



TEXAS PRIDE DISPOSAL

May 7, 2021

To Our Valued Customer:

First and foremost, we would like to thank you for your partnership. As we have always said, we take tremendous pride in delivering services that exceed your expectations. With that being said, we also realize that we have fallen short of this recently with some services being provided later than usual, and in some cases, the next day.

There are a few factors driving these recent issues. First, disposal volumes remain elevated due to COVID. The amount of waste we are collecting has been 20-25% above normal volumes since the pandemic began. While things are moving in a positive direction, there will be a lasting effect on the waste stream with the accelerated adaption of online shopping and meal delivery services. In addition to this, the freeze contributed significant volume to the waste stream between debris and dead vegetation. This sent our monthly disposal volumes from 30,000-32,000 tons to 53,000 in March and 43,000 in April, translating to extended service times. Unlike other haulers, we made a conscious decision to continue collecting standard amounts of waste as compared to reducing quantities. Our mindset was that we would rather be a late by a day than having waste curbside for weeks on end. There remain lingering effects from this event.

The second contributing factor is still COVID, but its effect on our workforce. Our biggest concern through the pandemic has been the safety of our employees. With that, we have a serious concern of COVID sweeping through our staff. Our in-house COVID protocol remains in full force with testing and quarantining. When a crew has had contact with a positive person, the entire crew is shut down for testing and quarantine. This leads to unfamiliar crews on route and in turn delayed or inconsistent services. Although it is a sub-crew, we are doing their best to accurately cover these routes. Positively, our staff continues to get vaccinated, however, as we are all aware, with the vaccines can be some side effects, leaving us with an absent employee(s) for a period of days.

Finally, the labor pool has tightened tremendously over the last months. The demand for qualified drivers coupled with the timing of stimulus checks, added unemployment benefits, and the timing of tax returns has created a true strain on the labor market. We continue to expand our avenues for recruiting and hiring, we are seeing rising wages as we work to retain our staff, and we have even implemented hiring bonuses for new employees and recruiting bonuses for our team if they bring employees on. The process is arduous but moving forward.

I would like to reiterate that we fully understand the expectations of our customers and boards that we service. By no means is late or delayed service a favorable outcome for us. We are working diligently to minimize and overcome these challenges, but we also want our customers to be aware that these challenges will take some time to overcome. I am confident in our team, culture, and reputation that

overcoming these obstacles will be a short-term challenge and service will soon be again delivered to your expectations.

In addition, ***we do encourage you to enroll in our service notification system***. This system allows us to notify by email of potential delays or carryovers with our service. With the current challenges, our operations team is sending updates three times daily to customer service, with final notice going out to affected customers. You can enroll on the homepage of our website (www.texaspridedisposal.com), or by emailing Averian Gaston (averian@texaspridedisposal.com) with your MUD/HOA and the preferred emails for notices.

Again, we thank you for your continued partnership and understanding. We look forward to delivering the services you have come to expect from us and we have always expected of ourselves.

Thank you,

Kevin Atkinson
Owner
Texas Pride Disposal