

**RESTATED FIRST AMENDMENT TO THE ONTARIO COUNTY OPERATION,
MANAGEMENT & LEASE AGREEMENT**

THIS RESTATED FIRST AMENDMENT to the Ontario County Operation, Management & Lease Agreement (the "Restated First Amendment") is made effective as of the **21st** day of December, 2007 (the "Amendment Effective Date"), by and between the **COUNTY OF ONTARIO**, a political subdivision organized and existing under the laws of the State of New York (the "County") and **CASELLA WASTE SERVICES OF ONTARIO, LLC** ("Casella of Ontario") a New York limited liability corporation having its principal place of business at 803 Cascadilla Street, Ithaca, New York, and the successor-in-interest of **NEW ENGLAND WASTE SERVICES OF N.Y., INC. ("NEWSNY"); and CASELLA WASTE SYSTEMS, INC.**, a Delaware corporation having its principal place of business located at 25 Greens Hill Lane, Rutland, Vermont ("Casella").

WHEREAS, on or about November 25, 2003, NEWSNY, Casella, and Ontario County entered into an Operation, Management and Lease Agreement whereby NEWSNY took over operation of the Ontario County Landfill (the "OMLA"); and

WHEREAS, on or about June 30, 2004 NEWSNY, upon notice to the County, assigned all rights and obligations under the OMLA to Casella of Ontario; without releasing NEWSNY from its obligations thereunder or releasing Casella from its guaranties thereof,

WHEREAS, all parties to the OMLA have agreed that circumstances have changed since the OMLA was executed, and that it is in the best interest of all parties and the people of Ontario County that the OMLA should be amended to take into consideration such circumstances; and

WHEREAS, in October 2007 the County and Casella of Ontario entered into a "First Amendment to the Ontario County Operation, Management & Lease Agreement" (the "First Amendment"); and

WHEREAS, the County and Casella of Ontario have agreed to rescind the First Amendment in its entirety due to errors contained therein, and replace it with this Restated First Amendment; and

NOW, THEREFORE, in consideration of these promises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, each intending to be legally bound, agree as follows:

1. The First Amendment is rescinded in its entirety.
2. A new Section 2.7 shall be added to the OMLA consisting of the following:

"2.7 Permit Increase Success Payment. The parties acknowledge that a 49.9% permit modification has been applied for by the County and Casella of Ontario, which, if issued, will result in additional tonnage permitted, and therefore,

additional payments to the County.

- a) The additional tonnages and payments shall be calculated as follows, assuming 306 working days per year:

The current permit limit is 2,000 tons per day (*i.e.*, 612,000 tons per year). The County is paid \$2,000,000 per year, *i.e.*, \$3.27 per ton.

If the 49.9% permit modification is granted, the permit will allow 2,999 tons per day, *i.e.*, an additional 999 tons per day, (*i.e.* 917,694 tons per year), a maximum of \$999,619.38 additional income per standard 365-day year.

- b) Following issuance of the 49.9% permit modification, NEWSNY shall pay to the County an additional amount based on the additional tonnage of Acceptable Waste permitted as a result of issuance of the 49.9% permit modification, at the rate of \$3.27 per ton for each ton accepted at the Landfill above 612,000 tons per year. Such total payment amount shall be calculated as of December 31 of each year, including 2007, and verified by the County by January 31 of each following year. Such payment shall not exceed \$999,619.38 per year (except in a leap year when such payment may be higher but in no event shall exceed \$1,002,886.11). The first such additional payment shall be due on February 15, 2008, and all future additional payments shall be made on the same date in subsequent years.
- c) Upon issuance of the 49.9% permit modification in final form, where such issuance is unappealable or any appeals taken have been resolved favorably NEWSNY shall pay the County a total of \$1,000,000 as follows:
- i) NEWSNY shall pay the County \$200,000 upon such initial issuance of the 49.9% permit modification;
- ii) NEWSNY shall pay the County a total of \$800,000 in four payments of \$200,000 each, the first such payment to be made December 8, 2008, with the three successive payments to be made on December 8, 2009, December 8, 2010, and December 8, 2011."

3. The chart in Schedule 7.10 of the OMLA shall be deleted in its entirety and replaced with the following:

Project	OML Section	Completion Date	Payment in Lieu
PBDD – Extension of sewer lines and connections	§7.5(a)	04/30/09	\$1,700,000
PBDD – Construction of potable water mains	§7.5(b)	04/30/09	\$100,000
PBDD – Development of industrial development zone	§7.5(c)	12/31/2009	\$500,000
Construction of Single-Stream Recycling Center	§7.6	12/31/2007	Project completed

Construction of GRT Glass Beneficiating Facility	\$7.7	12/31/2007	Project completed
Cornell Cooperative Extension Hydroponics Greenhouse or other Project	\$7.8	04/30/09	\$750,000

4. Section 7.6 of the OMLA shall be deleted in its entirety and replaced with the following:

 "7.6 Construction of Single-Stream Recycling Center. NEWSNY has constructed a 48,000-square-foot single stream materials recycling facility at a cost of \$7,643,848, as more fully described in Schedule 7.6."
5. Section 7.7 of the OMLA shall be deleted in its entirety and replaced with the following:

 "7.7 Construction of GRT Glass Beneficiating Facility. NEWSNY has constructed a 20,000-square-foot glass beneficiating facility at a cost of \$4,189,473, as more fully described in Schedule 7.7."
6. Section 7.8 of the OMLA shall be deleted in its entirety and replaced with the following:

 "7.8 Cornell Cooperative Extension Hydroponics Greenhouse or Other Project. NEWSNY will construct either (a) an approximately 20,000 square foot hydroponics greenhouse for agricultural use of growing lettuce or other vegetables as more fully described in Schedule 7.8, at an anticipated cost of \$750,000, or (b) such other project that is mutually agreed to by NEWSNY and the County, up to a cost of \$750,000."
7. Section 7.9 of the OMLA shall be deleted in its entirety.
8. Schedule 7.9 of the OMLA shall be deleted in its entirety.
9. In addition, the parties acknowledge and agree that as of the Amendment Effective Date:
 - (a) with regard to the Industrial Development Zone project described in Section 7.5(c) and related schedules, the parties acknowledge and reaffirm that \$1,000,000 of the Payment In Lieu amount has been redirected to the Finger Lakes Regional Telecommunications Development Corporation, and \$500,000 has been redirected to the Cornell Agricultural Food and Technology Park, all in accordance with Board of Supervisors Resolution No. 780-2005. The parties agree that the Industrial Development Zone is hereby assigned a completion date of December 31, 2009, and the Payment In Lieu thereof is \$500,000. The County further agrees that, at such time as the County receives repayment from the Finger Lakes Regional Telecommunications Development Corporation in accordance with Resolution No. 507-2006, the County will establish a reserve fund in

that amount, dedicated to the Industrial Development Zone project.

- (b) the \$2,500,000 allocated to the project described in Section 7.9 and related schedules was reallocated to the projects described in sections 7.6 and 7.7 and related schedules.
 - (c) the project described in Section 7.6 and related schedules has been completed at a cost of \$7,643,848;
 - (d) the project described in Section 7.7 and related schedules has been completed at a cost of \$4,189,473.
10. Casella shall be jointly and severally liable with Casella of Ontario for payments contained in new section 2.7 of the OMLA and for all of its continuing other guarantees under the OMLA as written.
11. Capitalized terms used herein which are not otherwise defined herein shall have the meanings as defined in the OMLA.
12. As amended by this Restated First Amendment, the OMLA continues in full force and effect.

IN WITNESS WHEREOF, the County, Casella of Ontario and Casella have caused their respective duly authorized officers to execute this First Amendment to the OMLA, on the dates indicated below to be effective as of the day and year first written above.

ONTARIO COUNTY, NEW YORK

By: Jeffrey C. Astles

Title: Administrator

Date of Execution: May 4, 2009

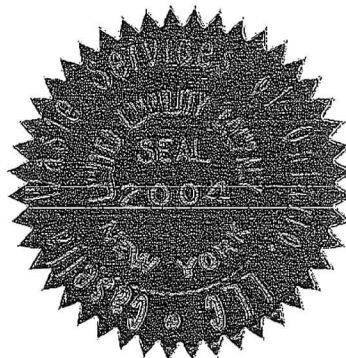
(County Seal)

CASELLA WASTE SERVICES OF ONTARIO, LLC

By: [Signature]

Title: JOHN W. CASELLA, VICE PRESIDENT + SEC'y

Date of Execution: 4/21/09



CASELLA WASTE SYSTEMS, INC.

By: 

Title: JOHN W. CASELLA, CEO + SEC'y

Date of Execution: 4/21/09

