

# City of Denton

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

## AGENDA INFORMATION SHEET

**DEPARTMENT:** Department of Development Services

**CM/DCM/ACM:** Cassey Ogden

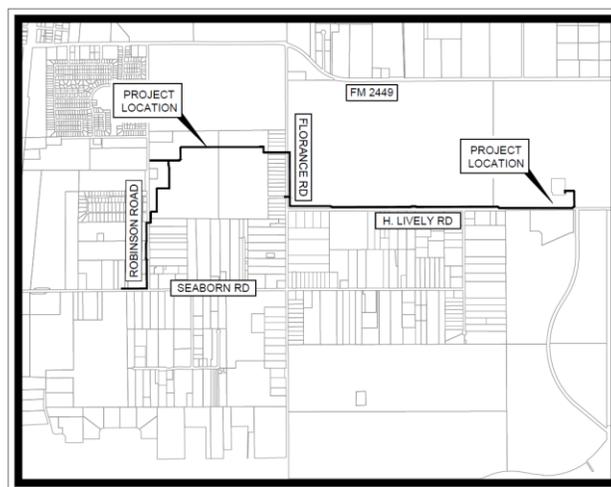
**DATE:** March 3, 2026

### **SUBJECT**

Consider adoption of an ordinance of the City of Denton, a Texas Home-Rule Municipal Corporation, authorizing the City Manager to execute an Interlocal Agreement with Ponder Farms Municipal Utility District of Denton County for the oversizing costs related to the design and construction of a thirty (30") inch water line for Denton Water Utilities; providing for the expenditure of funds therefore in an amount not-to-exceed \$2,261,212; and providing an effective date.

### **BACKGROUND**

This agreement is related to increasing the size of a water line being constructed by the Ponder Farms MUD to support the future wholesale water agreement with the Town of Ponder (the "Town") and supporting future development in the area. The District has designed and will construct and install the water line. The District will fund \$6,367,173 of the construction and the City will fund \$2,261,212 (26.21%) of the total estimated cost. The initial cost of \$2,261,212 for these improvements would be paid for from Water Utilities unallocated funding and will be recovered through these agreements with the Town. The facilities must be completed by the District; reviewed and inspected by the City; and approved and accepted by the City prior to payment to the District. The water line will extend west from the intersection of H Lively Rd. and Ed Robson Blvd. and eventually intersect with Robinson Rd. as shown in the graphic below.



The District is required to construct a 20"/24" water line to support the Ponder Farm MUD development and the City is proposing to increase that to a 30" water line. The Interlocal Agreement is being requested to increase the size and capacity of public improvements for a future wholesale connection to the Town and support future development in the area. City staff have been working with the Town on agreement to provide services to the Town and act as a regional provider and supporting their efforts to use surface water. To

support the wholesale water provision with the Town, there will be a number of future infrastructure projects by the City and the Town to support their long range water needs.

The Water Master Plan included a connection to the Town and infrastructure improvements required to provide surface water to the Town, more specifically this is Projects No. 17 and No. 20 from the Water Master Plan. Project No. 17 is listed as the 16” Ponder Water Line and Project No. 20 is shown to be 24” North/South Transmission Main. The Water Master Plan states that within the next 5 years the City plans to provide wholesale water to the Town. The City has committed to being a regional provider of services to nearby communities and has been making decisions consistent with this position in reducing developments, particularly MUDs, and other communities’ reliance on groundwater.

**OPTIONS**

1. Recommend Approval
2. Recommend Approval Subject to Conditions
3. Recommend Denial
4. Postpone Item

**RECOMMENDATION:**

Staff recommends approval of this request.

**PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

None

**FISCAL INFORMATION**

The City’s contribution will be paid for by Water Utilities unallocated funding and reimbursed through a wholesale water agreement with the Town of Ponder.

**EXHIBITS**

1. Agenda Information Sheet
2. Ordinance and Agreement
3. Presentation

Respectfully submitted:  
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Interim Director of Development Services

Prepared by:  
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Planning Technician Supervisor