



WM Augusta Hauling

208 Prep Phillips Drive
Augusta, Georgia 30901-1700

February 23, 2023

VIA EMAIL AND CERTIFIED MAIL

Hameed Malik, Ph.D., PE
Director Engineering & Environmental Services
Engineering Administration
452 Walker Street, Suite 110, Augusta, GA 30901
(706) 796-5040

Re: Draft agreement between; Georgia Waste Systems, LLC & City of Augusta, GA

Dear Doctor Malik,

Georgia Waste Systems, LLC, dba Waste Management of Augusta Hauling ("GWS") received your proposed draft extension agreement via email on February 21st, 2023. This new draft was unexpected, since per your earlier request on January 19th, and at prior meetings, GWS sent you a proposed amendment for the City's consideration on January 31st. Now, you inform us in your February 21st email that our draft amendment was never going to be considered by the City due to a prior decision by the Commission, despite significant time and effort spent preparing this draft per your request.

Notwithstanding the foregoing, GWS has reviewed your proposed draft amendment, and respectfully cannot agree to the proposed terms for the following reasons:

- ***Section 7.3 Non-Contracted Waste-*** *Contractor agrees to bring any non-contract putrescible waste collected or under its control within Richmond County and the surrounding areas (the CSRA Geographical Region) to the Augusta Landfill, or any other facility designated by Augusta.*

GWS strenuously objects to any form of flow control mandates for waste volumes. The original Agreement gave GWS the right, **but not the obligation**, to bring Augusta non-contract waste collected, or under its control, where economically feasible, in the areas surrounding Richmond County. GWS cannot agree to modify this provision such that it makes such waste diversion mandatory. Further, there is legal precedent which deems such flow control provisions unlawful.

- ***8.2.6 Additional Capital Costs.*** *The Parties hereby mutually agree that the Contractor Shall make payments in the amount of \$55,909.49 per month during the First Renewal*



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*Term from January 1, 2023, to December 31, 2023,
and the Second Renewal Term from January 1, 2024,
to December 31, 2025.*

GWS cannot absorb any other imposed costs by the City. In the past 24-months, our company has experienced exponential cost increases from the CDL Driver Shortages, Lagging Pandemic Effects, and other Inflationary down-stream cost pressures. Agreeing to this proposed agreement modification would equate to GWS providing its services to Augusta at a loss, which it is unable to do.

In closing, GWS will honor our existing agreement with the City through December 31st, 2023. It was our great hope to come to a mutually beneficial arrangement with respect to an extension of the pre-existing Agreement, but failing that, we suggest the City issue a new RFP, which will allow GWS and other vendors to fairly participate and be considered for waste collection services to the City.

Respectfully,

A handwritten signature in blue ink, appearing to read 'George Council'.

George Council
Senior Account Executive Public Sector
(803) 600-8721

cc : Michael J. Holbrook, Public Sector Director, SA
Eric Wakefield, Operations Director, SA
Christina Deangelis, Senior Legal Counsel