| ITEM #: | 5 |
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| DATE: | 12-17-24 |
| DEPT: | PW |

COUNCIL ACTION FORM

SUBJECT: EPA SOLID WASTE INFRASTRUCTURE FOR RECYCLING GRANT

BACKGROUND:

The Bipartisan Infrastructure Law includes funding to support state and local waste management infrastructure and recycling programs. Included in this funding is the Solid Waste Infrastructure for Recycling (SWIFR) Grant program. Goals of the SWIFR program include making improvements to local waste management systems and establishing, increasing, expanding, or optimizing collection and materials management infrastructure.

As the Council is aware, the City has been pursuing development of a new model for solid waste disposal, recycling, and yard waste. This Resource Recovery and Recycling Campus concept would replace the existing waste-to-energy system that has been in place since the mid-1970s. A substantial investment in infrastructure and equipment will need to occur to develop this concept.

The SWIFR grant program contains \$58 million annually to support infrastructure projects. Individual awards will range in size from \$500,000 to \$5,000,000. There is not a funding match requirement. The grant application is due on Friday, December 20. **City staff is seeking authorization to apply for the grant.** If the grant is awarded, City staff will be requesting City Council's authority to accept the grant award at a later date.

The grant funds would be applied to construction and equipment costs for the Resource Recovery and Recycling Campus. This facility is integral to the City's solid waste management strategy discussed with Council on June 11, 2024, and most recently on December 10, 2024.

If awarded, requirements for federally funded projects would apply. These include using domestically sourced construction materials and equipment and prevailing wages. Staff will analyze how to best apply the grant funds to maximize the value of the grant.

ALTERNATIVES:

- 1. Authorize staff to submit an application for the EPA Solid Waste Infrastructure for Recycling Grant in the amount of \$5,000,000.
- 2. Do not authorize the City to apply for the grant.

CITY MANAGER'S RECOMMENDED ACTION:

The grant, if awarded, will have a substantial positive impact on the overall economics of the proposed facility including the rates paid by residents to recycle, compost, and responsibly manage solid waste. It would significantly reduce the costs of the City's transfer station and further enable recycling and composting in Story County. Reducing costs and increasing recycling is in alignment with the City's solid waste management strategies and the Climate Action Plan. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.