



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Christine Taylor
DATE: September 9, 2025

SUBJECT

Consider adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract and lease agreement with Mayhill Renewables, LLC, to design, fabricate, construct, commission, and operate a Renewable Natural Gas (RNG) Facility to treat landfill and digester gas at the City of Denton Landfill for the Solid Waste and Water Utilities Departments; providing for the expenditure of funds therefor; and providing an effective date (RFP 8465 – awarded to Mayhill Renewables, LLC, for a primary construction phase and twenty (20) year term). [The Public Utilities Board recommends approval \(5 - 0\).](#)

STRATEGIC ALIGNMENT

This action supports Key Focus Area: Promote Sustainability and the Environment.

INFORMATION/BACKGROUND

In 2020, the City commissioned a study on possible Landfill Gas-to-Energy (LFGE) projects at the landfill, with the refinement of the gas into high-Btu fuel for export into a nearby natural gas pipeline owned by Atmos being the preferred option. The City, working with an outside consultant, developed a Request for Proposals (RFP) to identify an experienced, qualified company to design and construct an LFGE plan to clean the gathered landfill and treatment plant gas and sell it on the open market. The City will cost-share with the successful operator.

Additional biogas for this project will be provided for the project from the Pecan Creek Wastewater Treatment Plant (WWTP). This is a revenue-generating contract; the City shall receive an allocation of the Net Sales Revenue from the sale of Gas to Third Party Purchasers, subject to the terms and conditions.

Mayhill Renewables offered the best proposal and the highest price for One Million British Thermal Units (MMBtu) of Renewable Gas sold to a third party (Atmos Gas).

Project Facilities Construction Cost Recovery

Mayhill Renewables will assume wellfield operations about 6 months prior to the project coming online. Once onsite, they will complete a detailed evaluation of the wellfield and develop plans to bring the wellfield to their standards. Mayhill Renewables will complete a large wellfield construction effort that will include about 70 new wells with the goal of exceeding 90% efficiency and a flow of at least 2,500 standard cubic feet per minute (SCFM).

For the use of the approximately 1.7 acres of landfill, Mayhill Renewables will pay a monthly lease to the City.

Request for Proposals was sent to 485 prospective suppliers of this item, including 22 Denton firms. In addition, specifications were placed on the Procurement website for prospective suppliers to download and advertised in the local newspaper. Nine (9) proposals were received, references were checked, and proposals were evaluated based upon published criteria, including similar projects and references, project approach and schedule, qualifications and financial resources, and price. Based upon this evaluation, Mayhill Renewables, LLC was ranked the highest and determined to be the best value for the City.

NIGP Code Used for Solicitation:	906 - (Service Only) - Architectural Services, Professional & 915 – (Service Only) – Communications & Media Related Services
Notifications sent for Solicitation sent in IonWave:	485
Number of Suppliers that viewed Solicitation in IonWave:	14
HUB-Historically Underutilized Business Invitations sent out:	67
SBE-Small Business Enterprise Invitations sent out:	160
Responses from Solicitation:	9

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 25, 2025, the Public Utilities Board (PUB) recommended this item to the City Council for consideration.

RECOMMENDATION

Award a contract with Mayhill Renewables, LLC, to design, fabricate, construct, commission, and operate a Renewable Natural Gas (RNG) Facility to treat landfill and digester gas at the City of Denton Landfill for the Solid Waste and Water Utilities Departments, in a twenty (20) year term.

PRINCIPAL PLACE OF BUSINESS

Mayhill Renewables, LLC
Midland, TX

SUSTAINABILITY MEASURES

Currently, to manage the landfill gas as required by Texas Commission on Environmental Quality regulations, all landfill gas is diverted to a flare station, then flared off (destroyed). The flare requires a major maintenance expense as well as the electrical need for mechanized components, resulting in a revenue loss.

Landfill gas can be considered an asset for the City of Denton, as it produces a financial profit. This asset is being protected and utilized efficiently. Many advantages are gained by producing a clean, reusable landfill gas.

Air quality is improved by not producing possible gas emissions, therefore minimizing greenhouse gas emissions. Gaining a financial profit is advantageous versus losing this byproduct by destruction is a sensible alternative.

All governing and operating permits will be secured by Mayhill Renewables, LLC. to ensure all environmental needs are met. Mayhill Renewables can provide and maintain a software program or website for the project to share information, manage documents, and publish reports and information to keep all those involved informed on all aspects of the project.

ESTIMATED SCHEDULE OF PROJECT

This project will be started upon approval. A timeline will be provided by Mayhill Renewables for the development and construction, and then the operations aspect of the project. This is a twenty (20) year contract with options to terminate by either party.

FISCAL INFORMATION

This is a revenue-generating contract; the City shall receive an allocation of the Net Sales Revenue from the sale of Landfill Gas to Third Party Purchasers.

EXHIBITS

Exhibit 1: Agenda Information Sheet
Exhibit 2: Pricing Evaluation
Exhibit 3: Lease Agreement
Exhibit 4: Presentation
Exhibit 5: Ordinance and Contract

Respectfully submitted:
Lori Hewell, 940-349-7100
Purchasing Manager

For information concerning this acquisition, contact: Brenda Haney, 940-349-8056.

Legal point of contact: Marcella Lunn at 940-349-8333.