.

January 7, 2025- City Council approved an Amended and Restated Development Agreement and consented to additional property.

February 2, 2025 - The City Council held the first public hearing for an Amended and Restated Strategic Partnership Agreement.

February 18, 2025- City Council held a second public hearing and adopted a resolution approving the Amended and Restated Strategic Partnership Agreement.

EXHIBITS

Exhibit 1 - Agenda Information Sheet

Exhibit 2 - Ordinance and Amendment

Respectfully submitted:

Charlie Rosendahl

Interim Director of Development Services