



19050 Woodfield Rd
Gaithersburg, MD 20879

Ph: 301-294-9700
potomacdisposal.com

Since 1984

Dear Board Members and Property Managers,

After a year of lockdowns, it's been heartening to see so many businesses reopening and people reclaiming their lives.

As in many industries; the waste and recycling industry faced many unforeseen challenges throughout the pandemic as our essential teams battled extremely high trash volumes resulting from the stay-at-home order, excessive summer heat and freezing temperatures throughout the winter. The ongoing national Commercial Driver License shortage in addition to the labor shortages that are headlining the news have become one of our greatest daily challenges. In addition to labor shortages and the ongoing increases in the minimum wage; steel and plastic resin has more than doubled this year combined with limited supply driving up the price for our equipment and maintenance to over twice the cost from last year. The drastic increase in fuel costs across the country has driven up every operating cost in the transportation and waste industry to include but not limited to fuel, tires, oils, lubricants, paints, parts, freight to name a few.

Having served our community for 37 years we promise that we are doing everything in our power to continue to provide the same great customer service as in the past despite the challenges. We are currently the largest and safest rated waste management company in the County; operating approximately 50 trucks and 90 employees. Our focus and commitment continue to earn the recognition as the safest rated, best service in our market. Our goal is to attract and retain the safest and best employees and provide them with new automated trucks so they have the newest trucks and technology to keep our communities clean and safe.

Unfortunately to stay in business and offset the unprecedented material cost increases we are experiencing in the transportation industry. The floor pricing for communities with front yard hand pick-up will be billed at \$10/unit starting January 1, 2022. For a cost comparison; the County collection rates on the expiring contracts were at \$9.75 for one-time per week collection and are expected to be published in 2022 in the \$15/unit/month range or higher as only (1) company bid on the RFP.

Effective January 1, 2022 while we will be increasing our base rate to \$10/unit/month and continue 2x week service on the community's current schedule, at some point in 2022 or 2023, we will be transitioning to 1x per week service. We will provide each single-family resident with a 95-gallon trash cart on wheels and each townhome resident a 65-gallon trash cart on wheels. The service price will remain at \$10.00 per unit per month. Communities will have their choice of selecting their service day on any day of the week except Saturday and Sunday. Most like to marry their trash service day with their recycle day. If residents feel they need more weekly capacity, they can rent another toter at a fee of \$5.00 per month billed directly to the resident.
*Note: Due to new insurance restrictions, we will be requesting all communities with backyard service to bring their trash curbside after January 1st, 2022.



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Bulk pick-ups – residents will have the ability to complete a “bulk pick-up request form” on our website www.potomacdisposal.com and coordinate direct billing and service with our customer service team. Pricing is based on item i.e.: couch / mattress etc. and charged direct to homeowner. Restrictions apply.

Holiday Service – Federal holidays when the Montgomery County Transfer Station is closed; we will be closed and unable to service since there is nowhere to dump the trucks. Insurance companies will no longer insure trucks parked overnight with garbage on them due to the risk of fleet fire. With existing 2x per week service, if a community service day falls on a holiday where the transfer station is closed; we will service the respective community on the next regularly scheduled service day. With 1x per week service, we will service on the Saturday preceding the holiday for Monday, Tuesday and Wednesday service days or the Saturday following the holiday for Thursday and Friday service days.

Your loyalty to Potomac Disposal has never been more important and we’re committed to earning it as we move into the recovery and beyond. Our core values include always learning from our experiences and using those insights to constantly improve how we serve you. We are committed to restoring and exceeding the reliability and service you’ve come to expect from us over the past 37 years. Thank you for your patience as we continue to do everything we can to improve and enhance your experience.

On behalf of all 90 members of the Potomac Disposal family; thank you for trusting us with your recycling and waste service. We’re focused on delivering the experience you deserve. Stay tuned for more updates.

Sincerely,

Shaun Kiviat, CFO

Rick Levine, VP