



CITY OF GRAND PRAIRIE COMMUNICATION

MEETING DATE: 05/20/2025

PRESENTER: Patricia D. B. Redfearn, Director of Solid Waste and Recycling

TITLE: Landfill Gas Agreement Which Transfers Ownership of Landfill Gas to Morrow Energy, LLC, Authorizes Construction of Gas Processing Facilities at the Landfill, and Provides Revenue Sharing and Royalties to the City

REVIEWING COMMITTEE: (Reviewed by the Public Safety, Health and Environment Committee on 04/21/2025)

SUMMARY:

<u>Vendor Name</u>	<u>Annual Cost</u>	<u>Total Cost</u>
Morrow Energy, LLC	Revenue-sharing Agreement	Dependent on Gas Sales and Royalties

PURPOSE OF REQUEST:

The City of Grand Prairie owns and operates a Type I MSW Landfill, Permit #996-C. This sanitary landfill generates over 1,000 standard cubic feet per minute (scfm) of landfill gas, which is approximately 50% methane and 50% carbon dioxide. This gas is currently collected in a gas control and collection system and pulled to a flare, which destroys it in compliance with environmental regulations. Landfill gas has value as an alternative fuel for a variety of potential purchases, such as gas-to-energy, compressed gas, or to be put into a pipeline.

The purpose of this request is to seek approval of an agreement with Morrow Energy, LLC through which Morrow Energy, LLC will purchase and process landfill gas into High-BTU Gas. The agreement includes revenue-sharing terms. Sources of income associated with this project include royalties associated with sale of HBTU gas, a fee for flared gas, a fee for other biogas processed at the facility, and potential share of environmental attributes, CO2 revenue, and tax credits.

EXPENDITURE HISTORY (2 to 3 yrs info): N/A (New Agreement)

PROCUREMENT DETAILS:

Procurement Method: ☐ Cooperative/Interlocal ☒ RFB/RFP ☐ Sole Source ☐ Professional Services ☐ Exempt

☐ Local Vendor ☐ HUB Vendor

Number of Responses: 8

RFP/RFB #: 24084

Selection Details: ☐ Low Bid ☒ Best Value

FINANCIAL CONSIDERATION:

This agreement will generate revenue. The total amount of revenue is dependent upon the amount of gas produced at the landfill.

ATTACHMENTS / SUPPORTING DOCUMENTS:

1- Score Sheet