ITEM #:	**30**
DATE:	**01-27-26**
DEPT:	**PW**

COUNCIL ACTION FORM

SUBJECT: **RESOURCE RECOVERY & RECYCLING CAMPUS PRELIMINARY PLANS AND SPECIFICATIONS**

BACKGROUND:

Since 1975, the City's Resource Recovery Plant has received municipal solid waste (MSW) from throughout Story County, processed it to remove recyclable metals, and converted a substantial portion of the MSW into a supplemental fuel for use in the City's Power Plant boilers. Although this system was successful in reducing the volume of MSW that needed to be landfilled, in recent years this arrangement has resulted in technical, economic, and regulatory challenges.

In response to these issues, the City is pursuing the development of a new Resource Recovery & Recycling Campus (R3C). Property has been secured on Freel Drive to site this new operation. At the facility, MSW will be received from haulers and customers, recyclable metals will be recovered, and the waste will be loaded into semi trailers to be hauled to the Carroll County Landfill.

At the June 24, 2025 City Council meeting, the City Council received the conceptual design and financial analysis report for the Resource Recovery and Recycling Campus (R3C). The conceptual design and financial analysis were developed by HDR Engineering, Inc. of Omaha, NE, following a competitive request for proposal (RFP) process.

On September 3, 2025, the City Council approved an amendment to the agreement with HDR for the detailed design work necessary to bid and construct the new facility. The agreement also included bid assistance and construction engineering support throughout the project. The fees for these services total an amount not-to-exceed $965,715.

In September 2025, the City retained Story Construction of Ames, IA to serve as a Construction Manager as Advisor for this project. Story's role in the project is to : 1) represent the City during the project, 2) identify opportunities during the design phase for cost-savings or improved constructability, 3) assist with bidding, and 4) coordinate schedules and workflow for the various contractors during construction.

The plans and specifications have been completed and are now ready to be issued for bids. Through the Construction Manager approach, HDR has prepared 11 separate bid packages. Story will coordinate the work of each individual contractor that receives a contract for the work.

Project Highlights:

The project contains a main transfer building, a scalehouse, yard waste storage, customer convenience area, and paved maneuvering and parking areas for equipment. The total site is approximately 9.5 acres. The attached document contains drawings of the site layout, office

and processing areas, and renderings of the building exterior and interior education room. The key areas of the project are described in more detail below:

The main transfer building will be a pre-engineered metal building structure with footprint of 33,275 sq. ft. The structure will house both the tipping floor (26,100 sq. ft.) and a two-story office (7,175 sq. ft.). The first floor of the office includes a lobby, reception desk, maintenance and mechanical rooms, a locker room with separate shower/toilet rooms, and an employee break room. The second floor includes staff offices, restrooms, an operations room, and an education room.

The education and operations rooms are designed to provide visibility into other parts of the facility. From the education room, visitors can observe the scale entry/exit, tipping floor, and processing area operations. The facility will include an elevator to provide access to the second floor, in addition to a public-facing internal stairwell and a staff-oriented stairwell near the tipping floor.

The tipping floor area allows commercial haulers to enter, turn, tip their loads, and exit. Staff will operate a wheel loader on the floor, using it to load MSW into a shredder. The shredder is designed to open garbage bags and packaging. The waste will then be passed under a drum magnet to remove ferrous metals. The remaining waste will pass through two eddy current separators (ECS) placed in series, which will remove non-ferrous metals. The MSW will then be returned to the tipping floor where it will be loaded into transfer trailers for transportation to the landfill. Operators can bypass the processing equipment and load directly into the trailers if the processing equipment is down or if the MSW does not contain any recyclable metals (e.g., food or industrial processing waste).

The scalehouse will consist of a pre-fabricated structure and two scales, serving both inbound and outbound traffic. This area will be staffed or operated remotely using video and audio equipment. While commercial customers will enter the tipping floor, residential customers will be diverted towards a customer convenience area. The customer convenience area contains roll-off boxes for small quantities of household waste, separated recyclables, and a shack for household hazardous waste.

Yard waste will be collected on the east side of the site, where it will be stored until it can be hauled off for disposal. The northern portion of the site will be a storage yard for trucks, trailers, and other equipment. A fueling area will be situated here, containing double-walled aboveground storage tanks of both B100 biodiesel and standard diesel fuel. This area will be accessible for all diesel-powered equipment in the City's vehicle fleet.

Stormwater management will be facilitated through the construction of four large, interconnected basins around the perimeter of the site. Site development will be coordinated with the paving of Freel Drive adjacent to the site, which will be taking place in the 2026 construction season.

Public Outreach:

The design details of the project have been shared with the haulers, participating Resource Recovery System (RRS) members, and Resource Recovery operations staff at several steps during the design process. These have included an open house for haulers and RRS Members on October 16, a meeting with partnering RRS members on November 19, a plan

review with haulers on November 19, and plan reviews with Resource Recovery operations staff at the 60% and 90% design stages. In addition, City staff, elected officials, representatives from partner RRS members, and haulers have received project updates through recurring issues of the R3Cycled Report, an e-newsletter published by City staff.

Bid Packages:

Through the Construction Manager as Advisor delivery method, Story Construction will be coordinating the work of several individual prime contractors responsible for specific aspects of the project. HDR and Story have worked to divide the project into 11 separate bid packages for the work. The packages are:

1. General Construction Work
2. Concrete and Steel Work
3. Gypsum Board Assembly Work
4. Elevator Lift Work
5. Fire Suppression Systems Work
6. Plumbing and HVAC Work
7. Electrical, Communications, Electrical Safety and Security Work
8. Site Demolition and Earth Work
9. Paving and Sidewalk Work
10. Site Utility Work
11. Millwright Process Integration Work

Two add-alternates have been prepared for the project. One add-alternate is for the installation of a recycling canopy over the customer convenience area. This canopy would provide some cover from rain and snow for the roll-off boxes that are used to collect recyclables. However, the canopy would not extend over the drive lane due to fire code and the need to hoist the roll-offs, meaning the benefit for customers is not significant. Therefore, staff would like to evaluate the cost for this option against the potential benefits and determine whether it should be included. The second add-alternate is for the procurement and installation of a recycling baler. This equipment would allow bulky recyclable materials, such as cardboard, to be baled into dense cubes for more efficient transportation to their destination. This is expected to provide a benefit by reducing operating costs.

Budget:

The project budget, including the Freel Drive paving and the procurement of mobile equipment (both of which will be bid and financed separately from the R3C facility construction project) is outlined in the table below. It should be noted that a portion of the expenses related to the fueling area will be charged to Fleet Services rather than the project, although that cost is not broken out in the table:

Project Revenues		Project Expenses	
Revenue Abated G.O. Bonds	$22,365,486	Land Acquisition (220, 306, 312, 318, 400 Freel Drive)	$1,077,500
Electric Utility Fund	2,340,000	Due Diligence prior to closing	15,465
G.O. Bonds	975,000	Conceptual Design and Financial Modeling	50,000

		Final Design	965,715
		Final Design Contingency	124,785
		Permitting (est.)	50,000
		Opinion of Probable Construction Costs for R3C Facility	16,821,527
		Construction Contingency	1,435,020
		Construction Inspection (est.)	450,950
		Construction Manager Fee (est.)	926,524
		Construction Manager General Conditions Costs (est.)	448,000
		R3C Construction Subtotal	**22,365,486**
		Mobile Equipment (transfer trucks and trailers)	2,340,000
		Freel Drive Paving	975,000
Total Revenues	**$25,680,486**	**Project Total**	**$25,680,486**

ALTERNATIVES:

1. Approve preliminary plans and specifications for the Resource Recovery & Recycling Campus (R3C), setting March 3, 2026, as the bid due date and March 10, 2026, as the date of Public Hearing.

2. Direct staff to make modifications to the project.

CITY MANAGER'S RECOMMENDED ACTION:

This project is essential to ensure the responsible and cost-effective handling and disposal of Ames and Story County's municipal solid waste and recyclables. The proposed Resource Recovery and Recycling Campus (R3C) is sized to handle the anticipated waste of the community over the next 20 years, and includes equipment that will assist in processing solid waste and removing recyclable metals before being transported to the landfill for disposal. In addition, the R3C will accommodate the community's waste diversion and recycling public outreach efforts. The facility will welcome classrooms, community groups, and other visitors through an education room and other features that offer a glimpse into waste disposal and recycling for the community.

It is critical that this facility is constructed and operational by July 1, 2027. Delays will have a substantial impact on solid waste disposal costs, electric rates, or both. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.

ATTACHMENT(S):
R3C Selected Images.docx