

ITEM #:	17
DATE:	05-26-26
DEPT:	PW

COUNCIL ACTION FORM

**SUBJECT: REQUEST FROM CITY OF MCCALLSBURG TO WITHDRAW FROM
RESOURCE RECOVERY SYSTEM**

BACKGROUND:

The Resource Recovery System (RRS) consists of partnerships between the City of Ames, 11 of the incorporated cities in Story County, Story County itself, and Iowa State University. The partnerships are outlined in 13 separate 28E intergovernmental agreements with Ames. These agreements originated when the Resource Recovery Plant was established in 1975, and have been renewed several times since.

Included among these partners is the City of McCallsburg. In 2014, Ames and McCallsburg entered into the current agreement, which is in effect through June 30, 2034 (see attached). The agreement states that Ames will provide a solid waste disposal system, including arrangements for a landfill and the use of the Resource Recovery Plant to produce refuse-derived fuel for the Power Plant. In exchange, McCallsburg contributes to the cost of the operation of the RRS through a per-capita fee (currently \$10.50 per person, or \$3,707 total).

In the past several years, Ames has been developing a new approach to handling solid waste. By July 1, 2027, the waste-to-energy operation will be discontinued, and solid waste will be consolidated at the Resource Recovery and Recycling Campus (R3C) and transported to a landfill in Carroll County. The development of this new system requires increases in tipping fees and changes to waste diversion efforts (e.g., more robust recycling efforts).

In order to plan for the new R3C facility and its financing, City of Ames staff approached the current RRS partners in fall 2025 and requested that each partner consider approving revised 28E agreements. The revised 28E agreements would extend through June 30, 2047.

On May 12, 2026, the City Council referred to a future agenda a letter received from the Mayor of the City of McCallsburg (attached). In the letter, the City of McCallsburg is requesting a release from the existing 28E agreement no earlier than June 2026. McCallsburg intends to join the solid waste planning area that contains Marshall County Landfill, and will be served by it.

The termination language in the existing 28E agreement allows for cancellation of the agreement prior to June 30, 2034 by mutual agreement of both parties. Several other communities in eastern Story County are served by the Marshall County Landfill or are anticipated to be later this year.

City staff does not believe that the withdrawal of McCallsburg from the RRS will have a significant negative impact on the viability of the system. Staff has prepared an amendment to the 28E agreement (attached to this report), which would formalize the

cancelation of the agreement effective June 30, 2026.

ALTERNATIVES:

1. Approve an amendment to the Resource Recovery System 28E agreement with the City of McCallsburg to cancel the agreement as of June 30, 2026.
2. Do not approve the cancellation of the agreement which will bind the City of Roland to the existing agreement until June, 2034.
3. Refer this item to staff for further information.

CITY MANAGER'S RECOMMENDED ACTION:

When the Resource Recovery System was initiated in 1975, partnerships were entered into with most of the communities across Story County to handle solid waste through the system. With the transition away from waste-to-energy, the costs for the disposal of solid waste through the Resource Recovery & Recycling Campus will necessitate fee increases. At the time the R3C was initially being discussed with the Resource Recovery System partners, it was clear to City staff that some communities may both desire and be able to leave the Resource Recovery System for an alternative.

The City of McCallsburg has identified a new solid waste management planning area (and associated landfill) with which it wishes to partner. City of Ames staff does not believe that releasing McCallsburg from the Resource Recovery System will present a significant financial burden to the system. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, as described above.

ATTACHMENT(S):

[Request Letter from the City of McCallsburg.pdf](#)

[A047 - Contract with McCallsburg dated June 10, 2014.pdf](#)

[Termination 28E Agreement \(McCallsburg\).PDF](#)