



December 28, 2022

Town of Zionsville Town Council
1100 West Oak Street
Zionsville, IN 46077

Dear Zionsville Town Council Members:

We are coming up on the end of our current contract term (expiration 3/29/23) and it has been our pleasure to work with you and the residents of Zionsville. However, at this time, we have determined that we are unable to extend without an upward rate adjustment. Although we always strive to control costs through efficiency, we are at a place now that we must adjust the rate to keep up with our on-going labor, fuel, and maintenance costs.

Unprecedented inflation in steel, petroleum, rubber, and labor have driven prices higher than historical inflation patterns on key supply inputs to WM's business. Truck driver shortages have been well documented over the past few years due to a growing economy, particularly with online shopping and home delivery. Simultaneously, driver requirements have become more stringent, and the driver workforce is aging, attracting fewer younger drivers. The pandemic exacerbated the hiring situation as drivers/technicians experienced the challenges of COVID we all faced – illness, school closures, lack of child-care options – while being designated essential workers meant dealing with increased volumes at the curb.

WM is working diligently to attract and retain drivers, technicians and customer service agents. We're not tackling this issue with 'business as usual' tactics – we are attacking it head-on, thinking outside the box and being very aggressive with our compensation and benefit strategies to attract and retain the right talent to provide the service your community expects. And while our efforts are paying off, they are also increasing our operational costs by more than the 5% per year contemplated in our existing Agreement.

Thank you for the opportunity to continue to provide high quality service for your community. As always, we appreciate your business and aspire to be of service to the Town of Zionsville and its residents for many years to come. Please contact me at 502-702-4013 or pdunagan@wm.com with any questions or concerns.

Best Regards,

Kirby Dunagan

Kirby Dunagan
Public Sector Solutions