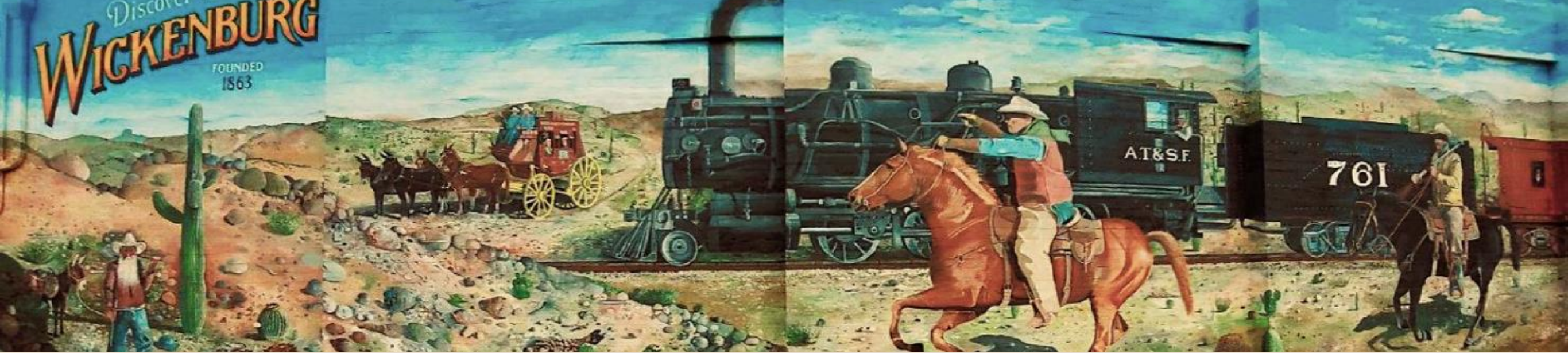




TOWN OF WICKENBURG

WASTE MANAGEMENT PROPOSAL

Herschel Workman, Public Works Director

June 16, 2025



Town of Wickenburg

Agenda



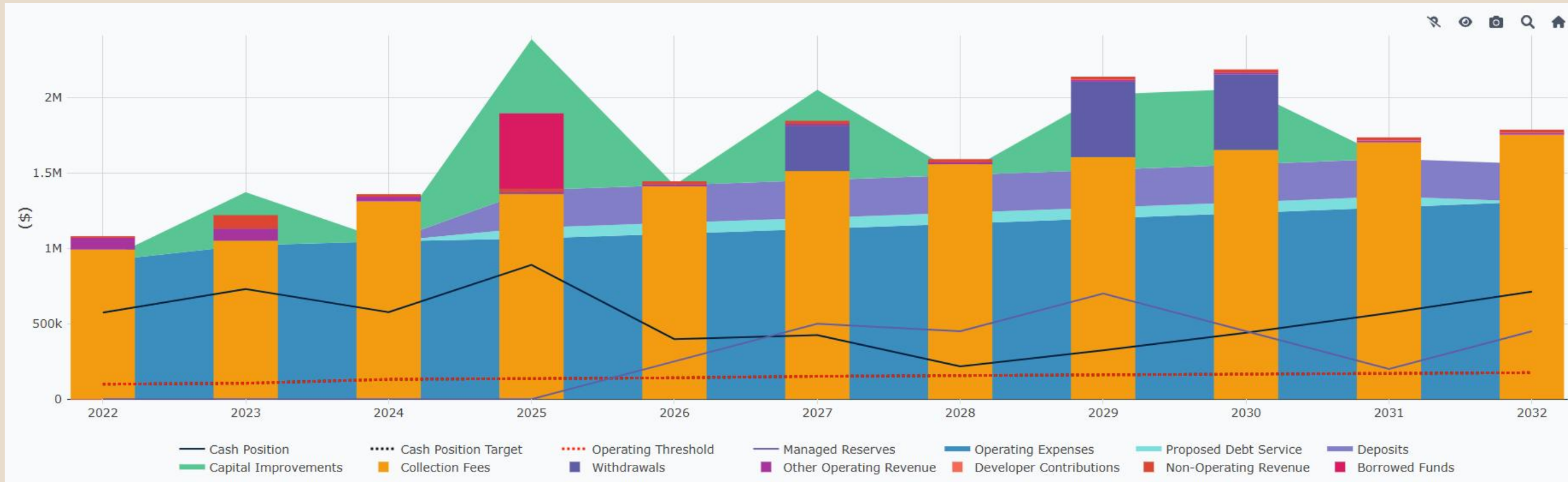
- History
- Current Operations
- Proposed Level of Service
- Employee Considerations
- Benefits to the Town
- Municipalities with WM Partnerships
- Procurement Options & Recommendation
- Q&A

History of Sanitation/Recycling

- During the FY26 budget work session held on April 7th, Council gave staff direction to look at alternatives related to sanitation and recycling operations
- Curbside Recycling began in 2011 and initially generated modest revenue
- By 2020, became a cost center due to global market changes
- In 2023, Council eliminated the \$1.50/month recycling fee and capped recycling losses at \$25,000/year
- Current cap allows for recycling approximately 4 months per year
- The town is currently unable to recycle any materials due to CR&R equipment failure
- Recycling is still advertised, which undermines public trust and sustainability goals



Current Financial Model



Current level of service

Service Overview

- Weekly residential and commercial trash pickup by town staff
- Curbside recycling offered but unreliable
- CR&R hauls both trash and recyclables to Waste Management

Recycling Program Challenges

- No recyclables processed thus far in 2025 due to equipment failure
- Service only available approximately 4 months per year due to \$25,000 loss cap

Current level of service – Customer Cost

Customer Rates:

- \$27.00 in July 2025
- \$28.00 in July 2026

Town's Cost to Operate:

- Rising labor, benefits, equipment maintenance costs
- Aging fleet with ongoing capital replacement needs
- Reinvestment needs outpacing current revenues

Alternatives

- Continue to operate as we do today, with town Employees, and seek a new contract service provider for hauling and recycling
- Change to a Contracted Services Model – where the town contracts out all sanitation services under a contract and maintains billing and customer relations
- Hybrid approach where the town continues to provide trash services and contracts out recycling services

Contracted Service Model

- Staff reached out to Waste Management to discuss alternatives and solicit their level of interest
- Staff researched different possible procurement methods and found cooperative purchase contracts are available
- Staff has conducted follow up to inquire about the services of Waste Management to other communities under a contracted services model

Level of Service

Current

- Direct residential curbside trash & recycling collection
- Commercial service: \$36.26 (July 2025), \$37.26 (July 2026) container/week (300-gallon, 1x/week)
- Residential service: \$27.00/month (July 2025), \$28.00/month (July 2026)

Proposed

- Direct residential curbside trash & recycling collection
- Commercial service: \$29.54/container/week (300-gallon, 1x/week)
- Residential service: \$24.54/month
- Town retains billing responsibility at current rates:
 - \$27.00/month (July 2025), \$28.00/month (July 2026)
- Additional services:
 - Bulk item pickup scheduling
 - Enhanced operational and customer service support
 - Use of existing town carts



Employee Considerations

- Waste Management is willing to offer employment to current town sanitation drivers at a higher rate than they currently earn
 - Open to transferring tenure and honoring accrued paid time off
 - Offers continuity of employment and potential for expanded career opportunities
 - Supports a respectful transition for impacted employees
- Employees who wish to remain with the town will be placed into other roles within the Public Works Department

Benefits to the Town



Restores integrity to the recycling program



Reliable, full-service provider with regional infrastructure



Avoids costly vehicle replacements and more aggressive rate increases



Town retains billing/customer relationship



Rate buffer supports long-term financial planning



Improved service delivery and operational stability

Municipalities with WM Partnerships

- City of Litchfield Park
- City of Show Low
- City of Eloy



Procurement Options & Recommendation

Procurement Options

- Traditional RFP Process
 - Timeline could be several months
 - Unlikely that proposals from other companies would provide the same level of service and reliability as Waste Management
- Direct contract negotiation with Waste Management through a Cooperative Purchasing Contract

Recommendation

- Initiate contract negotiations with Waste Management
- Town maintains billing and oversight
- Transition enhances service reliability, supports employees, and aligns with rate plan

Questions & Council Discussion