

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF DENTON, A TEXAS HOME-RULE MUNICIPAL CORPORATION, AUTHORIZING THE SUBMISSION OF PUBLIC COMMENT AND REQUEST FOR A CONTESTED CASE HEARING REGARDING THE PETITION BY AGF DENTON RANCH, LTD. FOR THE CREATION OF HICKORY CREEK MUNICIPAL UTILITY DISTRICT OF DENTON COUNTY (TCEQ INTERNAL CONTROL NO. D-11042025-009); AUTHORIZING THE CITY MANAGER OR THEIR DESIGNEE TO SUBMIT PUBLIC COMMENTS AND HEARING REQUESTS TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ("TCEQ"); AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on October 3, 2025, AGF Denton Ranch, Ltd. filed a petition with the TCEQ for the creation of the Hickory Creek Municipal Utility District of Denton County (the "District"); and

WHEREAS, the jurisdictional boundaries of the proposed District, consisting of approximately 1,018.429 acres, are located entirely within the City's water and sewer Certificates of Convenience and Necessity ("CCN") Nos. 10195 and 20072; and

WHEREAS, as the sole CCN holder, the City of Denton has the exclusive right to provide retail water and wastewater service over this land and an obligation to provide continuous and adequate service; and

WHEREAS, the proposed District is within approximately 5,700 feet of existing City water infrastructure and 7,000 feet of existing City sewer infrastructure, and service to this property is already contemplated in the City's 2025 Water Master Plan and 2023 Wastewater Master Plan; and

WHEREAS, the City has made significant investments in regional infrastructure to serve this area, including funding from the TWDB SWIFT, CWSRF, and USEPA WIFIA loan programs; and

WHEREAS, the creation of a separate utility system would jeopardize these investments, create unnecessary duplication of infrastructure, and adversely affect the City's anticipated customer base and revenue needed to meet debt service obligations; and

WHEREAS, the City finds it is an "affected person" under 30 TAC § 55.256 because it has a personal justiciable interest not common to the general public that is negatively impacted by the Petition; and

WHEREAS, to protect these interests, the City must file public comments and a request for a contested case hearing with the TCEQ by the deadline of January 19, 2026; and

WHEREAS, the City Council finds that it is in the public interest to authorize a formal protest of the Petition to ensure the orderly management of wastewater and water services within its CCN boundaries; 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 formally protest the petition for the creation of the Hickory Creek Municipal Utility District (TCEQ Internal Control No. D-11042025-009). This authorization includes the power to submit public comments and a formal request for a contested case hearing to the TCEQ.

SECTION 3. Any provision of any prior ordinance of the City which conflicts with any provision of this ordinance is hereby repealed to the extent of the conflict, but all other provisions of the ordinance of the city which are not in conflict with the provisions of this ordinance shall remain in full force and effect.

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 _____.

This 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 _____, 2026.

GERARD HUDSPETH, MAYOR

ATTEST:
INGRED REX, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY:  Scott Bray
Deputy City Attorney