



AGENDA INFORMATION SHEET

DEPARTMENT: Development Services

CM/DCM/ACM: Cassey Ogden

DATE: January 7, 2025

**SUBJECT**

Consider adoption of an ordinance of the City of Denton, Texas (“City”) authorizing the execution of a Retail Wastewater Treatment Services Agreement with TCCI Ponder Farms 2021 LLC (“Owner”) and Ponder Farms Municipal Utility District of Denton County (“District”) concerning retail wastewater service by the City to future customers within approximately 154.425 acres of land known as Ponder Farms and generally located south of FM 2449, east of Robinson Road, north of Seaborn Road, and west of Florance Road (“Property”), ownership of wastewater flows, and other related matters; and providing an effective date.

**STRATEGIC ALIGNMENT**

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

**BACKGROUND**

The City was approached by the developers in 2022. In April 2022, the City received an initial petition for the creation of the MUD but did not provide consent. Following that, a petition was submitted to the TCEQ for the creation of the Ponder Farms MUD by the developer in June 2023 and the MUD was created by TCEQ in November 2023. The City staff and developer have continued discussions over this time regarding the potential of the City of Denton to provide services to the MUD over this same period. Earlier this year, the City and the developer were able to reach an agreement regarding services whereby the City would provide water and wastewater services.

The development is expected to start building homes in 2026 with full buildout in 2037. The development will primarily be built on four different properties (Churchill East, Churchill West, Ponder Farms, and Webster Meadows) which are all within the Ponder Farms MUD, and the TexMix property will be used for future needed wastewater infrastructure and possibly some residential housing.

In total, the Ponder Farm Master Concept Plan contemplates the following:

GROSS ACREAGE	USE	INTENSITY		
		Lots/Units	Lot Count	Width
498	Single-Family	2,585	511	60’
			191	50’
			1,515	45’
			368	40’
19	Multifamily	500		

**540 Developed Acres**

**827 Total Acres**

The City Council approved a development agreement and Utility Service Agreements for Ponder Farms MUD on November 19, 2024. The Utility Service Agreement specified that the developer and the City would work together on a separate wastewater agreement for the retail wastewater service to the MUD. Staff has been working with the developer over the last month to develop the standards under which the City would provide retail wastewater services.

This Retail Wastewater Service Treatment Agreement is related to the Ponder Farms property which is 154.425 acres and is planned to have 559 residential lots with a maximum of 650 single-family equivalent connections.

### **RECOMMENDATION**

Staff recommends approval of an Ordinance authorizing the execution of a Utility Service Agreement between the City of Denton, TCCI Ponder Farms 2021 LLC, and Ponder Farms Municipal Utility District.

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

May 2020– The City adopted an Interim MUD Policy

April 2022– City received Petition for Consent to Create the Ponder Farms MUD

May 2022– The City adopted the current MUD Policy

June 2023– Developer submitted Petition for Creation of Ponder Farms MUD to TCEQ

November 2023– TCEQ Ordered Creation of the Ponder Farms MUD

November 19, 2024– City Council approved a Development Agreement and Utility Service Agreements

### **EXHIBITS**

Exhibit 1 - Agenda Information Sheet

Exhibit 2 – Ordinance and Agreement

Respectfully submitted:

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