

**FIRST AMENDMENT TO FRANCHISE AGREEMENT FOR
INTEGRATED SOLID WASTE MANAGEMENT SERVICES
BETWEEN THE CAMBRIA COMMUNITY SERVICES DISTRICT
AND MISSION COUNTRY DISPOSAL**

This First Amendment to Franchise Agreement for Integrated Solid Waste Management Services ("Amendment") is made and entered into as of the 27th day of May, 2010 by and between the Cambria Community Services District, a political subdivision of the State of California (hereinafter "CCSD") and Mission Country Disposal, a California corporation and wholly-owned subsidiary of Waste Connections, Inc. (hereinafter "Franchisee").

RECITALS

This Amendment to Agreement is entered into with reference to the following:

1. On July 27, 2001 the CCSD and Franchisee entered into a Franchise Agreement (hereinafter "Agreement") for the provision of collection, processing, diversion and disposal of solid waste, green waste and recyclable materials from properties subject to the jurisdiction of the CCSD, which Agreement was for a term of ten (10) years, expiring on September 1, 2011.
2. Waste Connections, Inc. subsequently acquired all of the capital stock of Franchisee (reference CCSD Resolution 19-2002). The Agreement provides that the CCSD Board may elect to renew the Agreement at any time prior to the end of the term of the Agreement.
3. Franchisee requested that the term of the Agreement be extended to provide for a fifteen (15) year term based upon the costs and financing related to the Cold Canyon Landfill expansion, and also the upgrading of its truck fleet to reduce emissions through the use of CNG powered garbage trucks. Franchisee has indicated that it has secured fifteen (15) year agreements with other public entities including: City of Arroyo Grande; Avila Beach CSD; Cayucos Sanitary District; County of San Luis Obispo; City of Grover Beach; Los Osos CSD; City of Morro Bay; Nipomo CSD; and City of Pismo Beach.
4. The Cold Canyon Landfill currently has only two and one half years of capacity, and the expansion project will provide thirty (30) years of future disposal capacity and enhanced and improved recycling facilities, which will be of great benefit to the CCSD and its citizens. Moreover, facilitating the financing of these improvements by providing a longer term for cost recovery will reduce the impact of such costs and improvements on rates and the concomitant burden in ratepayers.
5. Based upon the foregoing, the Board of Directors has determined that it is appropriate to extend the term of the Agreement to provide for the requested fifteen (15) year term.

NOW, THEREFORE, and in consideration of the mutual promises herein contained, it is hereby agreed by and between the CCSD and Franchisee as follows:

1. Section 3.2 of Article 3 of the Agreement is hereby amended to read as follows:

3.2 Term.

The term of this Agreement shall be fifteen (15) years, commencing at 12:01 a.m., June 1, 2010 and expiring at midnight May 31, 2025, subject to extension as provided in Section 3.3 (Option to Extend).

2. Section 9.7 is hereby added to Article 9 of the Agreement, to read as follows:

9.7 Proposition 218.

Franchisee and CCSD acknowledge that some of the rates described herein may be currently subject to the requirements of Proposition 218, and as such, Franchisee shall be required to provide any and all services and pay for all costs necessary in CCSD's compliance with the requirements of Proposition 218, as determined by CCSD in its sole discretion.

3. Franchisee shall provide written annual reports by May 1st of each year to the CCSD on the progress of Franchisee's CNG truck conversion program and the Cold Canyon Landfill project.

4. Except as otherwise provided herein, all other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, CCSD and Franchisee have executed this Amendment as of the day and year first above written.

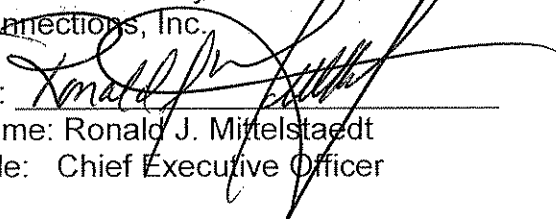
CAMBRIA COMMUNITY SERVICES DISTRICT

By: 
Tammy A. Rudock
General Manager

Approved as to Form:


Timothy J. Carmel, District Counsel

MISSION COUNTRY DISPOSAL,
a California corporation and wholly
owned subsidiary of Waste
Connections, Inc.

By: 
Name: Ronald J. Mittelstaedt
Title: Chief Executive Officer