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### **COUNCIL ACTION FORM**

SUBJECT: RESIDENTIAL CURBSIDE RECYCLING PROGRAM

### **BACKGROUND:**

On <u>August 12, 2025, staff presented a report</u> to the City Council outlining the need for a residential curbside recycling program in Ames. This followed the <u>June 24, 2025 report</u> to City Council detailing conceptual design and financial modeling for a Resource Recovery and Recycling Campus (R3C). The R3C represents a new approach for the disposal of municipal solid waste (MSW) and is intended to receive solid waste, recyclables, and yard waste. Staff continues to work with HDR Engineering and Story Construction Co. on design development services with a goal to begin construction in spring 2026 and begin operating the facility in the first half of 2027.

Robust recycling efforts are important to the community's future waste disposal operations from both an environmental and financial standpoint. Increased recycling aligns with the community's Climate Action Plan goals. Recycling requires less energy to create products as compared to creating products from new raw materials.

In addition, recycling is a less costly alternative to landfilling in multiple ways. First, the lowa Department of Natural Resources (DNR) charges landfills a fee for the disposal of MSW on a per-ton basis. Under the City's agreement with Carroll County Landfill, any such fees charged on the City's waste will be the City's responsibility to pay. The fee varies based on the amount of waste that is diverted from the landfill. The more landfill diversion occurs, the lower the per-ton fee.

Historically, Ames has accomplished significant landfill diversion through the waste-toenergy process and recycling that occurs at the Resource Recovery Plant. As the City transitions away from waste-to-energy, the City's waste diversion obligations must be met through recycling.

The second manner in which recycling is less financially costly as compared to landfilling relates to the lower cost to transport and tip recyclable materials at facilities in Des Moines (~60 miles roundtrip) than to transport and tip those materials at the Carroll County Landfill (~150 miles roundtrip). It also reduces the number of miles driven and greenhouse gas emissions.

At the August 12, 2025 City Council meeting, staff was directed to obtain additional public input regarding residential curbside recycling. Staff conducted a Curbside Recycling Survey from September 2–30, 2025. The survey received 1,543 responses, providing valuable insights into resident preferences, barriers, and expectations for a future curbside recycling program.

A detailed report of survey results is provided in Attachment A: Curbside Recycling Survey Results. Key findings from the survey include:

- Strong support for curbside recycling, with 92% indicating they would participate in the program.
- Cost concerns were the most frequently cited barrier (20% of respondents), alongside space for bins (15%), and uncertainty about what can be recycled (8%).
- Bin size and storage are practical concerns, with many (49%) requesting smaller cart options.
- Support for maintaining a central drop-off site for recyclables (74% support) and community cardboard sites (71% support).

The August 12, 2025 staff report introduced the high level concepts of a residential curbside recycling program. The report included four topics that would require Council direction. Each topic is listed below with options and staff recommendations. A fifth topic, cart size, has been added based on the survey results.

- 1. Level of Access
- 2. Provider
- 3. Cart Ownership
- 4. Frequency of Service
- 5. Cart Size

### Issue1. <u>Level of Access</u>

Recycling participation rates vary significantly depending on the level of access, community education and outreach efforts, and cultural factors. Nationwide averages are presented below, based on data from studies conducted by the Recycling Partnership and the Sustainable Packaging Coalition. The studies state that 75% of lowans currently have access to recycling, 44% through curbside and 31% through drop-off only. The figures below should be used as rough, order-of-magnitude averages and not exact projections.

| Level of Access                       | Description  | Average Participation Rate (households) | Average<br>Diversion Rate<br>(waste<br>tonnage) |
|---------------------------------------|--|---|---|
| a)<br>Curbside<br>universal<br>access | All eligible residents are charged for the service and receive a recycling cart. This would result in the highest diversion and participation rates. However, this model presents the highest risk of contamination due to the likelihood of some trash being placed in the carts. | 75%                                     | 30%+  |

| b) Curbside universal charge, must opt- in to receive a cart | All eligible residents are charged for the service but must opt in to receive a cart. This model would reduce contamination risks but also reduce participation and diversion rates. While many residents would opt in to receive a cart, many residents would pay for a service they are not using. This model also adds complexity in coordinating cart delivery only to those who opt in. | 30% - 40% | ~10% |
|--|--|-----------|------|
| c)<br>Curbside<br>opt-in                                     | Only residents who opt in will be charged for the service and receive a cart. This would further lower participation and waste diversion tonnage, but only charge residents who sign up for the service. Fees would increase relative to options a and b, as costs would be spread among a smaller rate base   | 20% - 30% | ~5%  |
| d) Drop-off<br>site(s) only                                  |  | 10%       | < 5% |

Issue 1 Staff Recommendation: To achieve meaningful diversion of material from the landfill, staff believes that drop-off only recycling (Option D) must be supplemented by a broader recycling effort. Opt-in or voluntary-only curbside collection programs (Options B and C) are not expected to have a significant impact on the diversion of materials. In addition, most similar-sized cities in lowa provide universal access to curbside recycling (Option A) (see Attachment B for more information about other recycling programs in lowa). Therefore, staff recommends Option A (universal access with all households provided a cart) to achieve the community's diversion goals.

### Issue 2. Provider

For curbside residential collection, there are two alternatives for how a provider will deliver the service:

a. City-wide contract with one provider. This approach would involve the City assuming responsibility for coordinating curbside recycling. Residents would be charged a fee on their Ames utilities bill. Only one contractor would provide service, minimizing truck traffic and offering city-wide consistency. However, this approach would also eliminate the ability to choose a service provider.

In this approach, fees per household for this service would likely be lower compared to private contracting due to efficiencies gained by the scale of the program. This approach also enables consistent education and messaging, coordinated by the City in partnership with the selected contractor. A contract would require timely reporting and provide full transparency into diversion and participation. The City would also require that all recyclables be hauled to the R3C, ensuring full utilization of the facility.

Contractor services would not include any processing or final disposal of recyclables. City staff would direct the contractor to deliver the material to the R3C (or other facility as appropriate), and the disposal fees would be paid by the City and charged back to

residents through the monthly billing charge.

b. Require existing haulers to offer curbside recycling as a service. There are nine existing licensed haulers of MSW in Ames. Two of the haulers currently offer residential curbside recycling. This approach requires less involvement from the City to establish and manage the services, instead relying on the private market to handle recycling. However, this approach would result in a higher volume of truck traffic, varying services, and little ability for the City to track diversion rates. It may also result in pushback from those haulers who do not have the resources to offer curbside recycling service.

Additionally, because recycling is not regulated in the same manner as solid waste, haulers may choose not to utilize the R3C and directly haul recyclables to the Des Moines area material recovery facilities. This could make it difficult for staff to accurately measure the community's waste diversion efforts, and may result in residents experiencing different rules for disposal depending on which hauler (and disposal facility) ultimately handles their recycling.

<u>Issue 2 Staff Recommendation:</u> Staff recommends that proposals be solicited for a City-wide contract with a single provider. This approach should result in lower fees, consistent service and education messaging, minimizing truck traffic, diversion reporting, and control over drop-off location.

# Issue 3. Cart Ownership

Three models of cart ownership were identified to procure, finance, and maintain the approximately 14,500 carts that would be needed for community-wide curbside recycling:

- a. City-owned, contractor-procured: The contractor would furnish City-branded carts, which are amortized over five years; after this period, the City assumes ownership. Delivery, maintenance, and repair services are carried out by the contractor. This would result in approximately \$1 added cost per month, per household, for the contract term, likely five years. Carts are expected to last 15-20 years. If the City engaged a new contractor in the future, the carts would remain in place and be serviced by the new contractor, making the potential transition to a new contractor quicker and less disruptive.
- b. **City-owned**, **city-procured**: The City would independently procure bins and deploy them for the contractor to service. The cost of the carts would be financed through debt service or a similar mechanism, costing approximately \$900,000 in capital. Fees would need to be calculated to repay the City for the investment in carts. Under this method, the costs could be spread over up to ten years to align with the warranty, resulting in a lower, but longer-lasting, monthly customer fee of approximately \$0.50.
- c. Contractor-owned: The contractor would deliver and retain ownership of all carts. This approach results in the lowest up-front costs to launch the service, as the cost of carts would not need to be financed by the customer charges. If the City switched contractors in the future, significant costs and disruptions to service could occur during the transition as carts are swapped with those of the new contractor. Additionally, with assets in place, the existing contractor would hold an advantage in subsequent bids.

Issue 3 Staff Recommendation: Staff recommends the City-owned, contractor-procured option to obtain the carts. While there may be some benefit in terms of cost to the City to obtaining the carts, there are added benefits for the City not needing to coordinate between delivery of carts and ensuring that the carts are of the correct industry standard that will work with the contractor's equipment. Additionally, this will allow the contractor to leverage their industry contacts and ensure that the carts will be delivered and work on day one when the program begins.

# Issue 4. Frequency of Service

Curbside recycling programs typically operate weekly or every other week service. In an every-other-week program, if customers generate excess recyclables, they could request an additional bin (for a charge), and weekly pickup would not be available as an option.

- a. Every other week service results in higher program efficiency through fuller bins and fewer trips. According to the EPA, collection costs for every-other-week service are 20%-40% lower than weekly collection. Many communities that have transitioned from weekly to every other week schedules have not seen significant decreases in participation or diversion rates. Larger carts (e.g., 96-gallon) would be necessary to accommodate the longer time between pickups.
- b. **Weekly service** could result in slightly higher diversion rates but would also mean higher operational costs and increased truck traffic.

<u>Issue 4 Staff Recommendation:</u> Staff recommends every other week service. 72% of survey respondents said every other week service would meet their needs, with 8% preferring more frequent and 11% preferring less frequent service. Every other week service would meet the community's need for recycling while keeping fees lower compared to weekly service.

### Issue 5. Cart Size

This issue has been added for Council direction based on survey results. 63% of respondents agreed that a 96-gallon cart would be adequate. A notable portion (34%) indicated that the cart would be too large. In a separate question, 49% of survey respondents said they would prefer an option for a smaller recycling cart.

- a. A uniform, large cart size (96 gallons) would simplify cart procurement and inventory, and may result in operational efficiencies depending on the automated collection equipment of the selected hauler. With the added space and ability to fit larger items like cardboard, large bins may also encourage more recycling and prepare the program to accept more materials in the future. However, for smaller households that generate minimal waste, a 96-gallon cart could be larger than necessary.
- b. Different cart size options would allow residents to select the cart size that best fits their needs based on waste generation. This could also lead to greater participation if people feel more satisfied with a flexible program. The customer charge for different cart sizes would be the same. However, it would result in a higher cost and administrative burden to purchase, stock, deliver, and maintain different cart sizes.

# Cart size comparison

| Size (dal) | Width x<br>Depth | Height |
|------------|------------------|--------|
| 64         | 27" x 27"        | 41"    |
| 96         | 29" x 33"        | 45"    |

<u>Issue 5 Staff Recommendation:</u> Staff recommends a uniform cart size of 96 gallons. Providing all households universal access has the highest potential for diversion. Staff believes that a uniform cart size at the outset of the program helps set the program up for success by removing the administrative and operational burden of multiple cart size options. Once the program is up and running, staff can evaluate if additional cart sizes are still desired at that point and look for ways to accommodate those requests.

### **ESTIMATED COSTS:**

The costs of a curbside recycling program consist of the cost of the equipment (carts), the cost of a collection contract (fuel, trucks, labor), the cost of disposal (the per-ton tipping fee), and administrative costs (billing, public information, etc.).

The equipment and collection contract costs will not be known until a request for proposals (RFP) has been solicited. Staff anticipates that the first year of the collection contract will be higher in cost than subsequent years because the hauler will be required to haul materials directly to Des Moines until the R3C facility is open and can provide a shorter travel distance. The cost for carts is expected to be amortized over a 5-10 year period.

In comparing to similar programs in other communities, staff estimates that a monthly household fee is likely to be between \$6 and \$8. A more specific financial analysis can be presented to the City Council at the time a hauler contract is presented to the City Council for consideration.

#### **NEXT STEPS:**

Given Council direction regarding the five policy issues shown above, staff will prepare a Request For Proposal (RFP) to which prospective vendors could respond. This RFP would outline expectations around recycling pick up, notification to customers, customer service regarding missed pickup or contaminated recyclable materials, and other standards to ensure the program's success.

It is anticipated that the recycling program could start 6 to 9 months after the RFP is issued (ideally around July 1). Throughout this time, staff will develop and implement a comprehensive public education and outreach campaign to engage residents and inform them about the program.

Staff anticipates gaining an understanding of expected curbside recycling fees and R3C tipping fees by February 2026. As the information becomes available, staff will actively seek to educate all stakeholders on costs, acceptable materials, schedule, size of carts, and expectations for program participation. An ordinance would ultimately need to be considered to establish the program, establish the recycling standards, and adopt the fee for the program.

This RFP will also include options for each of the partner agencies in the existing Resource Recovery System. Staff has had conversations with most of the partner agencies about the need for further waste diversion at the new R3C. Any of the partner agencies may choose to utilize the vendor selected by the City of Ames, or they may choose to use a solution that best fits the needs of their individual community. This could include a separate contract for curbside recycling or a centralized recycling collection drop off (e.g., a roll-off container).

#### **MULTIFAMILY RECYCLING PILOT:**

Separate from the residential curbside program, staff believes it would also be valuable to seek out partners to advance understanding of multifamily recycling. The partnership would involve a financial incentive in the form of a cost share program to one or more interested multifamily properties to pilot recycling. The goals of the pilot program would be to identify challenges and best practices around multifamily recycling, including:

- Infrastructure and space
- Contamination
- Awareness and education
- Costs

The results of this pilot would be used to further engage with and expand multifamily recycling in Ames. Staff is seeking approval to allocate up to \$20,000 from sustainability funding in the Council Priorities Fund for the pilot program. If granted, the balance of the fund would be \$907,400.

### **ALTERNATIVES:**

- 1. Direct staff to:
  - a. Proceed with a Request for Proposals (RFP) based on staff's recommendations indicated above for each issue (Level of Access, Provider, Cart Ownership, Frequency of Service, Cart Size).
  - b. Allocate up to \$20,000 from the Council Priorities Sustainability fund for the multifamily recycling pilot project.
- 2. Direct staff to proceed with a Request for Proposals (RFP) process with different direction than staff's recommendations and approve allocating up to \$20,000 for the multifamily recycling pilot project.
- Direct staff to proceed with a Request for Proposals (RFP) process with different direction than staff's recommendations. Do <u>not</u> approve allocating up to \$20,000 for the multifamily recycling pilot project.
- 4. Refer this item back to staff for further information.

#### CITY MANAGER'S RECOMMENDED ACTION:

The City is obligated to implement landfill diversion due to DNR landfill fees and the transition away from waste-to-energy. Curbside recycling is the most cost-effective potential approach to accomplish landfill diversion and keep cost increases for landfilling to a minimum. Increased recycling also aligns with Climate Action Plan goals.

Universal access to curbside recycling best aligns with these goals, will result in greater diversion than other options, and is supported by the survey results. A uniform container size will reduce the administrative burden and costs for managing the program.

Continued in-depth education and outreach will be essential to keeping the public informed and setting the program up for success. Policy recommendations and the multifamily pilot project are based on recycling industry best practices tailored to the Ames community. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 a & b, as described above.

## **ATTACHMENT(S):**

Attachment A - Curbside Recycling Survey Results.pdf
Attachment B - Iowa Recycling Programs.pdf
Residential Curbside Recycling Program Presentation\_11-18-25.pptx