

**EXHIBIT A / P1**



Hameed Malik, Ph.D. PE

March 6, 2026

Director Engineering &  
Environmental Services  
Engineering Administration  
452 Walker Street, Suite 110,  
Augusta, GA 30901

**Re: Request for 90 Day Waiver of Liquidated Damages**

Dear Dr. Malik,

Please allow this letter to serve as a formal request by Coastal Waste & Recycling ("Coastal") that the City of Augusta (the "City") waive liquidated damages related to the Solid Waste & Recyclables Collection & Disposal Service Contract ("Contract") for a 90-day period as a result of issues related to the implementation period and transition from the previous hauler to Coastal.

Coastal received the fully executed Contract on July 22, 2025, nine days before the August 1 launch date. While the team worked diligently to prepare during that period, the limited timeframe presented challenges in completing all aspects of the implementation and transition from the City's previous hauler.

During the first three months of the contract, it became evident that several key aspects of the transition would present challenges in completing all elements of the work fully in accordance with the terms and conditions of the agreement. As implementation progressed, Coastal encountered a number of operational hurdles associated with the transition process.

The following provides additional details regarding some of the challenges encountered during the transition period that impacted our ability to fully meet certain service standards established in the agreement and led to the assessment of liquidated damages.

**Solid Waste Cart deliveries, exchanges, and repairs:**

Coastal was unable to place orders for new carts bearing the City's logo until a fully executed contract was received and the cart design was approved by City staff. As the City is aware, once carts are ordered they must be manufactured and stamped, and there is no inventory available for immediate delivery to residents.

Due to the timing of the City's award of the three service zones to Coastal and the subsequent execution of the contract on July 22, Coastal advised staff during a July 9 meeting that we would not be able to begin cart deliveries by the August 1 start date. During that same meeting, Coastal inquired about the City's existing agreement with Otto for cart supply. Staff advised that the Otto agreement would remain in place until November and indicated that the city had already placed an order for carts in June. Based on those discussions, Coastal understood that replacement carts would be available and that the absence of Coastal-provided carts by August 1 would not present an issue.



The City further advised Coastal that three loads of carts, totaling 1,680—including 311 solid waste carts—had been ordered on June 26, 2025, and were in the process of being delivered. Coastal was fully aware that the cost of these carts and their delivery would be our responsibility, and that once received, these carts would remain under Coastal's care and management.

However, the carts were not received until September 23. In the meantime, the City had no inventory available, and resident requests submitted through 311 for new carts, repairs, and exchanges had been accumulating since July. As a result, most of the liquidated damages assessed during the first three months were directly related to the unavailability of carts, rather than Coastal's operational performance.

### **Service Challenges – Data Accuracy**

The City's system data in Eremos, particularly for Zone 1, has proven to be inaccurate and incomplete with respect to information from the previous hauler. For example, Eremos reflected that the previous hauler was performing 6–8 routes, whereas Coastal is currently running eleven routes and later confirmed that the previous hauler had also been running eleven routes despite what Eremos indicated. Coastal has had to devote significant local resources to update and reconcile this information, which has directly impacted our service efficiency.

Additionally, the data has been inaccurate regarding assistant collection services and identifying which households are entitled to second-cart service, making it challenging for Coastal to reliably determine service eligibility. These deficiencies have been a major contributing factor to service delays and errors during the transition period.

### **City 311 System Challenges**

The handling of cart-related requests in the City's 311 system has presented additional challenges. Coastal was initially advised that the response clock would start when a resident called 311. Coastal raised concerns about the fairness of this approach, as we cannot schedule or perform these cart jobs until the City's team has coded the work order. Under the contract, Coastal's response time begins once we are able to act on the request.

It was ultimately agreed that Coastal's response time would not start until the work order had been coded. However, there is currently no timestamp to verify when a work order has actually been updated. Coastal suggested adding a note on the resident account to ensure a timestamp is recorded. While this suggestion was not initially accepted, a review of cart jobs on September 17 indicates that the City has begun adding notes to reflect when a job has been coded and the work order date has been updated.

### **Summary**

Given the foregoing—particularly the transition and implementation challenges, and the fact that both the City and Coastal continue to adjust processes and procedures following the contract, Coastal respectfully requests a 90-day waiver of any liquidated damages for August September and October 2025.

EXHIBIT A / P3



Coastal remains committed to working collaboratively with the City to resolve these matters and deliver the level of service residents expect. During our recent presentation to the Commission and City staff, Coastal highlighted that over the first seven months of this agreement, we have continued to improve the service offering, work closely with City staff to resolve issues and concerns in a timely manner and within the guidelines of the agreement, and strive to provide the level of service that the City of Augusta both deserves and expects.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Casagrande", with a long horizontal flourish extending to the right.

John Casagrande





September 19, 2025

Tameka Allen  
City of Augusta Administrator  
535 Telfair St.  
Suite 910  
Augusta, GA 30901

**Re: Request for 120 Day Waiver of Liquidated Damages**

Dear Ms. Allen,

Please allow this letter to serve as a formal request by Coastal Waster & Recycling (“Coastal”) that the City of Augusta (the “City”) waive liquidated damages related to the Solid Waste & Recyclables Collection & Disposal Service Contract (“Contract”) for a 120-day period as a result of issues related to the implementation period and transition from the previous hauler to Coastal.

Through the RFP process, including contract negotiation and design of the implementation plan, there was an understanding between the City and Coastal that due to delays in the City’s procurement process, that issues with the start-up of the contract were expected and that Coastal should not be penalized with liquidated damages for issues that the City bears responsibility for.

It is well-known that Coastal did not receive a fully executed Contract until July 22, 2025 – a mere nine days before the August 1<sup>st</sup> launch date. This delay materially affected our ability to execute the implementation and transition from the City’s previous hauler.

During our recent meeting, we learned for the first time that the City intended to levy liquidated damages. While we have not been told what these potential liquidated damages relate to, we will take this opportunity to generally address some implementation issues:

- **New Carts:** We were unable to place orders for new carts stamped with the City logo, until we received a signed contract and approval of cart design from Staff. As the City is aware, once carts are ordered, they must be manufactured and stamped – there is not an inventory available for immediate delivery to customers. With the City’s delay in awarding the three zones to Coastal and subsequently executing a contract, Coastal explained to Staff during a July 9<sup>th</sup> meeting that we would not be ready to deliver carts on the start of the contract. In that same meeting, we asked Staff about the City’s then-existing agreement with Otto for carts. We were advised that the Otto agreement would remain in place until November. Staff also communicated that they placed an order for carts in June, and that therefore, us not having replacement carts by August 1<sup>st</sup> was acceptable to the City. It was not until after the launch of the contract, did we learn that the City decided to cancel its agreement with Otto, leaving a void in the supply and delivery of carts.

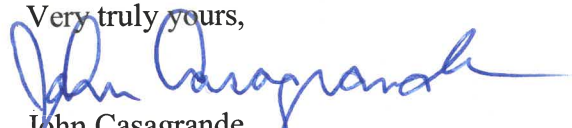
- Service: The City's system data in Eremos, particularly Zone 1, has proven inaccurate and incomplete data as it relates to the previous hauler. For example, Eremos reflects that the previous hauler was performing 6-8 routes, yet Coastal is currently running 11 routes and learned that the previous hauler had also been running 11 routes despite Eremos indicating otherwise. We have had to devote significant local resources to update and reconcile this information, which has directly affected service efficiency. The data has also been inaccurate regarding assistant collection service and identifying which households are entitled to second cart service, making it impossible for Coastal to reliably determine which households are entitled to such services. These deficiencies have been a major contributing factor to service delays and errors.
- City's 311 System: The handling of cart jobs in the City's system also presents concerns. During a call with Becky & Shane last week, Coastal was initially advised that the clock starts when the resident calls 311. Coastal questioned the fairness of this because Coastal cannot schedule or perform these cart jobs until the City's team has coded the work order. Per our contract with the City, the time to respond is to begin once Coastal is able to act on the request. It was ultimately agreed that Coastal's time to complete would not start until the coding is added; however, there is no timestamp to verify when the work order has actually been updated. Coastal suggested that the City add a note on the account to ensure it is time stamped. This suggestion was not accepted, although in reviewing cart jobs on September 17<sup>th</sup>, it appears that notes are now being added by the City indicating that the job has been coded and that the date of the work order has been changed.

Given the foregoing, specifically the transition and implementation issues and the fact that both the City and Coastal are continuing to adjust processes and procedures following startup of the contract, Coastal respectfully requests a 120-day waiver of any liquidated damages.

We have consistently communicated this request and believe it is a reasonable and necessary step toward ensuring the long-term performance services for the City. This waiver period will allow both Coastal and the City to reconcile route data, resolve implementation gaps, and establish a fair and accurate system for work order timekeeping. During this period, and provided that City Staff is willing to participate, Coastal is prepared to assume the cost of conducting a joint comprehensive route and cart audit to bring the City's data fully up to date. This effort will also support the City's future transition into the new Platform system.

Coastal remains committed to working collaboratively with the City to resolve these matters and deliver the level of service residents expect.

Very truly yours,



John Casagrande  
Vice President, Business Development