

City of High Point

*Municipal Office Building
211 South Hamilton Street
High Point, NC 27261*

Meeting Agenda

Monday, May 4, 2009

4:45:00 PM

Council Chambers

Committee of the Whole

*Rebecca R. Smothers, Mayor
William S. Bencini, Mayor Pro Tem
Latimer B. Alexander, IV, Mary Lou Blakeney,
Foster Douglas, John Faircloth, Michael D. Pugh,
Bernita Sims, M. Christopher Whitley*

ROLL CALL, PRAYER, PLEDGE OF ALLEGIANCE**PRESENTATION OF ITEMS****FINANCE COMMITTEE - Council Member Whitley, Chair**

Committee Members - Bencini, Douglas, Alexander

090095**Contract - Bid No. 37 - Water Transmission Line - HWY 62**

Approval of contract awarding Bid No. 37 for the construction of the Water Transmission Line - Hwy. 62. Purchasing and Public Services recommends that contract be awarded to Triangle Grading & Paving in the amount of \$3,373,416.50 which is the lowest responsible and responsive bidder meeting specifications.

090096**Contract - Bid No. 44 - Bulk Container Service**

Approval of contract awarding Bid No. 44 for Bulk Container Service. Purchasing and Public Services recommends that contract be awarded to Republic Waste Services in the amount of \$473,541.12 which is the lowest responsible and responsive bidder meeting specifications.

090097**Budget Ordinance Amendment - Core City Project**

Adoption of an ordinance amending the 2008-2009 budget ordinance to appropriate funds in the amount of \$6,000.00 through the High Point Community Foundation for the Core City Project.

090102**Contract - Water Tank and Pump Station - Ward Water Treatment Plant**

Approval of proposed contract to award Bid No. 38 for construction of Water Tank and Pump Station at the Ward Water Treatment Plant.

090091**Community Development and Housing Department - 2009-2010 Annual Action Plan**

Monday, April 20, 2009 at 5:30 p.m. is the date and time established to receive public comments on the submission of the 2009-2010 Annual Action Plan to the Department of Housing and Urban Development (HUD).

4/20/2009 Committee of the Whole acknowledged as public
hearing held and placed
on consent agenda

Pending Items**090050****Revised Economic Incentive Policy**

Council is requested to adopt a revised economic incentive policy redirecting incentive dollars to the Core City and south High Point.

3/5/2009 Committee of the Whole referred Committee of the Whole

PUBLIC SAFETY COMMITTEE - Council Member Faircloth, Chair

Committee Members - Bencini, Douglas, Alexander

PUBLIC SERVICES COMMITTEE - Council Member Sims, Chair

Committee Members - Blakeney, Faircloth, Whitley, Alexander

PLANNING & DEVELOPMENT COMMITTEE - Council Member Bencini, Chair

Committee Members - Blakeney, Pugh, Sims, Faircloth

PUBLIC HEARINGS ON ITEMS - 5:30 P.M.**090098 Public Hearing - WCA of High Point, LLC - Modification of a Franchise for a Sanitary Landfill**

Monday, May 4, 2009 at 5:30 p.m. is the date and time established to receive public comments on an application by WCA of High Point, LLC to modify its franchise to operate a sanitary landfill in High Point.

090099 Resolution - Street Abandonment 09-06 - City of High Point

A request by the Technical Review Committee to abandon an unimproved portion of right of way known as Eugene Avenue, lying north of Sinclair Avenue, between Clifton Street and Old Thomasville Road.

090100 Resolution - Street Abandonment 09-07 - City of High Point

A request by the Technical Review Committee to abandon an unimproved portion of an unnamed right of way, lying west of Van Buren Street, between Eugene Avenue and Preferred Way.

090101 Resolution - Street Abandonment 09-08 - City of High Point

A request by the Technical Review Committee to abandon an unimproved portion of an right of way known as Tank Avenue, lying west of Redding Drive, between Clinton Avenue and Tryon Avenue.

ADJOURNMENT

PLANNING AND ZONING COMMISSION RECOMMENDATION

On March 24, 2009, a public hearing was held before the Planning and Zoning Commission regarding the request described below. All members of the Commission were present except for Mr. Jay Wagner, Ms. Kathleen Carter, and Ms. Marilyn DeBerry.

City of High Point

Street Abandonment Case 09-07

A request by the Technical Review Committee to abandon an unimproved portion of an unnamed right-of-way, lying west of Van Buren Street, between Eugene Avenue and Preferred Way.

Mr. Schroeder presented this request and recommended approval of the case as outlined in the staff report.

No one spoke in favor or in opposition.

The Planning & Zoning Commission recommended ***approval***, by a vote of 5-0, of Street Abandonment Case 09-07, as recommended by staff.

**CITY OF HIGH POINT
PLANNING AND DEVELOPMENT DEPARTMENT**

**STAFF REPORT
STREET ABANDONMENT CASE 09-07
March 24, 2009**

Request	
Applicant: City of High Point Technical Review Committee	Proposal: Abandonment of an unimproved portion of right-of-way known as Eugene Avenue, lying west of Van Buren Street, approximately 150-feet north of Eugene Avenue.

Adjacent Streets		
Name:	Classification:	R/W and Pavement Width:
Unnamed Avenue	Local Street	50ft. R/W & unimproved
Van Buren Street	Local Street	50ft. R/W & 20 ft. Ribbon Pavement

Adjacent Property Zoning and Current Land Use		
North:	Residential Multi-Family (RM-8)	Single-Family Residence
South:	Residential Multi-Family (RM-8)	Single-Family Residence
East:	Residential Multi-Family (RM-8)	Right-of-Way
West:	Heavy Industrial (HI)	Warehouse (Professional Collectibles, Ltd)

Analysis

The right-of-way considered for abandonment contains approximately 0.172 acres in area (approximately 50 feet wide by 150 feet in length). The right-of-way is not necessary to provide access to the abutting lots. The lots to the north and south have existing access to Van Buren Street. The unimproved right-of-way contains thick undergrowth on the southern portion and is relatively clear on the northern portion. The topography is virtually flat. The right-of-way contains no utilities. The abutting industrial use to the west (Owned by Professional Collectible, Ltd) has primary access from the northern terminus of Old Thomasville Road. The industrial property is bound by a 6-foot chain link fence. The fence has a gate at the portion abutting the right-of-way proposed for abandonment. According to a resident to the north the gate has not been used for vehicular access for many years.

Findings

The TRC reviewed this request on December 17, 2008 and identified no issues that would prevent its abandonment.

The abandonment of the public's interest and conveyance of the right-of-way to the abutting property owner as regulated will not deny the abutting property owner reasonable access to their property.

Recommendation

The Planning and Development Department recommends approval of the requested street right-of-way abandonment based on preliminary findings that it is not contrary to the public interest, and that no property in the vicinity of the street abandonment would be deprived of reasonable means of ingress or egress.

Report Preparation

This report was prepared by Planning and Development Department staff member Mark Schroeder AICP, and reviewed by Bob Robbins AICP and Lee Burnette AICP.



STREET ABANDONMENT REQUEST SA09-07

Applicant: City of High Point
Area: 0.16 acres



Location of proposed street abandonment

Planning & Development
Department

City of High Point

Date: February 24, 2009



Scale: 1"=300'

y:/ba-pz/2009/pz/sa09-07.mxd

Attachments for SA09-07



Looking west across Van Buren Street towards the unimproved right-of-way.



Aerial looking south down Van Buren Street. Unnamed street highlighted in red.

Attachments for SA09-07



Close up view showing gate to industrial property to the west.

BID INFORMATION AND RECOMMENDATION**BID #** 37-042209**DATE OPENED:** April 22, 2009**DESCRIPTION:** Water Transmission Line-Hwy 62**BID PACKAGES DISTRIBUTED:** 28**DEPARTMENT:** Public Services**SOURCE OF FUNDS:** 421779-533701-421003022905-40201**BUDGETED AMOUNT:** \$6,400,000.**RECOMMENDED AWARD**

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1 lot	Water Transmission Line-Hwy 62	\$3,373,416.50	\$3,373,416.50

PURPOSE: This project is to install a finished water transmission line from the PTRWA Transfer Pump Station located at Coltrane Mill Rd. to the Ward Water Treatment Plant. The notice to proceed for this project will be issued for June 1, 2009 with a final completion date of May 1, 2010.

COMMENTS:**BID TABULATION**

CONTRACTOR	TOTAL BASE BID AMOUNT
Triangle Grading & Paving	\$3,373,416.50
Park Construction	\$3,487,713.13
Gary's Grading & Pipeline	\$3,509,489.86
State Utilities Contractors	\$3,526,648.00
Seaside Environmental	\$3,595,821.35
Yates Construction	\$3,603,934.70
TA Loving	\$3,656,866.50
Jimmy R. Lynch	\$3,739,484.99
Metra Industries	\$3,817,748.00
Ramey, Inc.	\$3,822,839.55
Garney Companies	\$3,860,816.00
GH Griffin	\$3,933,455.00
Dellinger Inc.	\$3,945,908.25
Paul Howard Construction	\$3,994,769.50
Prillaman & Pace	\$4,134,380.00
Hall Contracting	\$4,172,471.00
A&L Underground	\$4,220,949.85
Propst Construction	\$4,243,479.50
McMahan Bros Pipeline	\$4,259,883.39
Virginia Carolina Paving	\$4,305,397.00
Heron Construction	\$4,341,039.45
B,C & D Associates	\$4,415,039.00
Land Form	\$4,829,335.00

The **PURCHASING DEPARTMENT AND PUBLIC SERVICES DEPARTMENT** recommend that the contract for **WATER TRANSMISSION LINE-HWY 62** be awarded to **TRIANGLE GRADING & PAVING**, the lowest responsible and responsive bidder meeting specifications, in the amount of **\$3,373,416.50**

DATE OF RECOMMENDATION: April 27, 2009


Strib Boynton, CITY MANAGER



MEMORANDUM

Date: April 28, 2009

To: Pat Pate, Assistant City Manager

From: Terry Houk, Assistant Director of Public Services (T. H.)

Re: Agenda Item

I respectfully request that the following be included for consideration on the next Council Agenda:

Acceptance of lowest responsive bid submitted by Triangle Grading and Paving
for Water Transmission Line Project

This project is to install a finished water transmission line from the PTWRA Transfer Pump Station located at Coltrane Mill Rd. to the Ward Water Treatment Plant. The notice to proceed for this project will be issued for June 1, 2009 with a final completion date of May 1, 2010.

Public Services is recommending the bid be accepted for:

Water Transmission Line Project	\$3,373,416.50
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Funding for this project will come from: 421779-533701-421003022905-40201

Cc: Chris Thompson
Jeff Moore
Bob Martin
Patty Sykes
File



Infrastructure, environment, facilities

Mr. Chris Thompson, PE
Public Services Director
PO Box 230
High Point, NC 27261

RECEIVED

APR 27 2009

Public Service Dept.

ARCADIS G&M
of North Carolina, Inc.
One Centerview Drive
Suite 208
Greensboro
North Carolina 27407
Tel 336 292 2271
Fax 336 855 5648
www.arcadis-us.com

Subject:

High Point, North Carolina
Water Transmission Line, Bid No. 37-042209
Letter of Recommendation

Dear Mr. Thompson:

The Advertisement for Bids on the Water Transmission Line project requested sealed bids to be received by 2:00 PM on Wednesday, April 22, 2009. Twenty-three contractors submitted responsive bids for this project. They are as listed on the attached Bid Tabulation. Itemized Proposals were required to be submitted bound with the Project Manual. One bid submitted by Davis Grading, Inc. was found to be non-responsive due to the Itemized Proposal being submitted un-bound from the Project Manual. This Bid was returned to Davis Grading unopened. All other bids were opened and publicly read aloud. All companies represented at the bid opening are properly licensed contractors, submitted MWBE goals, acknowledged receipt of Addenda, and submitted a proper bid security in the amount of five percent of the total bid submitted.

Of the twenty-three bidders, Triangle Grading and Paving, Inc. submitted the lowest bid at the bid opening. After verification of their itemized unit prices and total base bid amount they remain the lowest responsive bidder. The total base bid price for Triangle Grading & Paving is \$3,373,416.50. Triangle Grading & Paving has been approved for and has successfully completed similar work for ARCADIS. As such, we can see no reason why the contract for City of High Point Bid Number 37-042209 should not be awarded to Triangle Grading & Paving, Inc.

Please do not hesitate to contact me if you have any questions about this matter.

Sincerely,

ARCADIS G&M of North Carolina, Inc.

A handwritten signature in black ink, appearing to read 'Linda L. Pass'.

Linda Pass, PE
Associate Project Manager

Date:
24 April 2009

Contact:
Linda Pass

Phone:
336 292 2271

Email:
linda.pass@arcadis-us.com

Our ref:
GRHPT010.D001

Imagine the result

**Notice of Public Hearing before the High Point City Council
For the Modification of a Franchise for a Sanitary Landfill**

PLEASE TAKE NOTICE that the High Point City Council will hold a public hearing on the application by WCA of High Point, LLC to modify its franchise to operate a sanitary landfill. The hearing will be held on Monday, May 4, 2009 at 5:30 p.m. in the City Council Chambers, City Hall, 211 South Hamilton Street, High Point, North Carolina. The franchise modification is proposed pursuant to N.C. Gen. Stat. § 130A-294 of the North Carolina General Statutes and Chapter 11-8-5 of the High Point City Code. The sanitary landfill is located at 5830 Riverdale Road.

The public hearing will begin at 5:30 p.m. WCA Waste Corporation will present its application to the High Point City Council. Any other citizens who wish to speak in favor of the application will have an opportunity to speak. After all speakers in favor of the application have spoken, any citizen who opposes or has questions about the application may speak. A copy of the application for the franchise modification will be on file at the High Point Public Library for inspection and copying by the public. Interested citizens should ask for the document titled "WCA of High Point LLC: Application for Solid Waste Facility Franchise Amendment."

The information in the application is summarized as follows: 1) The requested franchise expansion is from the existing WCA service area of Guilford, Randolph, Davidson and Forsyth counties to the following counties: Rockingham, Caswell, Alamance, Orange, Cabarrus, Rowan, Davie, Yadkin, Surry, and Stokes; 2) The existing franchise area population is approximately 1.1 million people and the expansion area contains approximately 900,000 people; 3) There are at least sixteen alternative construction and demolition debris facilities within fifty miles of High Point; 4) The incoming waste will be exclusively construction and demolition debris as defined in North Carolina Administrative Code 15A NCAC 13(b).0532(8); 5) WCA has a recycling operation that recycles approximately thirty-five percent of incoming waste; 6) The projected useful life of the landfill is between thirty and forty years; 7) The recycling component makes this request consistent with the High Point Solid Waste Management Plan; 8) Governmental oversight will primarily be through the NC DENR Division of Waste Management; 9) Fees and rates will be market-driven; 10) The applicant's legal status is WCA of High Point LLC; 11) WCA of High Point is a wholly-owned subsidiary of WCA Waste Corporation, whose principals own and operate solid waste facilities throughout the southern and western states; 12) Local and regional management has several years experience in the solid waste industry; 13) The franchise will be thirty years from February 21, 2005 (until February 21, 2035); 14) WCA offers a host fee of \$.40 per ton that would generate approximately \$4,800 per year for the City of High Point.

All interested parties are invited to present comments at the public hearing regarding this application for franchise expansion.

Lisa Vierling
City Clerk, High Point, NC

BID INFORMATION AND RECOMMENDATION**BID #** 38-042209**DATE OPENED:** April 30, 2009**DESCRIPTION:** Water Tank & Booster Pump Station-Ward Water Plant**BID PACKAGES DISTRIBUTED:** 7**DEPARTMENT:** Public Services**SOURCE OF FUNDS:** 421779-533701-421003022905-40201**BUDGETED AMOUNT:** \$5,000,000.**RECOMMENDED AWARD**

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1 lot	Water Tank & Booster Pump Station	\$2,862,000.00	\$2,862,000.00

PURPOSE: This project is necessary to receive the water from the PTRWA and will serve the new low pressure zone of the water distribution system. The booster pump station will allow flexibility to pump additional flow into the high pressure zone as needed.

COMMENTS: Public Services requested an alternate tank coating (Hydroflon) for this project which is to be included in the bid at an additional cost of \$35,000. This tank coating provides a longer lasting finish with superior quality.

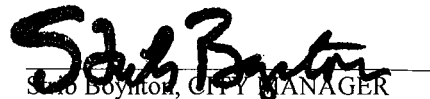
Also requested in the contract were prices for adjustment items that are common to these types of contracts but are not foreseen on the project (please see attached). The purpose for obtaining these unit prices up front is to avoid time consuming negotiations during the project, as time is critical on this job. Substantial changes will come before City Council for approval as normal.

BID TABULATION

CONTRACTOR	BID AMOUNT
CB&I, Inc. Attn: Don Nason 3600 Mansell Road Alpharetta, GA 30022	Tank Coating \$2,827,000.00 35,000.00
Landmark Structures Attn: Glenda Curry 1665 Harmon Road Fort Worth, TX 76177	Tank Coating \$3,138,000.00 30,000.00

The **PURCHASING DEPARTMENT AND PUBLIC SERVICES DEPARTMENT** recommend that the contract for **WATER TANK & BOOSTER PUMP STATION** be awarded to **CB&I, INC.**, the lowest responsible and responsive bidder meeting specifications, in the amount of **\$2,862,000.00**

DATE OF RECOMMENDATION: May 1, 2009


Scott Boynton, CITY MANAGER

Public Services Department

W. Chris Thompson, P.E.
DIRECTOR



MEMORANDUM

DATE: May 1, 2009
TO: Pat Pate, Asst. City Manager
FROM: W. Chris Thompson, PE, Director
SUBJECT: 1.0 MG Elevated Water Tank & Booster Pump Station

Public Services Department received bids for the 1.0 MG Elevated Water Tank & Booster Pump Station initially on April 22, 2009 where only two bids were received. The bids were not opened since only two were received and the project was re-advertised for an additional seven days. Bids were received on April 30, 2009 and again only two bids were received. This time they were opened and CB&I was the lowest responsive bidder at a contract amount of \$2,827,000.

Public Services requested an alternative tank coating (HydroFlon) to be included as an option for this project. CB&I quoted this alternative at \$35,000. HydroFlon is a high quality coating with a life expectancy of more than 20 years compared to conventional coatings which last up to 15 years.

Also requested in the contract were prices for adjustment items that are common to these types of contracts but are not foreseen on the project (please see attached). The purpose for obtaining these unit prices up front is to avoid time consuming negotiations during the project, as time is critical on this job. Substantial changes will come before City Council for approval as normal.

Public Services recommends award of this contract to CB&I which was the responsive low bidder at a total cost of \$2,862,000 including the HydroFlon coating.

1.0 MG Composite Elevated Water Tank and Booster Pump Station
High Point, NC

Adjustment Price Summary

ARCADIS G&M of North Carolina, Inc.

Adjustment Unit Price Items		CB&I, Inc.	
		Unit Price	
A.1	Rock Excavation, including disposal	\$ 85.00	Accept
A.2	Wood Supports and Bracing	\$ 2,500.00	Reject
A.3	Earth Excavation, including backfill	\$ 20.00	Accept
A.4	Earth Excavation, including disposal	\$ 15.00	Accept
A.5	Class I Concrete, not including reinforcing steel (wall or formed)	\$ 280.00	Accept
A.6	Class I Concrete, not including reinforcing steel (slab or unformed)	\$ 165.00	Accept
A.7	Reinforcing Steel	\$ 2.00	Accept



MEMORANDUM

DATE: **April 15, 2009**

TO: Randy McCaslin, Assistant City Manager

FROM: Michael E. McNair, Director

SUBJECT: Public Hearing

RE: 2009-'10 Annual Action Plan

The Community Development and Housing Department requests a public hearing on the 2009-'10 Annual Action plan at Council's regularly scheduled meeting on April 20th. The department has completed necessary activities for preparation and submission of the plan to the Department of Housing and Urban Development (HUD). The final step prior to submission is Council approval. A copy of the plan describing the activities and programs proposed for the 2009-'10 program year has been included in the agenda package for Council's review. The plan must be submitted to HUD no later than May 15, 2009. Please be aware that HUD has not yet released allocation information for the 2009-'10 program year. However we have been advised by HUD to proceed with the action planning process utilizing 2008-'09 funding levels in order to comply with regulatory timelines. Consequently the document has a draft water mark to reflect this. We do not anticipate a substantial change in the funding levels reflected in the plan. Staff will advise Council when the allocations are released.

The action plan describes the proposed projects to be undertaken during the 2009-'10 with HUD funds. It also contains goals and measurable objectives for the proposed projects. The process to develop the plan included the following:

- Three community meetings were held during February 2009 to discuss programs and seek citizen input;
- The Citizen Advisory Council (CAC) received presentations from public service grant applicants in February 2009;
- The CAC extensively reviewed a draft of the proposed plan during its March retreat;
- A draft of the proposed plan was released for public comment for the period of March 15th through April 14th; and
- The CAC conducted a public hearing of the action plan on March 26th and voted unanimously to recommend that Council approve the plan.

The proposed 2009-'10 One Year Action Plan has met HUD citizen participation requirements for action plan development such as public availability of the proposed plan, public hearings on the plan, and the public comment period. We ask that Council favorably consider approval of the 2009-'10 Annual Action Plan.

PLANNING AND ZONING COMMISSION RECOMMENDATION

On March 24, 2009, a public hearing was held before the Planning and Zoning Commission regarding the request described below. All members of the Commission were present except for Mr. Jay Wagner, Ms. Kathleen Carter, and Ms. Marilyn DeBerry.

City of High Point

Street Abandonment Case 09-08

A request by the Technical Review Committee to abandon an unimproved portion of a right-of-way known as Tank Avenue, lying west of Redding Drive, between Clinton Avenue and Tryon Avenue.

Mr. Schroeder presented this request and recommended approval of the case as outlined in the staff report.

No one spoke in favor or in opposition.

The Planning & Zoning Commission recommended ***approval***, by a vote of 5-0, of Street Abandonment Case 09-08, with the retention of a 20-ft sanitary sewer easement, as recommended by staff.

**CITY OF HIGH POINT
PLANNING AND DEVELOPMENT DEPARTMENT**

**STAFF REPORT
STREET ABANDONMENT CASE 09-08
March 24, 2009**

Request	
Applicant: City of High Point Technical Review Committee	Proposal: Abandonment of an unimproved portion of a right-of-way known as Tank Avenue , lying approximately 200 feet west of Tank Court and west of Redding Drive, between Clinton Avenue and Tryon Avenue.

Adjacent Streets		
Name:	Classification:	R/W and Pavement Width:
Tank Avenue	Local Street	12 ft. R/W & 10' Gravel (substandard)
Tank Court	Local Street	30 ft. R/W & 16' Ribbon (paved)

Adjacent Property Zoning and Current Land Use		
North:	Heavy Industrial (HI)	Manufacturing / Storage
South:	Heavy Industrial (HI)	Vacant
East:	Heavy Industrial (HI)	Single Family Residences
West:	Heavy Industrial (HI)	Southern Railway

Analysis

The Tank Avenue right-of-way considered for abandonment contains approximately 0.03 acres in area (approximately 12 feet wide by 110 feet in length). The right-of-way is not necessary to provide access to the abutting lots. The lots will have accessible frontage remaining on the remaining portion of Tank Avenue or on Tryon Avenue. The right-of-way is crossed by a sanitary sewer line. A 20-foot wide utility easement centered on the existing sanitary sewer lines will be retained.

Findings

The TRC reviewed this request on December 17, 2008 and identified no issues that would prevent its abandonment. The retention of an easement is necessary for the existing sanitary sewer lines.

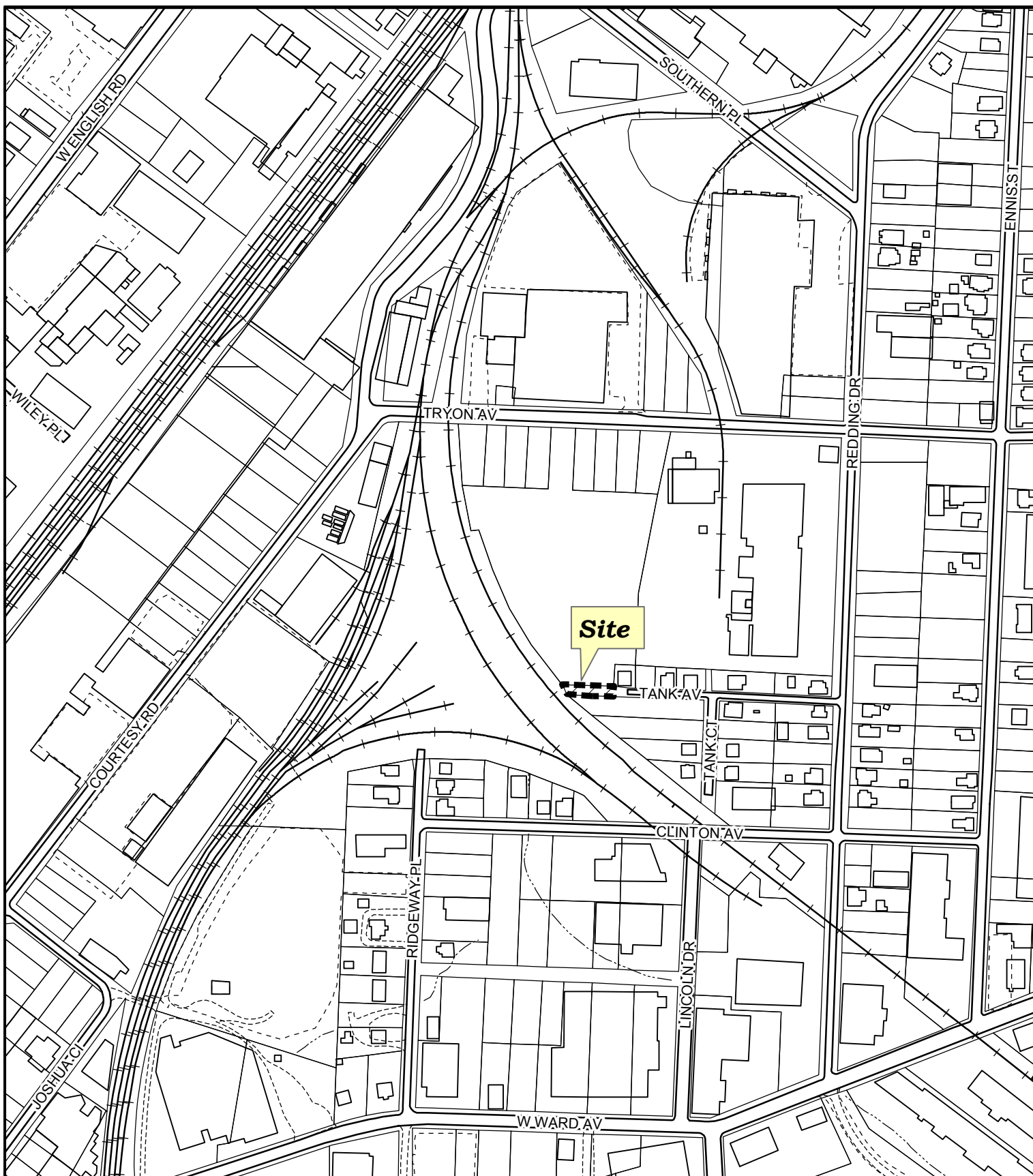
The abandonment of the public's interest and conveyance of the right-of-way to the abutting property owner as regulated will not deny the abutting property owner reasonable access to their property.

Recommendation

The Planning and Development Department recommends approval of the requested street right-of-way abandonment with the retention of a 20 foot sanitary sewer utility easement based on preliminary findings that it is not contrary to the public interest, and that no property in the vicinity of the street abandonment would be deprived of reasonable means of ingress or egress.

Report Preparation

This report was prepared by Planning and Development Department staff member Mark Schroeder AICP, and reviewed by Bob Robbins AICP and Lee Burnette AICP.



STREET ABANDONMENT REQUEST SA09-08

Applicant: City of High Point
Area: 0.03 acres



Location of proposed street abandonment

Planning & Development
Department

City of High Point

Date: March 16, 2009



Scale: 1"=300'

y:/ba-pz/2009/pz/sa09-08.mxd

Attachments for SA09-08

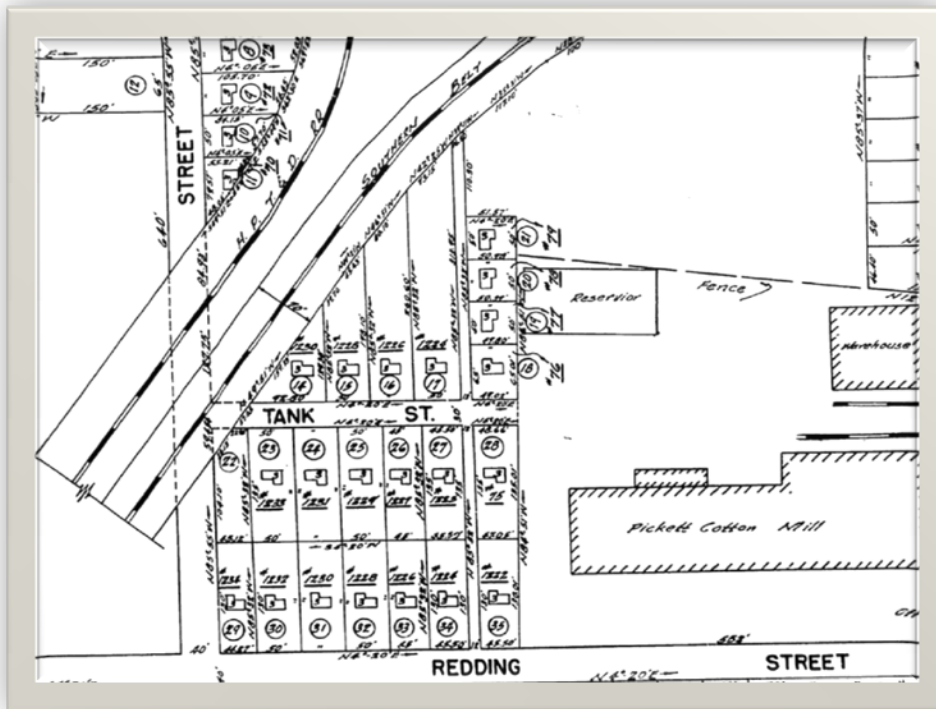


Tank Avenue looking west towards railroad.



Tank Avenue looking west towards railroad.

Attachments for SA09-08



Plat of Tank Avenue (Tank St.)



Aerial looking south. Portion proposed for closing is highlighted in red.



April 27, 2009

MEMORANDUM

TO: Strib Boynton
City Manager

FROM: Louanne C. Hedrick
Budget & Evaluation Officer

SUBJECT: Agenda Item for City Council

Please place the following on the next City Council Agenda.

The City of High Point has received \$6,000 in grants from The High Point Community Foundation for the Core City. The grants are on behalf of The North State Communications Endowment Fund in the amount of \$5,000, and The Stanley & Phyllis Shavitz Family Fund in the amount of \$1,000. These grants will be used for the development of marketing materials for the Core City Project.

Attached is a budget amendment to recognize the revenues received, and to appropriate funds for the Core City Project. Also attached are the notification letters from the High Point Community Foundation. Wendy Fuscoe or Randy McCaslin will be available if you have any questions regarding these grants.

cc: Pat Pate
Randy McCaslin
Wendy Fuscoe

Attachment: Budget Amendment
2 Letters – High Point Community Foundation

"AN ORDINANCE AMENDING THE 2008-2009 BUDGET ORDINANCE
OF THE CITY OF HIGH POINT, NORTH CAROLINA TO
APPROPRIATE FUNDS FOR TWO GRANTS THROUGH
THE HIGH POINT COMMUNITY FOUNDATION

Be it ordained by the City Council of the City of High Point, North Carolina, as follows:

Section 1. The City has been awarded two grants for the Core City Project from the High Point Community Foundation on behalf of The North State Communications Endowment Fund and The Stanley & Phyllis Shavitz Family Fund. Each of these grants will be used exclusively for the development of marketing materials related to the Core City project. In order to account for these funds, they need to be appropriated.

Section 2. That the 2008-2009 Budget Ordinance of the City of High Point is hereby amended as follows:

(A) That the following Special Grant Fund revenues be amended as follows:

Local Grant Revenues

The North State Communications Endowment Fund	\$ 5,000
The Stanley & Phyllis Shavitz Family Fund	1,000

(B) That the following Special Grant Fund expenditures be amended as follows:

Expenditures- Core City (301110)	\$6,000
----------------------------------	---------

Section 3. That all ordinances, or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

Section 4. That this ordinance shall be effective from and after its passage."



Executive Committee:

Joe Rawley, Chairman
A.B. Henley, First Vice Chairman-Investments
Kay Maynard, Secretary
Dan Odom, Treasurer
Jan Samet, Vice Chairman-Grants
Bill Horney, Vice Chairman-Board Dev.
James (Jim) Morgan, Past Chairman
Nido Qubein, Past Chairman
Bill McGuinn, Past Chairman

Paul Lessard, President

paul@hpcommunityfoundation.org

April 13, 2009

City of High Point – Core City
PO Box 230
High Point, NC 27261

Board of Trustees:

Tom Blount
Jerry Camp
John Chang
Earl Congdon
Ned Covington
Doris Deal
Bill Fenn
Martin Green
A.B. Henley
Bill Horney
Ken Hughes
Frankie Jones
Gene Kester
Reid Marsh
Kay Maynard
Ken McAllister
Bill McGuinn
Bud McInnis
David Miller
Molly Millis-Hedgecock
Jim Morgan
Rena Norcross
Dan Odom
Nido Qubein
Joe Rawley
Jan Samet
Martin Schlaeppli
Scott Tilley
Coy O. Williard
Barbara Wilson
Plato Wilson
Martha Yarborough

Greetings!

It is with great pleasure and pride that we at the High Point Community Foundation pass on to you a gift of **\$5,000.00** from *The North State Communications Endowment Fund*. Chairman and CEO Hayden McKenzie and the entire North State Communications organization have great respect for your organization and have advised us to present this check to you *for the Core City Plan* with their warmest regards.

By accepting this gift, your organization certifies to the Foundation that this gift is not in payment of a personal pledge and that no private individual will receive tangible benefits, goods, or services in exchange for the gift. If you have any questions concerning this gift please feel free to call the Foundation office at (336) 882-3298.

Please direct any letters of appreciation for this gift to Hayden McKenzie, which can be sent through the Foundation office or directly to North State Communications. If it is your custom to provide a receipt, it should be sent to the Foundation.

We commend you for the fine work you are doing and wish you the very best in the years to come.

Always faithful,

Paul

cc: Hayden McKenzie
Renee Joines



"Serving the Donor's Interests and the Community's Needs"

High Point Community Foundation

P.O. Box 1371 • High Point, North Carolina 27261

Phone: (336) 882-3298 • Fax: (336) 882-3293 • www.hpcommunityfoundation.org



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April 20, 2009

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City of High Point – Core City
PO Box 230
High Point, NC 27261

Greetings!

It is with great pleasure and pride that we at the High Point Community Foundation enclose a gift of \$1,000.00 from *The Stanley & Phyllis Shavitz Family Fund*. The Shavitz family has great respect for your organization and has advised us to present this check to you *for the Core City Plan* with their warmest regards.

By accepting this gift, your organization certifies to the Foundation that this gift is not in payment of a personal pledge and that no private individual will receive tangible benefits, goods, or services in exchange for the gift. If you have any questions concerning this gift please feel free to call the Foundation office at (336) 882-3298.

Please direct any letters of appreciation for this gift to Phyllis Shavitz, which can be sent through the Foundation office or directly to Mrs. Shavitz. If it is your custom to provide a receipt, it should be sent to the Foundation.

We commend you for the fine work you are doing and wish you the very best in the years to come.

Always faithful,

Paul

cc: Phyllis Shavitz
Steve Shavitz



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WCA Waste Corporation
Investor Presentation

June 2008

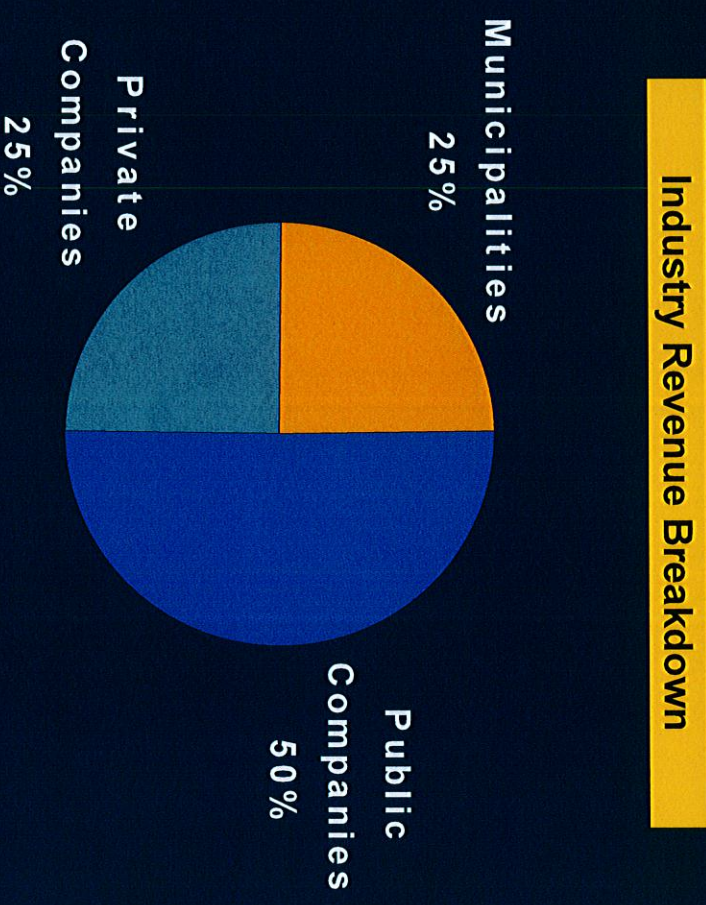
Safe Harbor Statement

- Some of the statements included in this report are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. From time to time, our public filings, press releases and other communications (such as conference calls and presentations) will contain forward-looking statements. These forward-looking statements can generally be identified as such because the context of the statement will include words such as “may,” “will,” “should,” “outlook,” “project,” “intend,” “seek,” “plan,” “believe,” “anticipate,” “expect,” “estimate,” “potential,” “continue,” or “opportunity,” the negatives of these words, or similar word expressions. Similarly, statements that describe our future plans, objectives or goals are also forward-looking statements. This is true of our description of our 2008 – 2010 strategic plan.

- We caution that forward-looking statements are not guarantees and are subject to known and unknown risks and uncertainties. Some of the known risks and uncertainties are described in greater detail in our Annual Report on Form 10-K or our Quarterly Report on Form 10-Q as filed with the Securities and Exchange Commission and available through the Investor Relations Page of our website www.wcawaste.com. Since our business, operations and strategies are subject to a number of risks, uncertainties and other factors, actual results may differ materially from those described in the forward-looking statements. Also, our presentation includes non-GAAP financial measures.

Non-Hazardous Solid Waste Industry

- Collection, processing and disposal services
- Approximately \$52 billion in revenue
- 3 – 4% annual growth



Industry Overview

- U.S. disposal volumes exceed 400 million tons annually
- Over 20,000 landfills in 1970 to fewer than 2,000 today
- However, total landfill capacity has increased



Consistent Industry Fundamentals

- “Grass roots” and “disposal driven” industry
- Waste collection and disposal is a necessary and recession-resistant industry
- Strong and reliable cash flow
- Pricing fundamentals have been strong in recent years



WCA Waste Proven Management Team

Experienced leadership with deep supporting team

Tom Fatjo, Jr.
Chairman and CEO

- Founded Browning-Ferris Industries in 1966
- Founded Republic Services in 1990
- Founded TransAmerican Waste Industries in 1992
- Founded WCA / Waste Corporation of America in 2000
- Over 35 years in the industry
- Various senior management positions at Waste Management, Inc. including Northern California Regional Manager
- TransAmerican Waste Industries, Inc., President and COO
- Founded WCA / Waste Corporation of America in 2000
- 27 years in the industry
- Key financial positions at Waste Management, Inc., including Acquisition Controller and Regional VP/Controller
- Founded WCA / Waste Corporation of America in 2000
- 18 years in the industry
- Republic Services – Investor Relations
- TransAmerican Waste Industries – Vice President and Treasurer
- Founded WCA / Waste Corporation of America in 2000

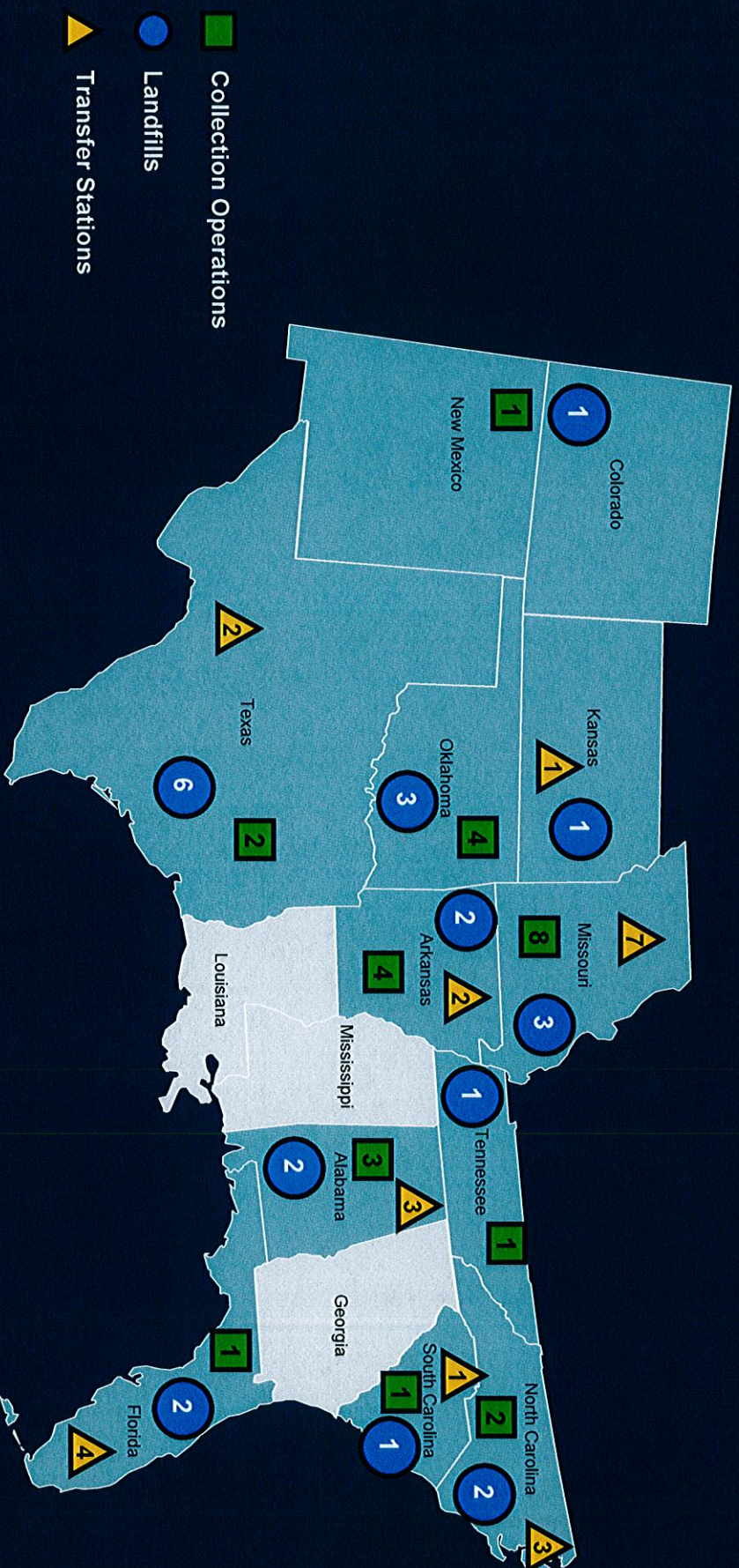
Chuck Casalino
Senior Vice President and
CFO

Tommy Fatjo
Senior Vice President of
Finance

- *Region Vice Presidents presidents and mid-management also have extensive waste industry tenure and expertise.*

WCA Waste Overview

- 24 landfills, 27 collection operations and 23 transfer stations
- Servicing approximately 334,000 customers
- Approximately 400 collection routes and 1,100 employees
- Diversified footprint with attractive sunbelt exposure



Growth Platform

Maintain core business initiatives

- **Maximize internalization rate through continued vertical integration**
 - Leverage existing landfill capacity to absorb additional collection volume
 - Pursue disciplined “tuck-in” acquisition opportunities of collection operations and transfer stations in areas where we currently operate disposal facilities
- **Drive internal growth through price and volume increases**
 - Rational behavior by industry competitors has resulted in industry-wide price increases
 - Pricing and volume improvements in 2007 led to 6.9% organic growth
- **Target markets in the high-growth south and central regions of the U.S.**
 - Anticipate strong population growth in our markets as “baby boomers” retire in Sunbelt states
 - Growing base of working families / professionals migrating to these regions
- **Continue to pursue disciplined strategic acquisitions**
 - First acquire landfills, then “tuck-in” collection operations
- **Provide consistently outstanding customer service**

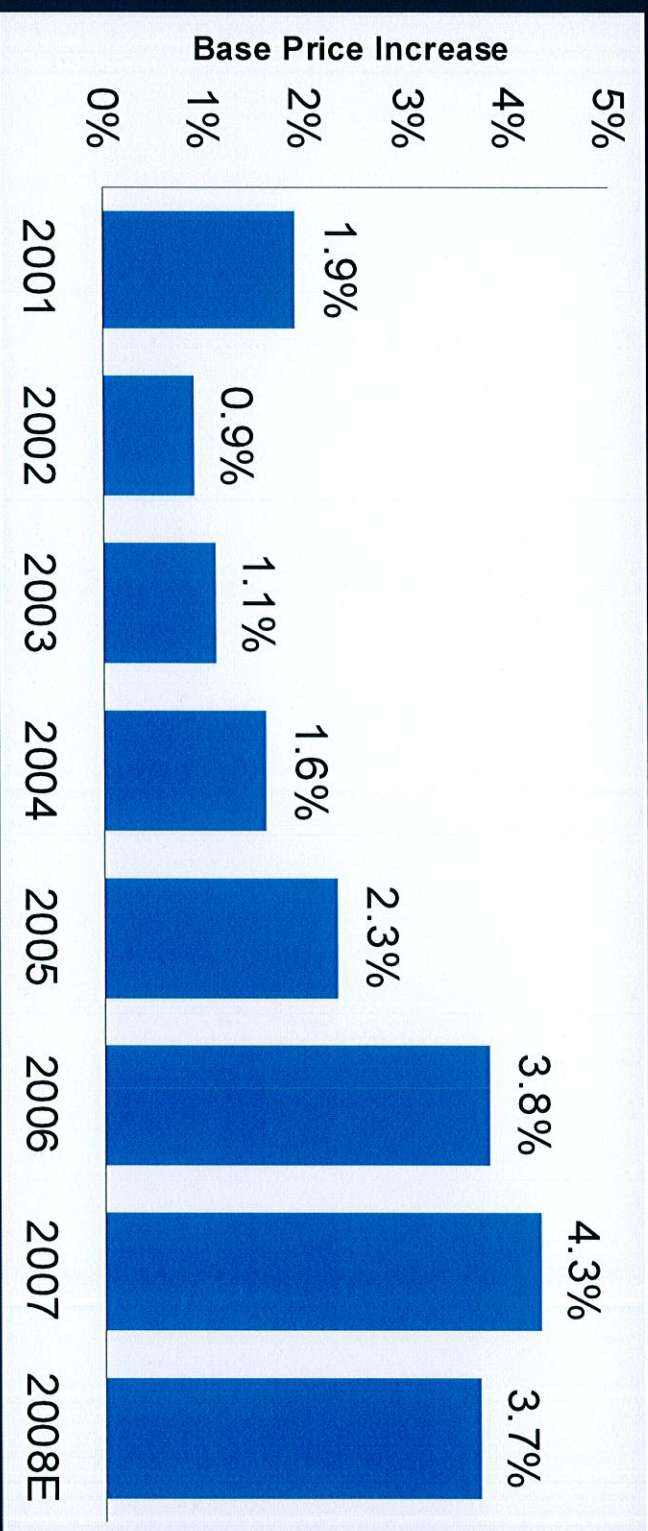
Strong Industry Fundamentals

Sustained Improvement in Pricing

“Pricing to Remain Robust, Despite Modest Easing”

JPMorgan Analyst – February 25, 2008

Year-Over-Year Price Increases – Large Waste Companies*



* Company reports and JPMorgan estimates as of February 25, 2008. Pricing growth is calculated as an average of Allied Waste (AW), Waste Management (WM), Republic (RSG) and Waste Connections (WCN).

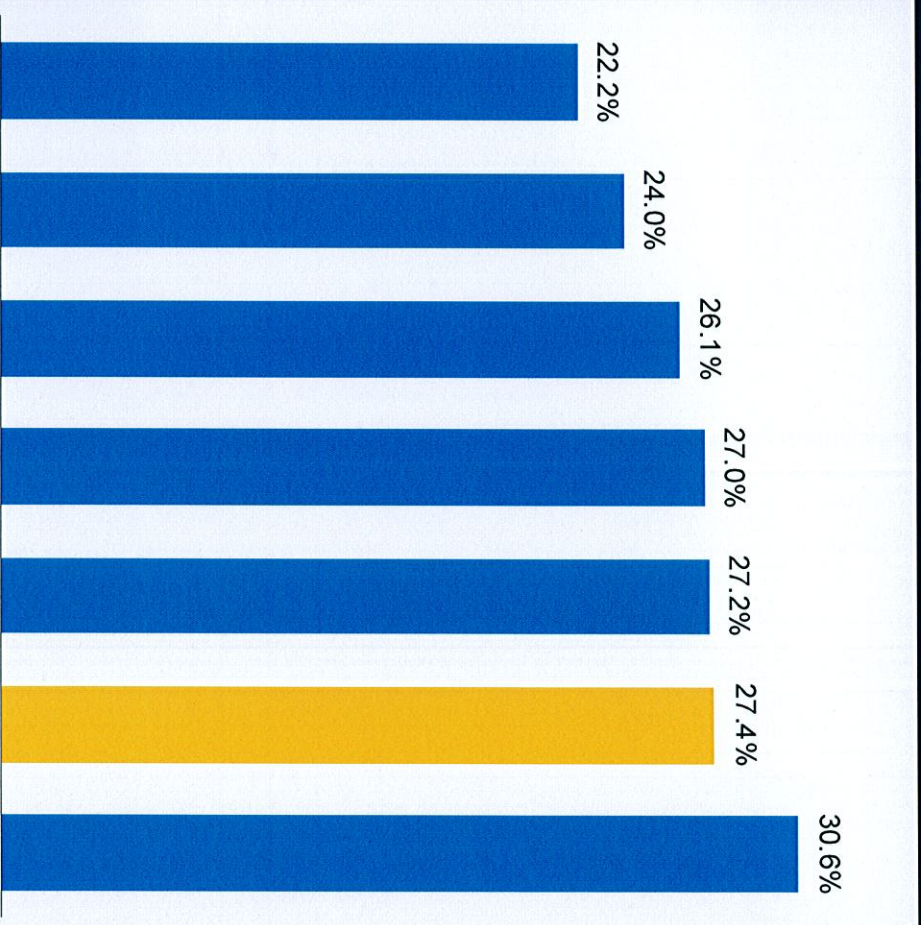
Proven Operator

Top-tier organic revenue growth and EBITDA margins

FY'07 Organic Revenue Growth

Trailing EBITDA Margin

	Price	Volume	CORE
Allied (AW)	5.5%	(3.4%)	2.2%
Casella (CWST)	3.2%	(3.3%)	(0.1%)
Republic (RSG)	4.2%	(1.5%)	2.7%
Waste Connections (WCN)	4.4%	3.9%	8.3%
Waste Industries (WWIN)	3.6%	(2.3%)	1.3%
Waste Management (WMI)	3.3%	(4.5%)	(1.2%)
Average	4.0%	(1.8%)	2.2%
WCA Waste (WCAA)	2.6%	3.5%	6.1%
Rank of 7			#2



Source: Per latest company filings and JPMorgan. Core organic growth comprised of price and volume components and before fuel, commodity and other.

WCA Revenue Trend

(in millions)



Internal Revenue Growth 2004 - 2007

As of December 31,

	2004	2005	2006	2007
Price Increase - Base		5.0%	2.5%	2.5%
- Fuel		2.8%	2.6%	0.9%
Volume Increase	5.5%	4.1%	6.5%	3.5%
Total Internal Growth	5.5%	11.9%	11.6%	6.9%
Acquisition Growth	8.9%	43.5%	19.4%	16.8%
Total Revenue Growth	14.4%	55.4%	31.0%	23.7%

WCA EBITDA Trend

(in millions)



*Note: 2004 EBITDA adjusted for a stock-based compensation charge.
Note: * Indicates % of Revenue*



**WCA Waste Corporation
Strategic Plan**

2008 - 2010

Build shareholder value by acquiring a variable asset base through 2010

Acquisition Investment Objectives

2008 – 2010

➤ Up to \$160 million in
Strategic & Tuck In
Acquisitions

Acquisition Funding Goal

No Additional Equity

- Senior Revolver
- Internal Cash Flow

WCA Waste Corporation

Projected 2008 – 2010 Results

➤ 15% - 20% Annual Revenue Growth

WCA Waste Corporation

2011 Objective:

Maximize profit and either sell assets or refinance and grow for the next 3-4 years influenced by the state of the economy.

Ten waste management growth companies in the 90's maximized shareholder value in this way:

- Sanifill
- United Waste
- Western Waste
- Addington Environmental
- Allied Waste
- USA Waste
- Eastern Environmental
- American Waste
- Transamerican Waste
- Chambers Environmental



**WCA Waste Corporation
Investor Presentation
Supplemental Schedules**

Acquisitions since IPO Through March 31, 2008

Company Name	Location	Date Acquired
Texas Environmental Waste	Houston, TX	July 2004
Ashley Trash Service	Springfield, MO	August 2004
Power Waste	Birmingham, AL	August 2004
Blount Recycling	Birmingham, AL	September 2004
Translift	Little Rock, AR	September 2004
Rural Disposal	Willow Springs, MO	November 2004
Trash Away	Piedmont, SC	November 2004
Gecko Investments	Bowling Green, MO	January 2005
MRR Southern	Raleigh & High Point, NC	April 2005
Triangle Environmental	Raleigh, NC	May 2005
Foster Ferguson Disposal	El Dorado, MO	May 2005
Triad Waste Services	High Point, NC	May 2005
Proper Disposal	Chanute, KS	May 2005
Meyer & Gabbart	Sarasota, FL	October 2005
Ft. Meade Landfill	Ft. Meade, FL	October 2005
Pendergrass Hauling	Springfield, MO	October 2005
Andy's Hauling	Sarasota, FL	October 2005

Acquisitions since IPO (cont'd) Through March 31, 2008

Company Name	Location	Date Acquired
Transit Waste	Bloomfield, NM	February 2006
Ft. Myers Transfer Station	Ft. Myers, FL	August 2006
St. Lucie Transfer Station	Port St. Lucie, FL	October 2006
Sunrise Disposal	Springfield, MO	December 2006
Southwest Dumpster	Ft. Myers, FL	January 2007
American Waste	Oklahoma City, OK	February 2007
Klean Way Disposal	Springfield, MO	March 2007
Carpenter Waste Systems	Oklahoma City, OK	May 2007
WSI of Texas	Houston, TX	June 2007
Big Red Containers	Ardmore, OK	August 15, 2007
Roll-Off Rentals	Huntsville, AL	September 4, 2007
DH Griffin Container Services	Greensboro, NC	October 1, 2007
DH Griffin Container of Raleigh	Raleigh, NC	October 1, 2007
Waste Pro Services	Houston, TX	October 1, 2007
Maguire Disposal	Noble, OK	January 2, 2008
Number of Acquisitions - 32	Pro-forma EBITDA Acquired - \$ 40,503,000	
Investment - \$ 252,763,000	Average Acquisition Multiple - 6.2x	

Notice of Public Hearing before the High Point City Council For the Modification of a Franchise for a Sanitary Landfill

PLEASE TAKE NOTICE that the High Point City Council will hold a public hearing on the application by WCA of High Point, LLC to modify its franchise to operate a sanitary landfill. The hearing will be held on Monday, May 4, 2009 at 5:30 p.m. in the City Council Chambers, City Hall, 211 South Hamilton Street, High Point, North Carolina. The franchise modification is proposed pursuant to N.C. Gen. Stat. 130A-294 of the North Carolina General Statutes and Chapter 11-8-5 of the High Point City Code. The sanitary landfill is located at 5830 Riverdale Road.

The public hearing will begin at 5:30 p.m. WCA Waste Corporation will present its application to the High Point City Council. Any other citizens who wish to speak in favor of the application will have an opportunity to speak. After all speakers in favor of the application have spoken, any citizen who opposes or has questions about the application may speak. A copy of the application for the franchise modification will be on file at the High Point Public Library for inspection and copying by the public. Interested citizens should ask for the document titled "WCA of High Point LLC: Application for Solid Waste Facility Franchise Amendment."

The information in the application is summarized as follows: 1) The requested franchise expansion is from the existing WCA service area of Guilford, Randolph, Davidson and Forsyth counties to the following counties: Rockingham, Caswell, Alamance, Orange, Cabarrus, Rowan, Davie, Yadkin, Surry, and Stokes; 2) The existing franchise area population is approximately 1.1 million people and the expansion area contains approximately 900,000 people; 3) There are at least sixteen alternative construction and demolition debris facilities within fifty miles of High Point; 4) The incoming waste will be exclusively construction and demolition debris as defined in North Carolina Administrative Code 15A NCAC 13(b).0532(8); 5) WCA has a recycling operation that recycles approximately thirty-five percent of incoming waste; 6) The projected useful life of the landfill is between thirty and forty years; 7) The recycling component makes this request consistent with the High Point Solid Waste Management Plan; 8) Governmental oversight will primarily be through the NC DENR Division of Waste Management; 9) Fees and rates will be market-driven; 10) The applicant's legal status is WCA of High Point LLC; 11) WCA of High Point is a wholly-owned subsidiary of WCA Waste Corporation, whose principals own and operate solid waste facilities throughout the southern and western states; 12) Local and regional management has several years experience in the solid waste industry; 13) The franchise will be thirty years from February 21, 2005 (until February 21, 2035); 14) WCA offers a host fee of \$4.00 per ton that would generate approximately \$4,800 per year for the City of High Point.

All interested parties are invited to present comments at the public hearing regarding this application for franchise expansion.

Lisa Vierling
City Clerk, High Point, NC

March 30, 2009

**NORTH CAROLINA
GUILFORD COUNTY**

AFFIDAVIT OF PUBLICATION

Before the undersigned, a Notary Public of said County and State, duly commissioned, qualified, and authorized by law to administer oaths, personally appeared Carol F. Elliott who being first duly sworn, deposes and says: that she is Adv Billing Mgr of THE HIGH POINT ENTERPRISE, INC., engaged in the publication of a newspaper known as THE HIGH POINT ENTERPRISE, published, issued, and entered as second class mail in the City of High Point in said County and State; that (she) is authorized to make this affidavit and sworn statement; that the notice or other legal advertisement, a true copy of which is attached hereto, was published in The High Point Enterprise on the following dates: _____

March 30, 2009

and that the said newspaper in which such notice, paper, document, or legal advertisement was published was, at the time of each and every such publication, a newspaper meeting all the requirements and qualifications of Section 1-597 of the General Statutes of North Carolina and was a qualified newspaper within the meaning of Section 1-597 of the General Statutes of North Carolina.

This 1st day of November 20 10
Carol F. Elliott

Sworn to and subscribed before me, this 1st day of
November, 20 10

Retta C. Edwards
Notary Public

My Commission Expires 1-19-2011
My Commission expires _____

RETTA C. EDWARDS
NOTARY PUBLIC
DAVIDSON COUNTY
NORTH CAROLINA

BID INFORMATION AND RECOMMENDATION**BID #**44-041609**DATE OPENED:**

April 16, 2009

DESCRIPTION: Bulk Container Service**BID PACKAGES DISTRIBUTED:** 7**DEPARTMENT:** Public Services**SOURCE OF FUNDS:** 101712-527210**BUDGETED AMOUNT:** \$522,000.**RECOMMENDED AWARD**

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1	Lot	16.74	473,541.12

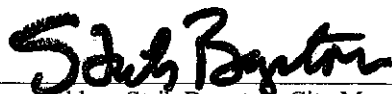
PURPOSE: This contract provides garbage collection services to apartments, public housing, and City-owned facilities for the 2009-10 fiscal year.

COMMENTS:**BID TABULATION**

VENDOR NAME & ADDRESS	PRICE PER PICK-UP	TOTAL PRICE
Republic Waste Services 2875 Lowery Street Winston-Salem, NC 27101	16.74	473,541.12
Waste Industries, LLC 302 Grumann Road Greensboro, NC 27409-9737	17.68	500,131.84
Yates Disposal 2579B US Hwy 64 East Lexington, NC 27292	17.89	506,072.32
Waste Management 3303 N. Glenn Avenue Winston-Salem, NC 27105	21.95	620,921.60
Container Corp. of Carolina P O Box 219 Pineville, NC 28134	NO BID	
First Piedmont Co. Drawer 1069 Chatham, VA 24531	NO BID	
Piedmont McKinney, LLC 4140 Clemmons Rd., PMB 368 Clemmons, NC 27012	NO BID	

The **PURCHASING DEPARTMENT AND PUBLIC SERVICES DEPARTMENT** recommends that the contract for **BULK CONTAINER SERVICE** be awarded to **REPUBLIC WASTE SERVICES**, the lowest responsible and responsive bidder meeting specifications for the amount of \$473,541.12.

DATE OF RECOMMENDATION: April 27, 2009


Approved by: Strib Boynton, City Manager

WCA of High Point, LLC

*Application for
Solid Waste Facility Franchise Amendment*

**WCA of High Point, LLC
Application for
Solid Franchise Amendment**

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WCA of High Point, LLC
Application for
Solid Waste Facility Franchise Amendment

N.C. Gen. Stat. §130A-294(b)(2) (2007)
City of High Point Code of Ordinances §11-8-5 (2005)

The following application for an amendment to the existing WCA of High Point, LLC sanitary landfill franchise is made pursuant to both the City of High Point Code of Ordinances §11-8-5 and N.C. Gen. Stat. §130A-294 (b)(2). The state statutes governing solid waste franchises were revised in the 2007 legislative session. Accordingly, state and local codes are no longer identical. Information required by each is provided below, along with background information and accompanying documentation.

The relevant portion of the revised state statute and City Code section are attached as Exhibit 1 and Exhibit 2.

I. History

Approximately ten years ago High Point decided 1) not to allow builders to use the city's municipal solid waste (MSW) landfill for construction and demolition (C&D) debris. C&D debris could be disposed of more cheaply and easily without using an expensive, lined landfill; and 2) to privatize C&D disposal.

MRR of High Point, LLC, a D.H. Griffin affiliated company, developed a C&D recycling facility and landfill on Riverdale Road near High Point's MSW landfill. It was issued a franchise on December 20, 2001. The franchise was later slightly expanded on May 3, 2004 to include all, rather than portions of, Guilford, Forsyth, Davidson and Randolph counties.

MRR sold the facility to WCA of High Point, LLC, a wholly-owned subsidiary of WCA Waste Systems, Inc. The City approved the franchise transfer to WCA on February 21, 2005.

II. Need for Expansion of Service Area

WCA of High Point is currently providing disposal service for LEED (green building) projects throughout its four-county service area, and serves a large customer base comprised of many of the largest construction firms in the Piedmont Triad and in the state. As the number of "green" building projects in the region increases, the demand for comprehensive recycling facilities to accommodate the recycling component of these projects increases. Currently, WCA of High Point is the only disposal facility in the region that offers the recycling capabilities required for these projects. WCA of High Point has received numerous requests from customers outside of its service area to provide recycling and disposal services for LEED projects. WCA is requesting the

addition of the following counties to its service area: Rockingham, Caswell, Alamance, Orange, Cabarrus, Rowan, Davie, Yadkin, Surry and Stokes Counties.

III. Description of Area and Population to be Served (G.S. 130A-294(b)(2)(a); City Code 11-8-5(2))

A. Description of Area

Attached as Exhibit 3 is a map of the state of North Carolina showing the existing four county franchise area highlighted in black and the additional ten counties in green. There are sixteen (16) other C&D landfills in these fourteen counties or within fifty miles of the WCA facility, and several other C&D landfills outside of these fourteen counties that are more easily accessible to construction sites than the WCA landfill in High Point. Attached as Exhibit 4 is a map showing the location of other C&D landfills within this fourteen (14) county area. Unless a builder specifically needed to recycle C&D debris, these other landfills are substantially closer, easier to reach and cheaper to access (it costs an average of \$75 per hour to run a truck with C&D debris).

B. Population to Be Served

The population of each county below is an estimate provided by the U.S. Census Bureau for 2006, obtained from the bureau's website <http://quickfacts.census.gov>.

Davidson County	156,530
Forsyth County	338,774
Guilford County	465,931
Randolph County	<u>140,145</u>
Pop. existing franchise	1,101,380
Alamance County	142,661
Cabarrus County	156,395
Caswell County	23,261
Davie County	40,035
Orange County	120,100
Rockingham County	93,063
Rowan County	136,254
Stokes County	46,168
Surry County	72,687
Yadkin County	<u>38,056</u>
Pop. requested area	868,680

C. C&D Alternatives to WCA

The following C&D facilities exist within the current franchise area, the requested expanded area or within fifty miles of the existing facility.

- 1) Surry County C&D (Mt. Airy)
- 2) Surry County C&D (Elkin)
- 3) Yadkin County C&D
- 4) Old Salisbury Road C&D (Forsyth)
- 5) PCM Pulp Road C&D Transfer (Forsyth)
- 6) Davidson County C&D
- 7) Rowan County C&D
- 8) Cabarrus County C&D
- 9) Highway 49 C&D (Cabarrus)
- 10) City of Albemarle C&D
- 11) Gold Hill C&D (Randolph)
- 12) A-1 Sandrock (Guilford)
- 13) City of Greensboro C&D
- 14) Coble C&D (Alamance)
- 15) Austin Quarter C&D (Alamance)
- 16) Orange Regional C&D

IV. Description of Volume and Characteristics of Waste Stream (G.S. 130A-294(b)(2)(b); City Code 11-8-5(3))

A. Characteristics of Incoming Waste

NC DENR has issued WCA of High Point, LLC a permit to operate a sanitary landfill for construction and demolition debris only. The North Carolina Administrative Code (15A NCAC 13B. .0532(8)) defines C&D Solid Waste as “solid waste generated solely from the construction, remodeling, repair, or demolition operations on pavement and buildings or structures. C&D waste does not include municipal and industrial wastes that may be generated by the on-going operations at buildings or structures.”

C&D waste is “inert” debris.

B. The Secondary Waste Stream (Recycling Component)

Because WCA operates a recycling facility there is a secondary waste stream leaving the site as recycled products.

The onsite recycling operation begins when trucks entering the site are visibly inspected to confirm that only allowable waste has been delivered. Materials are then deposited on concrete slabs surrounding a conveyor/picking system and roughly sorted into different recyclable groupings, such as wood, stumps, bricks/concrete, etc. The remaining materials are loaded onto a conveyor that raises the waste to a “picking station” where trained workers remove debris into different bins for further processing.

Anything small than [2 inches?] in diameter is shaken out to produce "fines" which can be used for landfill cover. Anything that is not taken out of the waste stream is landfilled.

Attached as Exhibits 5 and Exhibit 6 are letters to Chad Morris, WCA Sales Representative and Corporate Sustainability Manager, that broadly explain portions of this process and a booklet produced by WCA titled "A Day in the Life of a Load of Trash" that illustrates the recycling process visually.

Scrap lumber and pallets from construction sites are ground and sold as boiler fuel. Limbs and brush are ground and sold as landscape mulch. Concrete, brick and stone are crushed and sold as a substitute for virgin stone. Metals, cardboard and some plastics are removed and shipped to scrap yards for recycling.

C. Description of Volume

The WCA facility receives approximately 300 to 350 tons of construction and demolition debris each day, of which approximately 35% (110 tons) of recyclable material has been historically recycled. The tonnage is verifiable by reports to NC DENR and site inspections by NC DENR staff. The volume varies, however, depending upon the economy and time of year.

Because the expansion area is so heavily populated with competing C&D facilities, it is difficult to estimate the additional tonnage that will result from this expansion, although a good faith estimate is that an additional 50 tons per day will come in. The majority of incoming waste will continue to come from the City of High Point and its immediately surrounding area. The next largest growth area is Alamance County. The farther away from High Point the materials originate, the lower the volume from those areas.

V. Projection of Useful Life of Landfill (G.S. 130A-294(b)(2)(c); City Code 11-8-5(4))

The original projected useful life of the landfill, based upon engineering estimates in 2001, was 30 to 40 years. The first five-year phase was to have been completed and filled one year ago. Instead, it has approximately one more year of permitted capacity. The slower than expected growth is explained primarily by the difference between original projections of an average of seven hundred (700) tons of waste per day and substantially lower actual incoming tonnage. Accordingly, the projected life of the landfill should not appreciably change from original estimates if waste is accepted from the additional area.

VI. Consistency with High Point's Solid Waste Management Plan (G.S. 130A-294(b)(2)(d))

The City of High Point's Solid Waste Plan was developed in conjunction with Guilford County and the City of Greensboro. It is attached as Exhibit 7. A key

component of this program is to remove C&D debris from the waste stream that otherwise would go to MSW landfills. "It is less expensive and more environmentally friendly to dispose of [C&D debris] at a C&D facility where [it] may be able to be recycled." (p.9) Another key aspect of the county's Solid Waste Plan is recycling (see p. 12).

The WCA facility is consistent with High Point's adopted plan because it keeps C&D debris out of the MSW waste stream and is recycled to the maximum extent feasible.

VII. Procedures for Governmental Oversight and Regulation of Fees and Rates
(G.S. 130A-294(b)(2)(e))

A. Regulation and Oversight

The regulation and oversight of the landfill and recycling facility is through the NC Department of Environment and Natural Resources, Division of Waste Management. Each solid waste facility and sanitary landfill in North Carolina must be run strictly according to its "permit to construct" and its "permit to operate." Regular and unscheduled site visits are conducted at this site by Division of Waste Management employees based in NC DENR's Winston-Salem office.

Each month, WCA is required by state regulations to place a report in the facility operating record that lists inbound and outbound volumes. Annually, in July of each year, WCA submits the Annual Report to the local Division office that lists inbound tonnages by waste type, county of origination, and recycled commodities.

B. Fees and Rates

Fees and rates are not regulated by local or state government. Fees and rates are market driven and must be competitive in order to keep a steady flow of waste.

VIII. A Facility Plan for the Sanitary Landfill (G.S.130A-294(b)(2)(f))

The facility plan for the WCA landfill has previously been provided to city staff (Public Services Department) during review of the original landfill franchise application and is on file with NC DENR. The plan consists of several surveyed plats that show the landfill footprint, the location of each phase, the boundary of the entire site, and volumes of documents related to environmental controls, tonnage, etc. Nothing in the facility plan has changed since its original submittal. The primary change in the plan that will result from this request is an increase in daily tonnage from 300 to 350 TPD to 350 to 400 TPD for a facility that originally was expecting approximately 700 TPD. A complete facility plan will be provided upon request.

IX. Applicant's Qualifications, Legal and Financial Status and Reputation (City Code 11-8-5(1))

A. Legal Status

Attached as Exhibit 8 are copies of all documents filed with the North Carolina Secretary of State showing legal status and other pertinent information related to WCA's corporated existence, including Articles of Incorporation and Annual Report.

B. Financial Status

Attached as Exhibit 9 is the most recent 2007 Annual Report on Form 10-K for WCA Waste Corporation. Publicly held companies are required to file this report annually with the Securities and Exchange Commission. Attached as Exhibit 10 is a corporate press release related to its Third Quarter 2008 earnings. WCA will release its fourth quarter 2008 earnings on March 11, 2009 and its 2008 Form 10-K no later than March 31, 2009.

C. Qualifications to Operate a Landfill

1) General Qualifications

WCA of High Point, LLC is a wholly owned subsidiary of parent company WCA Waste Corporation. Through its subsidiaries, WCA Waste Corporation has operations in eighteen states throughout the southern and southwest regions of the United States where it conducts hauling, transfer, recycling and disposal of municipal solid waste and C&D waste. Attached as Exhibit 11 is a color map showing the location of WCA's operations from North Carolina to Colorado. In North Carolina, the parent company also owns and operates two C&D recycling and transfer facilities in Raleigh and a C&D landfill in Raleigh. Also attached as Exhibit 12 is a 2008 Investor Presentation that broadly describes WCA's experience and operations in solid waste hauling, landfilling and recycling.

2) Local and Regional Management

The High Point operations are managed by John Walker, general manager, who has 15 years experience in the solid waste industry, including 8 years previously as general manager for a landfill, hauling and transfer station operation for Waste Industries in Tennessee, and 7 years prior to that working for Waste Industries of the Carolinas. The WCA Regional Vice-President is Vernon Smith who has 19 years in the industry in the field of landfill operation and the handling, hauling and recycling of C&D debris.

3) Senior Corporate Management

Corporate management of WCA Waste Corporation, including each person's background in the industry, is provided below.

a) **Tom J. Fatjo, Jr.** Mr. Fatjo, Jr. has served as WCA's chairman of the board of directors and chief executive officer since WCA's formation in September 2000. Since August 1998, Mr. Fatjo, Jr. has also served as the chairman of the board and chief executive officer of WCA's former parent, Waste Corporation of America, Inc., which was spun off as part of an internal corporate reorganization. From 1992 to August 1998, Mr. Fatjo, Jr. served as the chairman and chief executive officer, and from 1994 to 1996 as the president, of TransAmerican Waste Industries, Inc., or TransAmerican, a publicly-held waste management company that merged into USA Waste Services, Inc. in 1998. In 1990 and 1991, Mr. Fatjo, Jr. was the founder and the chairman of the board of directors and chief executive officer of Republic Waste Industries, Inc., or Republic Waste, another publicly held waste management company. Mr. Fatjo, Jr. also founded Browning-Ferris Industries, Inc., or BFI, formerly one of the nation's largest solid waste management companies and now a part of Allied Waste Industries, Inc., another publicly-held waste management company. From 1966 to 1976, Mr. Fatjo, Jr. served as the co-chief executive officer responsible for BFI's mergers and acquisitions and corporate development activities. Mr. Fatjo, Jr. remained on BFI's board until 1980. Mr. Fatjo, Jr. received a Bachelor of Arts degree from Rice University. Mr. Fatjo, Jr. has over 43 years of experience in the solid waste management industry.

b) **Jerome M. Kruszka.** Mr. Kruszka has served as a director and WCA's president and chief operating officer since WCA's formation in September 2000. Since August 1998, Mr. Kruszka has also served as a director and as the president and chief operating officer of WCA's former parent, Waste Corporation of America, which was spun off as part of an internal reorganization. From 1996 to August 1998, Mr. Kruszka served as the president and chief operating officer, and from 1997 to 1998 as a director, of TransAmerican. In 1971, Mr. Kruszka began his career with Waste Management, Inc., the largest publicly-held waste management company in the United States. From 1971 to 1996, Mr. Kruszka held several positions with Waste Management, Inc. and its affiliates, including regional vice president for northern California, where over 20 divisions involved in collection, transfer, recycling and landfill operations reported to him. Mr. Kruszka has over 38 years of - experience in the solid waste management industry.

c) **Charles A. Casalinova.** Mr. Casalinova has served as WCA's senior vice president and chief financial officer since WCA's formation in September 2000. Since July 1999, Mr. Casalinova has also served as the senior vice president and chief financial officer of WCA's former parent, Waste Corporation of America, which was spun off as part of an internal reorganization. From 1981 to July 1999, Mr. Casalinova held several positions at Waste Management, Inc., including division controller, regional chief information officer, acquisition controller, vice president/regional controller for Louisiana, Mississippi, Arkansas, Oklahoma and north Texas, and vice president/regional controller for Illinois and Indiana. Mr. Casalinova received a Bachelor of Business Administration degree in Accounting from the University of Akron and became a Certified Public Accountant in 1989. Mr. Casalinova has over 28 years experience in the solid waste management industry.

d) **Tom J. Fatjo, III.** Mr. Fatjo, III has served as WCA's senior vice president - finance since February 2004. Prior to that, Mr. Fatjo, III served as WCA's senior vice president and treasurer since WCA's formation in September 2000. Since September 2000, Mr. Fatjo, III has also served as the senior vice president and treasurer of WCA's former parent, Waste Corporation of America, which was spun off as part of an internal reorganization. From August 1998 to September 2000, Mr. Fatjo, III served as vice president, treasurer and director of Waste Corporation of America, Inc. From 1992 to August 1998, Mr. Fatjo, III served as vice president-treasurer of TransAmerican. Mr. Fatjo, III began his career in the solid waste industry with Republic Waste, where he was employed from 1990 through 1991. He received a Bachelor of Business Administration degree in Finance from the University of Texas at Austin. Mr. Fatjo has over 18 years of experience in the solid waste management industry.

D. Reputation

WCA of High Point, LLC has a strong reputation among local and regional construction companies as a reliable and efficient recycling and landfill operation. City staff who have worked with or intersected with WCA will attest to the efficiency of this operation and the cooperative nature with which local management has worked with the city. Nationally, WCA has an excellent reputation as a company that has grown through sound business planning and that complies with all federal, state and local laws.

X. Franchise Term

Pursuant to City Code Sec. 11-8-5, a franchise to operate a sanitary landfill cannot exceed thirty years. WCA respectfully requests that the new territory be folded into the existing franchise term (thirty years from February 21, 2005) and that the term of the franchise not be altered.

XI. Host Fee

Host fees are fees paid to the local government based on tonnage of waste disposed. Importantly, it is not the custom in the industry for C&D facilities to pay host fees. Typically, only MSW landfill operators pay host fees. Nonetheless, if the City of High Point will agree to add the additional ten counties to the WCA franchise territory for the same term as the original franchise, WCA will offer to pay the City forty cents per ton of waste from the added territory. As a rough estimate, if WCA adds approximately 50 tons per day from these counties, then, at forty cents per ton, the city will make approximately \$4,800 per year.

Exhibit 1

Excerpt from N.C. Gen. Stat. §130A-294(b)(2)

◀ Previous Section N.C.G.S.A. § 130A-294 Next Section ▶

§ 130A-294. Solid waste management program

(b)(2) A person who intends to apply for a new permit, the renewal of a permit, or a substantial amendment to a permit for a sanitary landfill shall obtain, prior to applying for a permit, a franchise for the operation of the sanitary landfill from each local government having jurisdiction over any part of the land on which the sanitary landfill and its appurtenances are located or to be located. A local government may adopt a franchise ordinance under G.S. 153A-136 or G.S. 160A-319. A franchise granted for a sanitary landfill shall include all of the following:

- a. A statement of the population to be served, including a description of the geographic area.
- b. A description of the volume and characteristics of the waste stream.
- c. A projection of the useful life of the sanitary landfill.
- d. An explanation of how the franchise will be consistent with the jurisdiction's solid waste management plan required under G.S. 130A-309.09A, including provisions for waste reduction, reuse, and recycling.
- e. The procedures to be followed for governmental oversight and regulation of the fees and rates to be charged by facilities subject to the franchise for waste generated in the jurisdiction of the franchising entity.
- f. A facility plan for the sanitary landfill that shall include the boundaries of the proposed facility, proposed development of the facility site in five-year operational phases, the boundaries of all waste disposal units, final elevations and capacity of all waste disposal units, the amount of waste to be received per day in tons, the total waste disposal capacity of the sanitary landfill in tons, a description of environmental controls, and a description of any other waste management activities to be conducted at the facility. In addition, the facility plan shall show the proposed location of soil borrow areas, leachate facilities, and all other facilities and infrastructure, including ingress and egress to the facility.

Exhibit 2

CHAPTER 8 Sanitary Landfills

§ 11-8-1 Sanitary landfills franchise required.

§ 11-8-2 Term of franchise.

§ 11-8-3 Franchise nonexclusive.

§ 11-8-4 Transfer of ownership or control.

§ 11-8-5 Contents of application.

§ 11-8-6 Grantee of franchise.

§ 11-8-7 Forfeiture or revocation.

§ 11-8-8 Equal opportunity policy.

§ 11-8-9 Notices.

§ 11-8-10 No recourse against the grantor.

§ 11-8-11 Incorporation of provisions.

Sec. 11-8-1 Sanitary landfills franchise required.

No sanitary landfill, as defined in Article 9, Chapter 130A, N.C. General Statutes, shall be operated within the corporate limits without a franchise granted pursuant to this chapter.

(Ord. No. 01-107, § 1, 12-20-01)

Sec. 11-8-2 Term of franchise.

The term of a franchise shall be stated in the franchise, but shall not exceed 30 years.

(Ord. No. 01-107, § 1, 12-20-01)

Sec. 11-8-3 Franchise nonexclusive.

A franchise is non-exclusive. The city reserves the right in its discretion to grant additional franchises at any time.

(Ord. No. 01-107, § 1, 12-20-01)

Sec. 11-8-4 Transfer of ownership or control.

(a) *Transfer of franchisee.* Any franchise granted hereunder cannot be sold, transferred, leased, assigned or disposed of, including but not limited to, by force or voluntary sale, merger, consolidation, receivership or other means without the prior consent of the city, which shall not be unreasonably withheld.

(b) *Transfer threshold.* The grantee shall promptly notify the city of any actual or proposed change in or transfer of, or acquisition by any other party of, control of the grantee. The word "control" as used herein is not limited to major stockholders but includes actual working control in whatever manner exercised. A rebuttal presumption that a transfer of control has occurred shall arise upon the disposal by the grantee, directly or indirectly, by gift, assignment, voluntary sale, merger, consolidation or otherwise, of 50 percent or more, at one (1) time, of the ownership or controlling interest in the system; or 50 percent cumulatively over the term of the franchise of such interest to a corporation, partnership, limited partnership, trust of association, or person or group of persons acting in concert. The city shall exercise its power to approve a transfer of ownership or control in a manner consistent with Section 617 of the Communications Act (47 U.S.C. 537).

(c) *Process.* Every transfer, sale, lease, assignment or disposition of, including but not limited to, by force or voluntary sale, merger, consolidation, receivership or other means or acquisition of control of the grantee shall make the franchise subject to cancellation unless and until the city shall have consented thereto, which consent will not be unreasonably withheld. For the purpose of determining whether it shall consent to such transfer, sale, lease, assignment or disposition of, including but not limited to, by force or voluntary sale, merger, consolidation, receivership or other means or acquisition of control of the grantee the city may inquire into the legal, financial, character, technical and other public interest qualifications of the prospective controlling party, and the grantee shall assist the city in any such inquiry. Failure to provide all information reasonably requested by the city as part of said inquiry may be grounds for denial of the proposed transfer, sale, lease, assignment or disposition of, including but not limited to, by force or voluntary sale, merger, consolidation, receivership or other means or acquisition of control of the grantee. If the city finds that such transfer, after considering the legal, financial, character, technical, and other public interest qualifications of the applicant, is satisfactory, the city will transfer and assign the rights and obligations of such franchise as may be in the public interest. The consent of the city to such transfer shall not be unreasonably withheld.

(d) *Assumption of control.* The city agrees that any financial institution having a pledge of the franchise or its assets for the advancement of money for the construction and/or operation of the system shall have the right to notify the city that it or its designee satisfactory to the city will take control of and operate the system. Further, said financial institution shall also submit a plan for such operation that will insure continued service and compliance with all franchise obligations during the term the financial institution exercises control over the system. The financial institution shall not exercise control over the system for a period exceeding one (1) year, unless extended by the city at its discretion and during said period of time it shall have the right to petition for transfer of the franchise to another grantee.

(e) *Signatory requirement.* Any approval by the city or transfer shall be contingent upon the prospective controlling party becoming a signatory to the franchise.

(Ord. No. 01-107, § 1, 12-20-01)

Sec. 11-8-5 Contents of application.

An application for a franchise shall include the following information:

- (1) The qualifications of the applicant to operate a sanitary landfill, including information concerning the applicant's legal and financial status; the applicant's character, experience, and business reputation; technical expertise; and any other information relevant to the applicant's qualifications.
- (2) A statement of the population to be served, including a description of the geographic area.
- (3) A description of the volume and characteristics of the waste stream.
- (4) A projection on the useful life of the landfill.

(Ord. No. 01-107, § 1, 12-20-01)

Sec. 11-8-6 Grantee of franchise.

Upon review of the application and consideration of any other information or factors it deems relevant, the city council may issue a franchise in its discretion, and may include whatever requirements, restrictions, or provisions it deems advisable in the public interest.

(Ord. No. 01-107, § 1, 12-20-01)

Sec. 11-8-7 Forfeiture or revocation.

(a) *Grounds of revocation.* The city reserves the right to revoke any franchise granted hereunder and rescind all rights and privileges associated with the franchise in accordance with the procedures set forth herein in the following circumstances, each of which represents a default and breach under this chapter and the franchise grant:

- (1) Grantee's default in the performance of any of the material obligations under this chapter, the franchise or under such documents, contracts and other terms and provisions entered into by and between the city and the grantee.
- (2) Grantee's violation of any orders or rulings of any regulatory body having jurisdiction over the grantee after notice thereof, continuing and not being remedied within 60 days of notice.
- (3) Grantee's fraud or any unfair or deceptive act or practice with regard to the city or the public under the laws of the state.
- (4) Grantee's insolvency, inability, or unwillingness to pay its debts; or [grantee] is adjudged bankrupt.
- (5) Grantee's misrepresentation of a material fact in the application for or negotiation of the franchise or any extension or renewal thereof.

(b) *Procedure prior to revocation.*

- (1) The city shall make written demand that the grantee comply with any material requirement, limitation, term, condition, rule or regulation or correct any action deemed cause for revocation. If the failure, refusal or neglect of the grantee continues for a period of 30 days following such written demand, the city shall place its intent to revoke the franchise upon a regular city council meeting agenda. The city shall cause to be mailed by certified mail to grantee at least 10 days prior to the date of such meeting, a written notice of intent to revoke and the reasons therefor, and the time and place of the meeting, notice of which shall be published by the city clerk at least once 10 days before such meeting in a newspaper of general circulation within the city.
- (2) The city council shall hear any persons interested therein, and shall determine in its discretion, whether or not any failure, refusal or neglect by the grantee was with just cause.
- (3) If such failure, refusal or neglect by the grantee was with just cause, as reasonably determined by the city, the city council shall direct the grantee to comply within such time and manner and upon such terms and conditions as are reasonable.
- (4) If the city council shall determine that such failure, refusal, or neglect by the grantee was without just cause, then the city council shall, by resolution, declare that the franchise of the grantee shall be revoked.

(Ord. No. 01-107, § 1, 12-20-01)

Sec. 11-8-8 Equal opportunity policy.

Equal opportunity employment shall be afforded by the grantee to all qualified persons, and no person shall be discriminated against in employment because of race, color, religion, age, national origin, sex, or handicap. Grantee shall comply with all equal opportunity provisions enacted by federal,

state and local authorities.

(Ord. No. 01-107, § 1, 12-20-01)

Sec. 11-8-9 Notices.

All notices from grantee to the city pursuant to this chapter and the franchise shall be to the city manager or his/her designee. Grantee shall maintain with the city, throughout the term of the franchise, an address for service of notices by mail which address shall be noted in the franchise agreement.

(Ord. No. 01-107, § 1, 12-20-01)

Sec. 11-8-10 No recourse against the grantor.

Except when seeking equitable relief, the grantee shall have no recourse whatsoever against the city or its officials, boards, commissions, agents, or employees for any loss, cost, expense or damage arising out of any provision or requirements of the franchise or because of the enforcement of this chapter or the franchise.

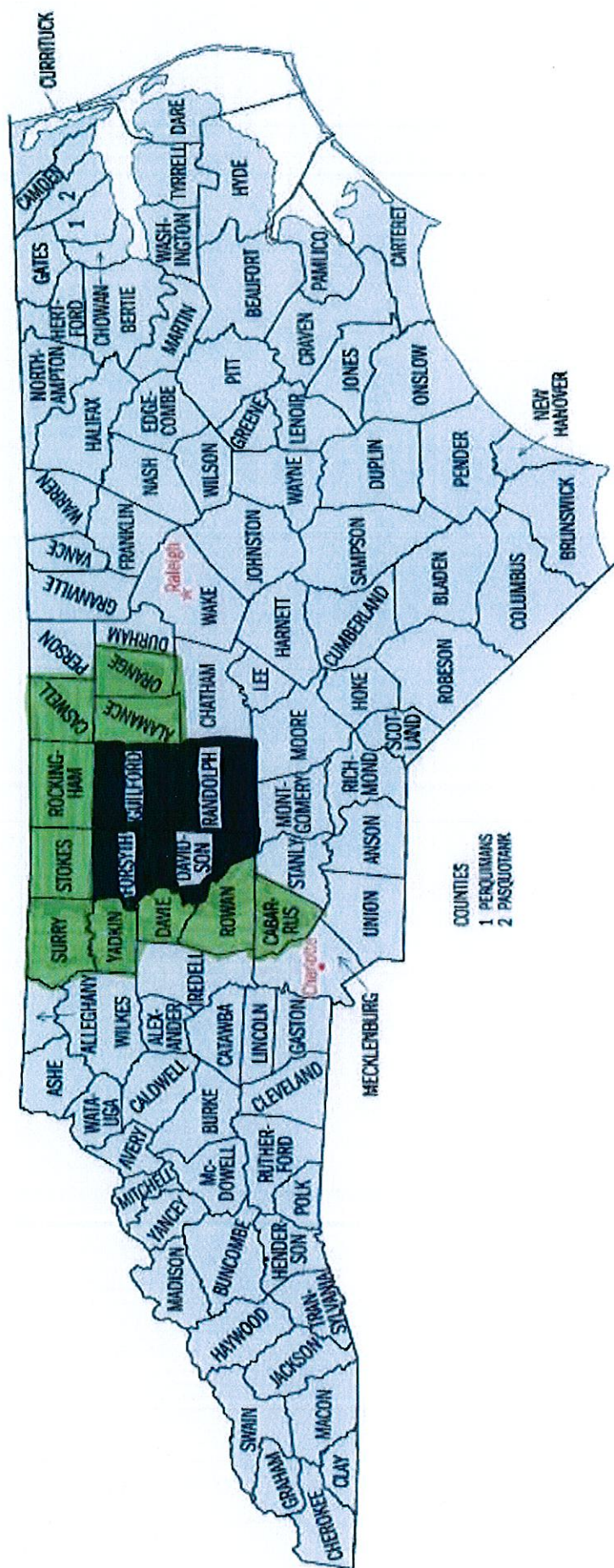
(Ord. No. 01-107, § 1, 12-20-01)

Sec. 11-8-11 Incorporation of provisions.

The requirements of this chapter shall be deemed to be included and binding on the grantee of any franchise.

(Ord. No. 01-107, § 1, 12-20-01)

Exhibit 3



LEGEND

Existing Franchise Territory

Requested Franchise Territory

Exhibit 4

YAHOO! LOCAL
Maps



Proposed Site

Existing Sites

Exhibit 5



A Lend Lease Company

January 27, 2009

Chad Morris
WCA Waste Corporation
5830 Riverdale Drive
Jamestown, NC 27282

**Reference: Cornerstone Health Care Westchester MOB
Waste Recycling Program**

Dear Chad:

Please accept this letter as acknowledgement of Bovis Lend Lease Inc's appreciation for the cooperation received, and on-going, by WCA Waste Corporation during the construction of the CornerStone Health- Westchester MOB and Premier Medical Plaza projects in High Point, NC.

Sustainable building has been a focus area of ours for several years now, and it has been a challenge for us to find partners in the waste removal realm. WCA Waste Corporation has been able to provide us with accurate recycling reporting indicating a very large portion of our waste being diverted from landfills. This service that is being provided is invaluable to meeting our goals relating to sustainable building.

We look forward to a continued relationship with WCA Waste Corporation. Should you have any further questions, please do not hesitate to contact me at 704-357-2896, 843-495-0664, or jeff.bose@bovislendlease.com.

Sincerely,

Bovis Lend Lease, Inc.

A handwritten signature in blue ink that reads "Jeff T Bose".

Jeffrey Bose
Senior Project Manager
Jeff.bose@bovislendlease.com

CC: Jerry Taylor (BLL)
Todd Montgomery (BLL)
Justin Rider (BLL)
Wayne Peterson (BLL)



5701 N. Sharon Amity Road · Charlotte, NC 28215
Post Office Box 18446 · Charlotte, NC 28218
704.537.6044 FAX 704.535.0055

February 6, 2009

Re: WCA of High Point

To Whom it May Concern,

RodgersHardin has used WCA of High Point on a number of our projects in the Triad Area. I personally used them on the UNC Greensboro Aycock Auditorium Renovation project. I was extremely impressed by their knowledge of waste management and their efforts of sustainability on our project. Our project was not registered under the USGBC's LEED program, however, the Owner's goal was to track waste generated from our project in a similar manner to the USGBC's LEED waste management credit. WCA was invaluable in these efforts, they provided resources and insight to assist us in understanding this process and tracking this information for our Owner. It turned out to be a very successful venture for RodgersHardin, the Owner and WCA.

With the direction of our industry heading towards constructing more LEED certified projects in North Carolina. I am certain that it would be advantageous to all involved if WCA were able to expand their operations and efforts outside of the Triad Area.

Respectfully,

James Clayton
Project Manager

Exhibit 6



**North Carolina Recycling Program
or
"A Day in the Life of a Load of Trash"**

Chad Morris
Triad Sales Representative

Nextel: 151*137326*1
Mobile: (336) 669-8654

Grant Kiser
Triangle Sales Representative

Nextel: 150*19891*1
Mobile: (919) 795-6282

LEED



Yellow + Blue = Green

U. S. Green Building Council

What is “Green Building?”

- An environmentally-friendly approach to construction
- Dedication to conserving natural resources
- Conserving landfill space by recycling construction debris
- Utilization of recycled building materials
- Futuristic planning for current and upcoming generations

Aspects of Green Building

- Land Development
- Resource Conservation
- Energy Efficiency
- Recycling Construction Debris
- Use of recycled materials

Who does this affect and involve?

- The entire construction industry
- Environmental Agencies
- Federal, State & Local Government
- **You**

As a member of the **U. S. Green Building Council**, **WCA** is dedicated to **recycling**, knowledgeable in **LEED** building criteria, and we stand ready to assist you with your **Green Building** needs. Please contact your local representative for further information.

Chad Morris

Triad Sales Representative

Nextel: 151*137326*1

Mobile: (336) 669-8654



Grant Kiser

Triangle Sales Representative

Nextel: 150*19891*1

Mobile: (919) 795-6282

WCA WASTE CORPORATION

Our Company

WCA Waste Corporation is a full service, non-hazardous solid waste company providing collection, transfer and disposal services for approximately 171,000 commercial, industrial and residential customers in nine states in the South and Central regions of the United States. We own and operate twenty-three collection landfills, twelve construction and demolition debris (C&D) landfills and three material recovery facilities. Our revenue mix for 2003 was approximately 65% collection, 33% disposal and 2% transfer/other.

We were formed and began operations in September 2000 upon our acquisition of particular assets from Waste Management, Inc. that in turn became the core of our operations. From our formation through December 31, 2003, we successfully integrated 42 separate operating locations acquired in a total of eight transactions (including the transaction with Waste Management, Inc.)

Our Philosophy

We believe the solid waste business is a "grass roots" disposal driven business. By maintaining a local focus we are able to develop strong relationships and provide our customers with the best possible service.

Our Team

Our management team is experienced and motivated. Our strength is that we are small enough to be responsive to our customer's needs, and large enough to tackle any industry project.

Environmental Statement

WCA Waste Corporation is committed to creating a company culture where employees understand and respect the value of protecting the environment. Compliance with governmental regulations and permit requirements in the markets in which we operate demonstrates our commitment to the communities we serve. WCA strives to be a leader in the solid waste industry by continually improving our operations, policies and procedures to reflect this commitment. Environmental responsibility, safety, and efficient transportation and disposal services are the avenues WCA utilizes to service our customers and achieve this goal.

Landfills

It is WCA Waste Corporation's belief that our industry is disposal driven. In keeping with this philosophy, WCA, with few exceptions, owns and operates a landfill in each of our market areas. WCA owns 12 Construction & Demolition and 7 Municipal Solid Waste landfills with an average remaining life of over 30 years as of December 31, 2003.

Transfer Stations

At our 18 strategically located transfer stations, WCA Waste Corporation consolidates incoming waste in preparation for hauling in transfer trailers; in most cases to a WCA owned and operated landfill.

It's the new Millennium! Do you know where your debris is going?

Recycler Overview

This is the star of our show. Our Construction Debris Recycler stretches the length of a football field.



WCA's recycling operations in Raleigh and High Point, North Carolina are the crown jewels of Construction Debris recycling in the country. As members of the **U.S. Green Building Council**, we stand behind our commitment to the environment. Both facilities recycle 36% (up to 75% on New Construction projects) from the waste stream.

Step One

After you have filled one of our Roll-Off containers, it is taken to one of our Construction Debris processing centers in Jamestown or Raleigh, NC. After driving across the scales, our trucks proceed to the tipping area.



Step Two

The truck arrives at the tipping area after being weighed. Segregated loads are placed in their respective piles while mixed loads of Construction Debris are emptied here, into our “co-mingled” pile, for further sorting.



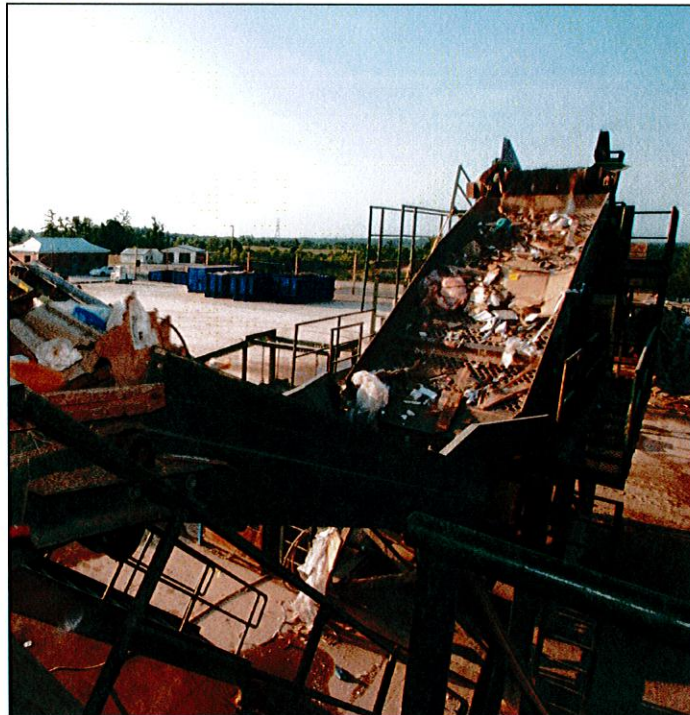
Step Three

The sorting process begins here. The excavator picks up debris from the “co-mingled pile” and drops it into the recycling hopper.



Step Four

The debris begins the recycling process in the “shaker”. Here, dirt and gravel are shaken out of the waste stream.



Step Four (a)

This heavy material travels up a side ramp and gets deposited here, where it is recycled as daily cover.



Step Five

After the “shaker”, the debris continues the recycling process on the catwalk. Here our dedicated staff of recyclers is broken into teams. Each team has an assigned material to pull from the waste stream.



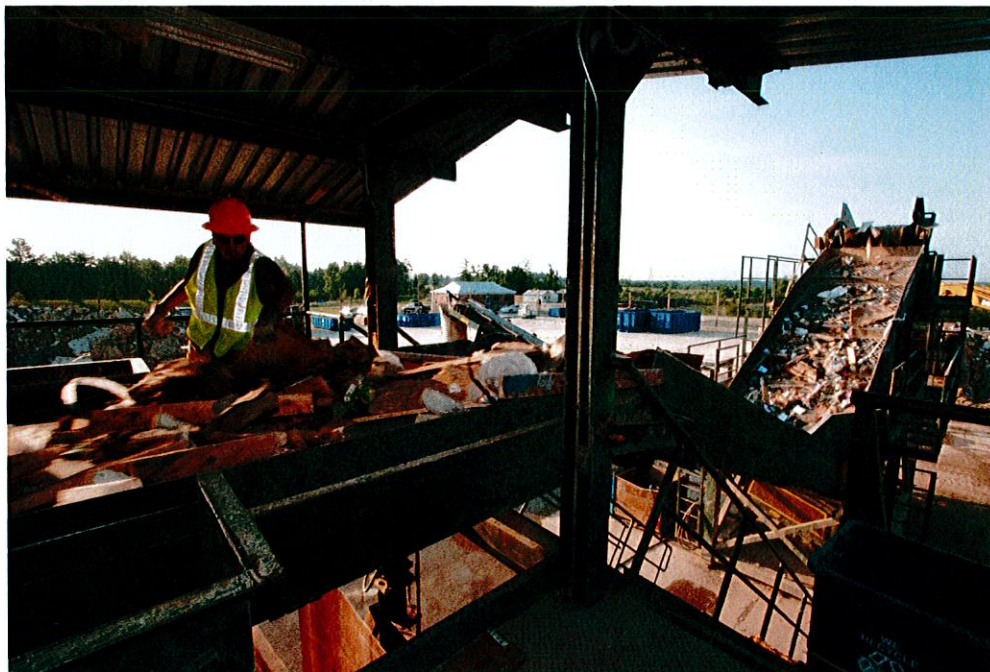
Step Five (a)

Here, they diligently watch for.....



Step Five (b)

And remove their assigned material.



Step Six

Material that is removed from the waste stream is dropped down a chute, and into the containers below.

Some material is removed from the waste stream and sold to local processing centers for further recycling.

These materials include:

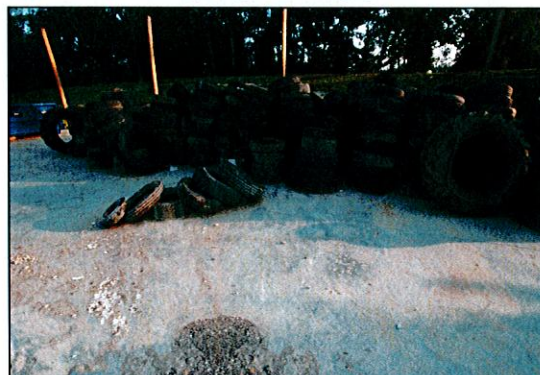
Metal



Cardboard, Paper, Vinyl



and Tires



Brick, Block, Mortar and Cement are removed from the waste stream, crushed on site and sold to local contractors for use in building pads.

Waste



Becomes

Crush and Run



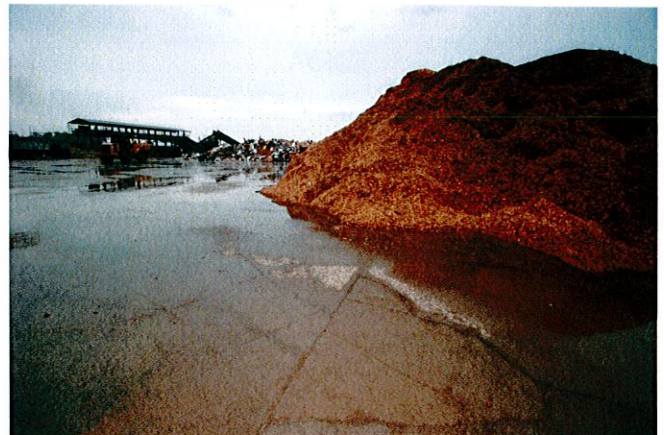
Wood is also removed from the waste stream and ground on site. It is then sold to local contractors as landscaping mulch and boiler fuel.

Waste



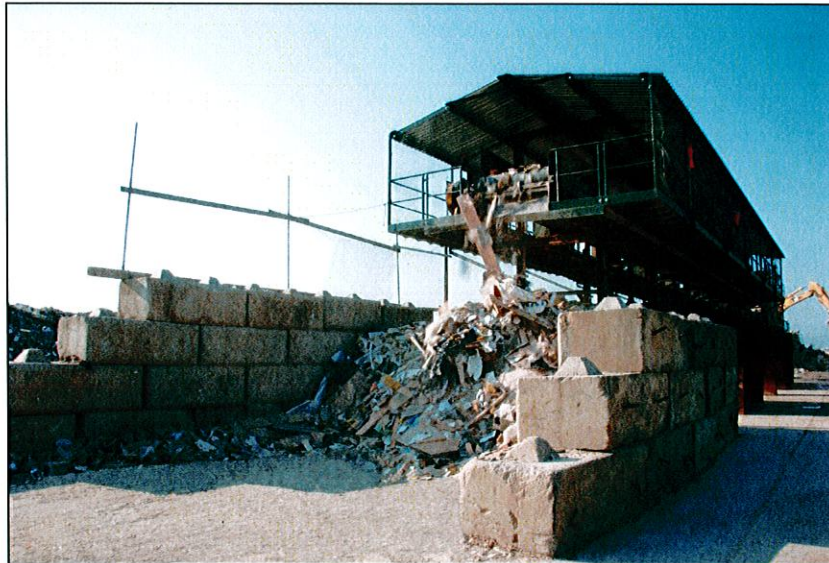
Becomes

Mulch



Step Seven

After all of the recyclable material has been removed from the waste stream, the balance drops into the holding cell at the end of the catwalk.



Step Eight

The material is then collected and loaded onto trucks for transfer to the landfill.



Step Nine

As little of the Construction Debris, as possible, from our processing center ends up here at the Landfill. Recycling not only helps the environment, it enables us to keep our landfills open twice as long.

Yellow + Blue = Green



Environmentally Friendly, Cost Friendly & Customer Friendly

Utilize our disposal facility on your next job. Couple it with our hauling for great service at a great price!

Recycling Data For Use In USGBC LEED Projects



Customer:
Project: HIGH POINT UNIVERSITY

Date	Ticket#	Gross Wt.	Tare Wt.	Net Wt.	Lbs. Recovered	Wood	Metal	Cardboard	Aggregate / Sheet Rock*	Recovery Rate
6/1/2006	39970	49880	34260	15620	14058				0.90	0.90
6/1/2006	39988	50640	34240	16400	16400		0.05	0.05	0.90	1.00
6/5/2006	40242	43480	34540	8940	8046		0.1	0.8		0.90
6/5/2006	40256	46120	34600	11520	7488	0.1	0.05	0.5		0.65
6/8/2006	40532	44320	34220	10100	10100	0.1	0.1	0.8		1.00
6/8/2006	40549	40720	34320	6400	5120			0.8		0.80
6/9/2006	40641	40340	34180	6160	1540	0.05		0.2		0.25
6/12/2006	40902	39040	34400	4640	3480	0.1	0.05	0.6		0.75
6/12/2006	40924	41340	34480	6860	4802	0.1		0.3	0.3	0.70
6/14/2006	41285	39960	34700	5260	3156	0.1		0.5		0.60
6/16/2006	41397	37100	34600	2500	1625	0.05		0.6		0.65
6/20/2006	41649	43520	34360	9160	6870		0.1	0.6	0.05	0.75
6/20/2006	41659	38200	34440	3760	2820	0.05		0.7		0.75
6/22/2006	41827	44320	34200	10120	5060			0.5		0.50
6/29/2006	42184	49640	35300	14340	10755	0.2	0.05	0.5		0.75
6/30/2006	42343	45280	34920	10360	1554		0.05	0.1		0.15
					0					0.00



Total Weight: 142,140 Lbs.
Total lbs. Recycled: 102,874 Lbs.
Total Tons Recycled: 51.44
Recovery Rate%: 72.4%

Certification Stamp
WCA, High Point Landfill
5830 Riverdale Drive
Jamestown, NC 27282

* Sheet Rock must be kept dry to be recyclable

01/21/2009



Cory Avens
SRS, Inc.

WCA Waste Corporation, located at 5830 Riverdale Drive in Jamestown, NC, runs a construction debris recycling operation in conjunction with our construction debris landfill. All material that is received at this facility is run through a shaker followed by a 50yd covered conveyor / picking system where all recyclable material is removed from the waste stream.

WCA is committed to removing as many materials from the waste stream as is economically viable.

Sincerely,

Chad Morris

Exhibit 7



GUILFORD COUNTY Solid Waste Services Guide

A complete guide to community solid waste services
in Greensboro, High Point, Guilford County and
surrounding communities.

WELCOME

Introduction

Thank you for taking the time to review this Solid Waste Guide. Whether you're a new or a long-time resident, we think you'll find this guide to be a valuable resource when dealing with any type of household waste. Be sure to keep it on hand for future use.

This guide is arranged by municipality and is color-coded for easy reference. Simply turn to the appropriate page and you'll find information on every type of solid waste, from recycling to household hazardous waste. Phone numbers and web addresses are also listed where available – so you can easily get your questions answered.

We've all heard about the importance of caring for the environment. What you may not know is trash that isn't properly handled can cause a variety of public health problems.

- Tires and other containers left outside can collect water, which can become a breeding ground for mosquitos.
- Trash that isn't cleaned up eventually ends up in our water system, increasing the cost of filtering the water to make it suitable to drink.
- Trash is dangerous to local wildlife, especially when they depend on local streams and lakes for their survival.

If we all take responsibility for disposing of trash properly, our community will continue to be a beautiful place that we can all be proud of.

Working together for a cleaner environment:

City of Greensboro

City of High Point

Greensboro Beautiful

Guilford County

Guilford County Department of Public Health

High Point Keep America Beautiful

Special thanks to Volvo Trucks North America for publishing this directory.

Gibsonville • Greensboro • Greensboro Beautiful •
Guilford County • Guilford County Department of Public
Health • High Point • Jamestown • Oak Ridge • Pleasant
Garden • Sedalia • Stokesdale • Summerfield • Whitsett



Caring for our environment
is everyone's responsibility.

**How Do You
MEASURE UP?**

WELCOME

Volvo Message

It's Volvo's pleasure to welcome you to the Guilford County Solid Waste Services Guide.

Care for the Environment is a core corporate value for Volvo. Our Environmental Policy, common to all Volvo operations worldwide, states that we strive to be the environmental leader in our industries through a holistic view, continual improvement, technical development and resource efficiency. Through this commitment, we can both strengthen our business operations and nurture environmental improvement in the communities in which our employees and customers live and work.

Volvo is putting this commitment to environmental care to work every day. In addition to our newest generation of trucks, which emit 90 percent less soot and 50 percent less smog-causing gases than trucks of just a few years ago, all of our facilities in North America are certified under international standards for environmental management systems, and several of them have been cited by environmental agencies for their efforts in reducing water and energy use. At our Greensboro facilities, thanks to a dedicated group of employees known as "the green team," we're recycling not just office paper and cardboard, but also printer cartridges, used batteries and waste oil, among other items. And by emphasizing greater energy efficiency in our operations, the facilities here in Guilford County are making a significant contribution to Volvo's national commitment to reduce greenhouse gas generation by 20 percent under the EPA's Climate Leaders program. (You can learn more about our environmental activities by visiting us at www.volvotrucks.us.com.)

We appreciate the opportunity to provide this useful information to our community.

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Printed 12/07

CITY OF GREENSBORO

Garbage, Yard Waste, Recyclables, Bulk Trash and Appliances

The City of Greensboro provides weekly collection of garbage, yard waste and bulk items. Recyclables are collected every other week. Appliances are collected by calling (336) 373-CITY (2489).

Additional Services

Solid Waste Transfer Station

6310 Burnt Poplar Road
Greensboro, NC 27409
(336) 373-3867
Hours: M – F, 6am – 6pm
Sa, 7am – 1pm

Accepts household garbage and commercial waste.

White Street Landfill

2503 White Street
Greensboro, NC 27405
(336) 373-CITY (2489)
Hours: M – F, 7am – 4:50pm
Sa, 7am – 1pm

Accepts construction debris and yard waste.

Household Hazardous Waste and E-Waste

ECOFLO, Inc.
2750 Patterson Street
Greensboro, NC 27407
(336) 373-2196
Hours: W – F, 10am – 6pm
Sa, 8am – 2pm

See page 11 for more information.

Special Services

Adopt-A-Street

The City of Greensboro operates an Adopt-A-Street program which allows residents to play an active role in keeping Greensboro clean. (336) 373-CITY (2489)

Commercial Services

The City of Greensboro provides trash and recycling collection services to commercial and multi-family developments. (336) 335-5444

E-Waste

Electronic items can be taken to the Household Hazardous Waste Collection Center for disposal and/or recycling. (336) 373-CITY (2489)

Loose Leaf Pick-Up

The City of Greensboro provides two rounds of loose leaf pick-up beginning each November through January. (336) 373-CITY (2489)

Recycling Drop Sites

The City of Greensboro has nine recycling drop sites located throughout the City for public use. (336) 373-CITY (2489)

Recycling Visits

The City of Greensboro encourages visits to the FCR recycling center. Call to schedule a visit. (336) 373-2053

COMMUNITY GREENSBORO BEAUTIFUL

Greensboro Beautiful, Inc. is a private, non-profit volunteer organization which works in partnership with the City of Greensboro to bring private businesses, citizens, neighborhoods and community organizations together to conserve and enhance the beauty of our community through public and private cooperation.

As an affiliate of **Keep America Beautiful, Inc.**, Greensboro Beautiful engages individuals to take responsibility for improving their local community environment. Through litter cleanups and litter-prevention awareness programs, Greensboro Beautiful works to change attitudes and behavior about litter and solid waste.

Big Sweep Citywide Cleanup (3rd Saturday in September)

Greensboro Beautiful volunteers clean litter from our community's lakes and streams, neighborhoods and roadsides as part of the **Big Sweep Citywide Cleanup**. Thousands of volunteers from scout troops, neighborhoods, community organizations, churches, schools, businesses and families take part in the cleanup. The City of Greensboro assists neighborhoods with special equipment and collection needs.

Great American Cleanup (1st Saturday in April)

Greensboro Beautiful volunteers give the city a spring cleaning each year as a part of the **Great American Cleanup**. Our volunteers come together to clean up neighborhoods, roadsides, parks, and other littered areas on the first Saturday in April. City of Greensboro assists neighborhoods with special equipment and collection needs.

Clean Campus Program (April)

This program for area K-12 schools features hands-on activities designed to promote litter awareness, recycling, and campus beautification while utilizing interdisciplinary classroom skills. This week-long program instills a sense of individual responsibility and advocacy for school appearance and environment, while demonstrating that students of all ages can make a difference. Clean Campus Program Handbooks are distributed to all public schools in March. Interested teachers should contact their principal for a copy of the handbook.

Litter Index (January)

Greensboro Beautiful conducts an annual Litter Index. It is a simple and credible tool that allows a quick, reliable visual assessment of the litter presence in our community. The data obtained through the Litter Index is invaluable in determining the types of litter prevention programs needed to address current conditions and achieve long-term sustainable results. The primary use of the information obtained using the Litter Index is to assist Greensboro Beautiful and local government agencies in directing efforts to those areas of the city that require attention.

Greensboro Beautiful, Inc.

501 Yanceyville Street
Greensboro, NC 27405
Phone: (336) 373-2199
Fax: (336) 373-2943
www.greensborobeautiful.org

CITY OF HIGH POINT

Garbage, Yard Waste, Bulk Trash and Recyclables

The City of High Point provides once a week same-day collection for garbage, yard waste, bulk trash and recyclables.

211 South Hamilton Street
High Point, NC 27261
(336) 883-3111
www.high-point.net

Additional Services

Kersey Valley Landfill
3748 East Kivett Drive
High Point, NC 27262
(336) 883-3433
Hours: M – F, 7:30am – 4:30pm
Sa, 7:30am – 1pm

Household Hazardous Waste and E-Waste
ECOFLO, Inc.
2750 Patterson Street
Greensboro, NC 27407
(336) 373-2196
Hours: W – F, 10am – 6pm
Sa, 8am – 2pm

See page 11 for more information.

City of High Point
Material Recovery Facility (MRF)
5875 Riverdale Road
Jamestown, NC 27282
(336) 883-3621
Hours: M – Th, 7am – 5:30pm

Ingleside Compost Facility
3001 Ingleside Drive
High Point, NC 27265
(336) 883-8514
Hours: M – F, 9am – 4pm
Sa, 9am – 1pm

Special Services

Dead Animal Services	Dead animals weighing less than 100 lbs. will be picked up at the curb. (336) 883-3111
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E-Waste	Electronic items can be taken to the Household Hazardous Waste Collection Center for disposal and/or recycling. (336) 373-2196
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High Point Keep America Beautiful	Litter programs, Adopt-A-Street and Annual Cleanups. (336) 883-3517
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Loose Leaf Pick-Up	The City of High Point provides two rounds of loose leaf pick-up beginning early November and ending mid January. (336) 883-3455
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Medical Waste	Residents only. (336) 883-3111
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Rent-A-Trailer	Residential use only. (336) 883-3111
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GUILFORD COUNTY

With environmental concerns rising on everyone's list of priorities, it's good to know what environmentally friendly options residents have available to them for disposing of trash and unwanted possessions. Here are some pointers, along with a list of resources, that you may want to save for future reference. These services are available to all county residents.

Household Garbage and Trash

For disposal of regular household trash, residents have the option of hiring a private hauler to collect their trash and recycling or of taking it to a public facility themselves. When hiring a hauler, please keep in mind that the County requires private companies to obtain a County license to collect residential garbage and recycling. The licensing process helps to ensure that collection vehicles are maintained in good working order, so that they do not leak and cause contamination. In addition, companies operating under the County licensing program must adhere to these minimum service requirements and maximum collection fees: \$16.00 per month for once per week garbage collection and twice per month recyclables collection at the curb/roadside.

In addition, licensed haulers may opt to provide "back-door" service for disabled or elderly customers who are unable to get their trash out to the curb, or twice per week garbage collection service for those with greater disposal needs, based on County licensing requirements and pricing guidelines for these specific services. Also, each company has its own rules for recycling, including the materials accepted and the guidelines for preparing those materials for collection. So contact your hauler directly for recycling information specific to your program.

For more information as well as a current listing of licensed garbage collectors, visit the Guilford County web site at www.co.guilford.nc.us or call Guilford County Environmental Services at **(336) 641-3792**.

There are two options for transporting garbage directly to a disposal facility in Guilford County. For hours of operation, load requirements and costs, please contact these facilities directly:

Solid Waste Transfer Station 6310 Burnt Poplar Road, Greensboro (336) 373-3867	Kersey Valley Landfill 3748 East Kivett Drive, High Point (336) 883-3435
---	---

Household Hazardous Waste and E-Waste

Household Hazardous Waste Center (HHW)

ECOFLO, Inc.

2750 Patterson Street

Greensboro, NC 27407

(336) 373-2196

Hours: W – F, 10am – 6pm, Sa, 8am – 2pm

See page 11 for more information.

Recycling

All licensed garbage collectors in Guilford County are required to provide recycling collection as part of their service. Each company has their own list of acceptable materials, but each collects aluminum and metal food and beverage cans, plastic bottles labeled with #1 PETE or #2 HDPE, and newspaper. Some services also collect cardboard, magazines, office paper and chipboard. Check with your collector about your specific program.

GUILFORD COUNTY

If you don't subscribe to a curbside collection service, there is one public recycling center in Guilford County. This material recovery facility (MRF) will accept many household recyclable materials and will even buy high quality recyclables. For more information, call the MRF directly.

City of High Point Material Recovery Facility

5875 Riverdale Road, Jamestown
(336) 883-3621

In the City of Greensboro, there are several unmanned recycling drop-off sites that are accessible 24 hours a day. Check the web site at www.greensboro-nc.gov/Departments/fieldops or call the Contact Center at (336) 373-CITY (2489) for locations and materials accepted.

Appliances/White Goods and Tires

Guilford County Scrap Tire and White Goods Collection Facility

2138 Bishop Road (located just south of the Wet 'n Wild Water Park,
between Holden and Groometown Roads)
(336) 294-9431

Large household appliances, or "white goods," are prohibited from being disposed of in landfills and must be recycled. White goods include stoves, freezers, refrigerators, washers, dryers, dishwashers, water heaters and air conditioners. Many licensed garbage collectors provide curbside pick-up for a fee. However, you may bring your household appliances directly to the County facility for recycling. There is no charge, and we'll unload your vehicle for you. In addition, a drop-off site for appliances has been opened at the Northeast Fire Station, located at 7806 Jackson School Road, Brown Summit, NC. Call the fire station directly at (336) 656-7292.

Scrap tires are a large environmental problem in North Carolina. They are prohibited from disposal in landfills, and are very costly to recycle. The state has enacted a point-of-purchase disposal fee on tires, so when you purchase new tires be sure to take advantage of the fee and have your retailer dispose of your old tires for you. If you do have tires you need to get rid of, please be aware that there are restrictions. Call the facility at (336) 294-9431 for more information.

Christmas Tree Recycling

Put your Christmas tree to good use after the holidays by taking advantage of the County's recycling program that turns live Christmas trees into much-needed mulch and compost for County parks. Simply remove all lights, decorations, stands and covers, then drop your tree(s) off at one of the three locations between December 26th and January 15th. Wreaths, garland and artificial trees are not accepted.

Guilford County Prison Farm 7315 Howerton Road, Gibsonville (336) 449-4720	Open 24 hours a day, 7 days a week from 12/26 – 1/15. Call for more information and directions.
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Piedmont Triad Farmers' Market Off I-40 at Sandy Ridge Road (336) 605-9157	Open 6am – 6pm daily from 12/26 – 1/15. Call for directions.
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Tabernacle United Methodist Woody Mill and Methodist Roads (behind the ball fields)	Open 24 hours a day, 7 days a week from 12/26 – 1/15. Call (336) 641-3792 for more information and directions to this southeast Guilford County location.
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GUILFORD COUNTY

Yard Waste

Grass clippings, hedge trimmings, tree limbs and leaves are all considered yard waste. Most yard waste can be composted and reused in gardens and flower beds to provide nutrients and mulch for plants. For information about composting, please contact the Guilford County Cooperative Extension at (336) 375-5876. If composting isn't an option for you, many of the County's licensed haulers provide curbside collection service for yard waste for an additional fee. Contact your hauler directly for more information.

There are two composting facilities available to Guilford County residents. Both of these composting centers often have compost and mulch available for residents. Please contact the facilities directly for information about availability, pricing, materials accepted and hours of operation.

Greensboro: White Street Landfill

2503 White Street, Greensboro
(336) 373-7657 or (336) 373-CITY

High Point: Ingleside Compost Facility

3001 Ingleside Drive, High Point
(336) 883-8514

Land Clearing and Inert Debris (LCID)

LCID is limited to the following materials: concrete, brick, concrete block, uncontaminated soil, rock, gravel, untreated wood, limbs, leaves and stumps. LCID landfills do not accept materials that have been painted or coated with sealants or finishes. For LCID landfill facilities closest to you, check the County web site at www.co.guilford.nc.us, or contact the Environmental Inspector at (336) 641-2082 for more information.

Construction Debris

Unwanted materials that result from the construction or demolition of buildings and other structures are termed construction and demolition (C&D) waste. While these materials can be disposed of in the same manner as municipal solid waste, or regular household trash, it is less expensive and more environmentally friendly to dispose of them at a C&D facility where they may be able to be recycled. There are currently three C&D facilities available to residents in Guilford County. Please contact each facility directly for hours of operation, costs and other pertinent information.

White Street Landfill

2503 White Street, Greensboro
(336) 373-7657 or (336) 373-CITY

WCA of High Point, LLC

5830 Riverdale Road, Jamestown
(336) 886-3560

Salvage America, Inc.

3001 Holts Chapel Road, Greensboro
(336) 215-5228

More Information

Guilford County is working to provide additional solid waste services and options for citizens. Check the County web site at www.co.guilford.nc.us for information about new programs as they become available. If you have questions or would like additional information, please contact Susan Heim, Environmental Services Coordinator, at (336) 641-3792, or by e-mail at sheim@co.guilford.nc.us. Comments, ideas and suggestions are always welcome.

SURROUNDING AREAS

See Guilford County pages for additional services available to all Guilford County residents.

	Trash	Yard Waste	Large Item	Recycling
Gibsonville 129 W. Main Street M – F, 8am – 5pm (336) 449-4144 www.gibsonville.net	Collected weekly curbside.		Collected every other week, alternating with recycling.	Collected every other week, alternating with large item pick up.
Jamestown 301 E. Main Street M – F, 8:30am – 5pm (336) 454-1138 www.jamestown-nc.us	Trash, yard waste and bulky items are collected weekly curbside.			Deposit in community bins. (rear parking lot of town hall)
Oak Ridge 8315 Linville Road M – F, 8:30am – 4:30pm (336) 644-7009 www.oakridgenc.com	Collected weekly curbside. Waste Industries (336) 668-3712	Not provided. See the Guilford County Services page for available options.	Contact Waste Industries directly at (336) 668-3712.	Collected weekly curbside. Waste Industries (336) 668-3712
Pleasant Garden 4920 Alliance Church Rd. M – F, 8am – 5pm (336) 674-3002 www.pleasantgarden.net	Residents may contract individually with any private company licensed by Guilford County. Visit the county web site at www.co.guilford.nc.us or call (336) 641-3792 for a list of licensed garbage collectors.			
Sedalia 6121 Burlington Road M – F, 8am – 12pm (336) 449-1132	Collected weekly curbside. Waste Industries (336) 229-0525	Not provided. See the Guilford County Services page for available options.	Contact Waste Industries directly at (336) 229-0525.	Collected weekly curbside. Waste Industries (336) 229-0525
Stokesdale 8416 US Hwy. 158 Tu – F, 8:30am – 2:30pm (336) 643-4011 www.stokesdale.org	Collected weekly curbside. Republic Waste Services (336) 299-0815	Available for an additional fee. Contact Republic Waste Services directly at (336) 299-0815.		Collected weekly curbside. Republic Waste Services (336) 299-0815
Summerfield 4117 Oak Ridge Road M – F, 8:30am – 4:30pm (336) 643-8655 www.townofsummerfield.com	Collected weekly curbside. Republic Waste Services (336) 299-0815	Available for an additional fee. Contact Republic Waste Services directly at (336) 299-0815.		Collected weekly curbside. Republic Waste Services (336) 299-0815
Whitsett 811 NC Highway 61 Tu – Th, 9:30am to 3pm (336) 449-3380 www.whitsettnc.com	Collected weekly curbside. Republic Waste Services (336) 299-0815	Available for an additional fee. Contact Republic Waste Services directly at (336) 299-0815.		No recycling collection.

HOUSEHOLD HAZARDOUS WASTE

Household Hazardous Waste Program (HHW)

The HHW Collection Program is open to all residents of Guilford County and provides safe and environmentally sound disposal of hazardous materials. There is no charge at the site for dropping off materials. Commercial use is prohibited.

The HHW Center is located at Ecoflo, Inc., 2750 Patterson Street and is open W – F, 10am – 6pm, Sa, 8am – 2pm. If you have questions, contact the HHW Hotline at **(336) 373-2196**. The following items can be brought to the HHW Center.

Garage & Workshop

- Acids/bases (i.e. acetone, parts cleaners, and turpentine)
- Auto fluids (i.e. antifreeze, brake, motor oil, starter, transmission)
- Car and other wet cell batteries
- Contact cement, driveway sealer, fiberglass epoxy
- Gasoline and other fuels
- Glue (solvent-based)
- Lighter fluid, paint, paint thinner, paint stripper
- Photographic chemicals
- Shellac, stain, varnishes, deck sealers, wood preservatives

Home & Garden

- All types of batteries
- Fluorescent bulbs
- Furniture polish, metal polish (solvent-based)
- Fungicide
- Mercury thermometers and thermostats
- Pesticides, insect spray, rat poison, weed killer
- Pool chemicals

Kitchen & Bath

- Cleaners (solvent based)
- Drain cleaners
- Floor care products
- Hair remover
- Nail polish and polish remover
- Oven cleaner

E-Waste (Electronic Waste)

- Unwanted computers
- Cell phones
- Televisions

Prohibited Items:

Do not bring the following items to the HHW Center.

- Explosives/shock-sensitive materials
- Garbage
- Medical waste
- Radioactive materials
- Reactive/unstable materials
- Recyclables
- Commercial hazardous waste
- Unknown/unlabeled materials

HELPFUL INFORMATION

Recycling Facts

- Each person throws away an average of 50 pounds of trash every week.
- Making products from recycled materials saves energy and natural resources. Recycling in North Carolina is a growing part of our state's economy, employing more than 13,000 North Carolinians statewide, and recycling jobs have increased about 48 percent in the last 10 years.
- In Guilford County, volunteers pick up nearly 20,000 pounds (10 tons) of trash each year from our roadsides, streams, neighborhoods and public areas as part of volunteer cleanup efforts.
- Each month, North Carolinians throw out enough glass to fill up more than 13 miles worth of tractor-trailers lined up end-to-end. That's a half marathon of tractor-trailers each month!
- North Carolina fills enough trash dumpsters to reach from Greensboro to Greenville every 23 days.
- Glass bottles can be used hundreds of times over to make new bottles. North Carolina has three glass plants capable of consuming thousands of tons of "cullet" or recovered glass.
- North Carolina recycles 26 percent of its waste stream, composts 6 percent, sends 67 percent to landfills and incinerates 1 percent.
- The term "global warming" makes us think about the whole planet, but sea level rises and more frequent and stronger hurricanes should make climate change a big deal for all North Carolinians. You know that waste reduction saves energy and resources, but did you know that it could also slow the accumulation of greenhouse gases?
- North Carolinians recycle 68 pounds of materials a second, but throw away 679 pounds of trash a second. That's almost 10 times what we recycle.
- If one-third of North Carolina's households sent junk mail reduction cards to the Mail Preference Association, it would save North Carolina local governments almost \$1.3 million in disposal fees per year. www.dmachoice.org/consumerassistance.html
- Making products from recovered materials instead of virgin materials saves energy. For aluminum cans, the energy saved is more than 90 percent, for newspaper 40 percent and for steel 60 percent.
- Nearly all the steel made in the United States and in the world is made from scrap.
- With the amount of trash North Carolinians throw away, we could fill enough dumpsters to line the length of NC's Interstate 40 more than six times in one year. That's 2,555 miles of dumpsters each year.
- Steel is one of the most recycled materials with a 64 percent national recycling rate. Many steel products are recycled at a high rate in North Carolina, though less than 20 percent of steel cans were recovered in 2001.
- Newspaper and corrugated cardboard are the highest recycled types of paper. In North Carolina, we recycle 57 percent of all newspaper and 50 percent of all cardboard.
- Only half of aluminum cans are recycled despite a statewide disposal ban on the material. Other items banned from disposal in North Carolina landfills include whole tires, appliances (white goods), yard waste, lead acid batteries, used oil and antifreeze.

Exhibit 8



NORTH CAROLINA

Department of The Secretary of State

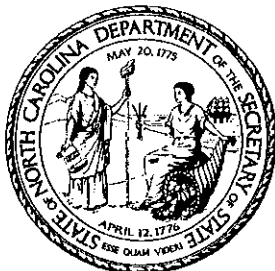
CERTIFICATE OF EXISTENCE (Limited Liability Company)

I, ELAINE F. MARSHALL, Secretary of State of the State of North Carolina, do hereby certify that

WCA OF HIGH POINT, LLC

is a limited liability company duly formed under the laws of the State of North Carolina, having been formed on the 15th day of May, 2001, with its period of duration being Perpetual.

I FURTHER certify that the said limited liability company's articles of organization are not suspended for failure to comply with the Revenue Act of the State of North Carolina; that the said limited liability company is not administratively dissolved for failure to comply with the provisions of the North Carolina Limited Liability Company Act; and that the said limited liability company has not filed articles of dissolution as of this date of this certificate.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 24th day of February, 2009.

Elaine F. Marshall

Secretary of State



NORTH CAROLINA

Department of The Secretary of State

To all whom these presents shall come, Greetings:

I, ELAINE F. MARSHALL, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

ARTICLES OF ORGANIZATION

OF

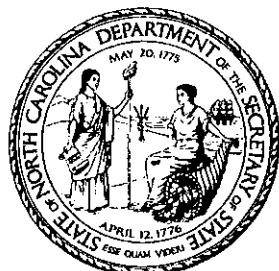
WCA OF HIGH POINT, LLC

the original of which was filed in this office on the 15th day of May, 2001.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 24th day of February, 2009.

Elaine F. Marshall

Secretary of State



State of North Carolina
Department of the Secretary of State
LIMITED LIABILITY COMPANY

SOSID: 591270
Date Filed: 5/15/2001 4:04 PM
Elaine F. Marshall
North Carolina Secretary of State

211369007

ARTICLES OF ORGANIZATION

Pursuant to §57C-2-20 of the General statutes of North Carolina, the undersigned does hereby submit these Articles of Organization for the purpose of forming a limited liability company.

1. The name of the limited liability company is: MRR of High Point, LLC.
2. The name and address of each organizer executing these articles of organization is as follows:

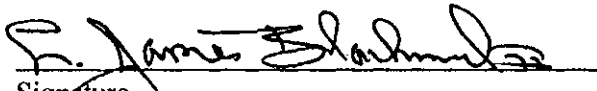
L. James Blackwood, II
108 Commerce Place
Greensboro, N.C. 27401
3. The street address and county of the initial registered office of the limited liability company is:

108 Commerce Place
Greensboro, N.C. 27401 Guilford County
4. The mailing address **if different from the street address** of the initial registered office is:
SAME
5. The name of the initial registered agent is L. James Blackwood, II.
6. Check one of the following:

— (i) Member-managed LLC: all of the members by virtue of their status as members shall be managers of this limited liability company.

XXX (ii) Manager-managed LLC: except as provided by N.C.G.S. §57C-3-20(a), the members of this limited liability company shall not be managers by virtue of their status as members.
7. Any other provisions which the limited liability company elects to include are attached.
There are no other provisions which the limited liability company elects to include.
8. These articles will be effective upon filing, unless a date and/or time is specified: Effective upon filing.

This 14 day of May 2001.


Signature

L. JAMES BLACKWOOD, II, Organizer

NOTES: Filing fee is \$125. This document and one exact or conformed copy of these articles must be filed with the SECRETARY OF STATE
CORPORATIONS DIVISION 300 N. SALISBURY STREET RALEIGH, NC 27603-5909



NORTH CAROLINA

Department of The Secretary of State

To all whom these presents shall come, Greetings:

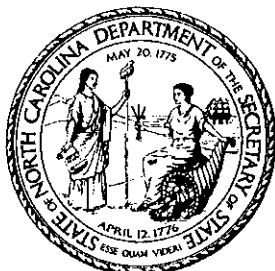
I, ELAINE F. MARSHALL, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

ARTICLES OF AMENDMENT

OF

WCA OF HIGH POINT, LLC

the original of which was filed in this office on the 7th day of April, 2005.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 24th day of February, 2009.

Elaine F. Marshall

Secretary of State

State of North Carolina
Department of the Secretary of State

Limited Liability Company
AMENDMENT OF ARTICLES OF ORGANIZATION

Pursuant to §57C-2-22 of the General Statutes of North Carolina, the undersigned limited liability company hereby submits the following Articles of Amendment for the purpose of amending its Articles of Organization.

1. The name of the limited liability company is: MRR OF HIGH POINT, LLC
 2. The text of each amendment adopted is as follows (attach additional pages if necessary):
1. The name of the limited liability company is: WCA of High Point, LLC
3. The street address and county of the registered office of the limited liability company is 120 Penmarc Drive, Suite 118, Raleigh NC 27603, Wake County.
5. The name of the registered agent is Capitol Corporate Services, Inc.
 3. (Check either a or b, whichever is applicable)
a. The amendment(s) was (were) duly adopted by the unanimous vote of the organizers of the limited liability company prior to the identification of initial members of the limited liability company.
b. ✓ The amendment(s) was (were) duly adopted by the unanimous vote of the members of the limited liability company or was (were) adopted as otherwise provided in the limited liability company's Articles of Organization or a written operating agreement.
 4. These articles will be effective upon filing, unless a date and/or time is specified: _____
- This the 4th day of April, 20 05.

MRR OF HIGH POINT, LLC

Name of Limited Liability Company

Signature

J. EDWARD MENDER, V.P. of

Type or Print Name and Title

WCA Wake County Management General, Inc.

General Partner of WCA of Wake County, L.P.
its Sole Member

NOTES:

1. Filing fee is \$50. This document must be filed with the Secretary of State.

(Revised January 2000)
CORPORATIONS DIVISION

P. O. BOX 29622

(Form L-17)
RALEIGH, NC 27626-0622



NORTH CAROLINA

Department of The Secretary of State

To all whom these presents shall come, Greetings:

I, ELAINE F. MARSHALL, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

CHANGE OF REGISTERED OFFICE AND/OR REGISTERED AGENT

OF

WCA OF HIGH POINT, LLC

the original of which was filed in this office on the 25th day of July, 2007.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 24th day of February, 2009.

Elaine F. Marshall

Secretary of State

SOSID: 0591270

Date Filed: 7/25/2007 11:15:00 AM

Elaine F. Marshall

North Carolina Secretary of State

C200720000324

**STATE OF NORTH CAROLINA
DEPARTMENT OF THE SECRETARY OF STATE**

**STATEMENT OF CHANGE OF REGISTERED
OFFICE AND/OR REGISTERED AGENT**

Pursuant to §55D-31 of the General Statutes of North Carolina, the undersigned entity submits the following for the purpose of changing its registered office and/or registered agent in the State of North Carolina.

INFORMATION CURRENTLY ON FILE

The name of the entity is: WCA of High Point, LLC

Entity Type: ☐ Corporation, ☐ Foreign Corporation, ☐ Nonprofit Corporation, ☐ Foreign Nonprofit Corporation,
☒ Limited Liability Company, ☐ Foreign Limited Liability Company ☐ Limited Partnership, ☐ Foreign Limited Partnership,
☐ Limited Liability Partnership, ☐ Foreign Limited Liability Partnership

The street address and county of the entity's registered office currently on file is:

Number and Street: 120 Penmare Drive, Suite 118

City, State, Zip Code: Raleigh, NC 27603

County: Wake

The mailing address *if different from the street address* of the registered office currently on file is:

The name of the current registered agent is: Hector Jr., F. Norbert

NEW INFORMATION

1. The street address and county of the new registered office of the entity is:
(complete this item only if the address of the registered office is being changed)

Number and Street: 120 Penmarc Drive, Suite 118

City, State, Zip Code: Raleigh

NC 27603

County: Wake County

2. The mailing address *if different from the street address* of the new registered office is:
(complete this item only if the address of the registered office is being changed)

3. The name of the new registered agent and the new agent's consent to appointment appears below:
(complete this item only if the name of the registered agent is being changed)

Capitol Corporate Services, Inc.

Type or Print Name of New Agent

Dolan Case

Dolan Case, Assistant Secretary on behalf of Capitol Corporate Services, Inc.

** Signature & Title*

4. The address of the entity's registered office and the address of the business office of its registered agent, as changed, will be identical.

5. This statement will be effective upon filing, unless a date and/or time is specified: _____

This is the 13th day of JULY, 2007.

WCA of High Point, LLC

Entity Name

J. EDWARD MENCER, JR. SEC'y

Signature

Type or Print Name and Title

Notes: Filing fee is \$5.00. This document must be filed with the Secretary of State.

* Instead of signing here, the new registered agent may sign a separate written consent to the appointment, which must be attached to this statement.

CORPORATIONS DIVISION
Revised January 2002

P. O. BOX 29622

RALEIGH, NC 27626-0622
Form BE-06



LIMITED LIABILITY COMPANY ANNUAL REPORT

E-Filed Annual Report
-1-0-5337467
For year 2007
Do not data enter manually.

NAME OF LIMITED LIABILITY COMPANY: *WCA of High Point, LLC*

STATE OF INCORPORATION: *NC*

SECRETARY OF STATE L.L.C. ID NUMBER: *0591270*

NATURE OF BUSINESS: *Reclamation and Landfill*

REGISTERED AGENT: *Capitol Corporate Services, Inc*

REGISTERED OFFICE MAILING ADDRESS: *120 Penmarc Drive, Suite 118
Raleigh, NC 27603*

REGISTERED OFFICE STREET ADDRESS: *120 Penmarc Drive, Suite 118
Raleigh, NC 27603 Wake County*

PRINCIPAL OFFICE TELEPHONE NUMBER: *713-292-2422*

PRINCIPAL OFFICE MAILING ADDRESS: *One Riverway, Suite 1400
Houston, TX 77056*

PRINCIPAL OFFICE STREET ADDRESS: *One Riverway, Suite 1400
Houston, TX 77056*

MANAGERS/MEMBERS/ORGANIZERS:

*Name: WCA Waste Systems, Inc.
Title: Member
Address:
One Riverway, Suite 1400
Houston, TX 77056*

*Name: Tom J. Fatjo, III
Title: Manager
Address:
One Riverway, Suite 1400
Houston, TX 77056*

*Name: Jerome M. Kruszka
Title: Manager
Address:
One Riverway, Suite 1400
Houston, TX 77056*

*Name: Tom J. Fatjo, Jr.
Title: Manager
Address:
One Riverway, Suite 1400
Houston, TX 77056*

CERTIFICATION OF ANNUAL REPORT MUST BE COMPLETED BY ALL LIMITED LIABILITY COMPANIES

WCA Waste Systems, Inc.

02/24/2009

FORM MUST BE SIGNED BY A MANAGER/MEMBER

DATE

WCA Waste Systems, Inc.

Member

TYPE OR PRINT NAME

TYPE OR PRINT TITLE

ANNUAL REPORT FEE: \$200 MAIL TO: Secretary of State • Corporations Division • Post Office Box 29525 • Raleigh, NC 27626-0525



LIMITED LIABILITY COMPANY ANNUAL REPORT

E-Filed Annual Report
-1-0-5337467
For year 2008
Do not data enter manually.

NAME OF LIMITED LIABILITY COMPANY: *WCA of High Point, LLC*

STATE OF INCORPORATION: *NC*

SECRETARY OF STATE L.L.C. ID NUMBER: *0591270*

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Name: *Jerome M. Kruszka*
Title: *Manager*
Address:
*One Riverway, Suite 1400
Houston, TX 77056*

Name: *Tom J. Fatjo, Jr.*
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WCA Waste Systems, Inc.

02/24/2009

FORM MUST BE SIGNED BY A MANAGER/MEMBER

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Member

TYPE OR PRINT NAME

TYPE OR PRINT TITLE

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LIMITED LIABILITY COMPANY ANNUAL REPORT

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-1-0-5337467
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NAME OF LIMITED LIABILITY COMPANY: *WCA of High Point, LLC*

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WCA Waste Systems, Inc.

02/24/2009

FORM MUST BE SIGNED BY A MANAGER/MEMBER

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WCA Waste Systems, Inc.

Member

TYPE OR PRINT NAME

TYPE OR PRINT TITLE

ANNUAL REPORT FEE: \$200 MAIL TO: Secretary of State • Corporations Division • Post Office Box 29525 • Raleigh, NC 27626-0525

Exhibit 9



FORM 10-K

WCA WASTE CORP - WCAA

Filed: March 05, 2008 (period: December 31, 2007)

Annual report which provides a comprehensive overview of the company for the past year

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10-K - FORM 10-K ANNUAL REPORT

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2007

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 000-50808

WCA Waste Corporation
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

20-0829917
(I.R.S. Employer
Identification Number)

One Riverway, Suite 1400
Houston, Texas
(Address of principal executive offices)

77056
(Zip Code)

Registrant's telephone number, including area code: (713) 292-2400

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class

Name of Each Exchange On Which Registered

Common Stock

The NASDAQ Stock Market, LLC

Securities registered pursuant to Section 12(g) of the Act: None

Common stock, par value \$0.01 per share

Indicate by check mark whether the registrant is a well-known seasoned issuer (as defined in Rule 405 of the Securities Act). Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check One):

Large accelerated filer ☐ Accelerated filer ☒ Non-accelerated filer ☐ Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant as of June 30, 2007 based on the closing sales price as reported on the Nasdaq Global Market on such date was approximately \$80.5 million.

Number of shares of common stock outstanding as of March 1, 2008: 17,315,664 (excluding 17,943 shares of treasury stock).

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Proxy Statement for the Annual Meeting of Stockholders are incorporated by reference into Part III of this annual report on Form 10-K. Except with respect to the information specifically incorporated by reference in this Form 10-K, the Proxy Statement for the Annual Meeting of Stockholders is not deemed to be filed as part hereof.

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<u>Section 1350 Certification of Chief Financial Officer</u>	

PART I

Item 1. Business.

Introduction

We are a vertically integrated company providing non-hazardous solid waste collection, transfer, processing, and disposal services in the south and central regions of the United States. As of December 31, 2007, we served approximately 329,000 commercial, industrial and residential collection customers and 5,000 landfill and transfer station customers in Alabama, Arkansas, Colorado, Florida, Kansas, Missouri, New Mexico, North Carolina, Oklahoma, South Carolina, Tennessee and Texas. As of December 31, 2007, we owned and/or operated 24 landfills, 27 collection operations and 23 transfer stations/materials recovery facilities (MRFs). Of these facilities, two transfer stations and two landfills are fully permitted but not yet opened, and one transfer station is idle. Additionally, we currently operate but do not own two of the transfer stations.

WCA Waste Corporation was incorporated as a Delaware corporation in 2004 and, in connection with transactions related to its initial public offering, became the parent of WCA Waste Systems, Inc., its principal operating subsidiary. At that time, WCA Waste Systems operated 32 solid waste operations through various subsidiaries. For a description of the transactions by which WCA Waste Corporation became WCA Waste System's parent, please read note 1(b) to our Consolidated Financial Statements included in this report. WCA Waste Corporation and its various subsidiaries have successfully integrated over 91 separate operating locations acquired in a total of 39 transactions. For information regarding acquisitions made since our initial public offering in 2004, please read "—Acquisition History After Our Initial Public Offering" below.

WCA Waste Corporation is a holding company; all operations are conducted through its subsidiaries. Accordingly, unless the context requires otherwise, references in this Annual Report on Form 10-K to "WCA Waste," "we," "us," or "our" refer to WCA Waste Corporation and its direct and indirect subsidiaries on a consolidated basis.

Industry Overview

Based on third party sources, we believe the non-hazardous solid waste industry in the United States generates approximately \$52 billion in annual revenue. We believe that approximately \$29.6 billion or 57% of the estimated annual industry revenue is generated by the three largest public companies in the industry with other public and privately-held companies representing approximately 18% of the estimated annual industry revenue.

The solid waste industry can be divided among collection, transfer and disposal services. The collection and transfer operations of solid waste companies typically have lower margins than disposal service operations. By vertically integrating collection, transfer and disposal operations, operators seek to capture significant waste volumes and improve operating margins.

During the past three decades, our industry has experienced periods of substantial consolidation activity, though we believe it remains extremely fragmented. We believe that there are two factors that lead to consolidation:

- Stringent industry regulations have caused operating and capital costs to rise. Many local industry participants have found these costs difficult to bear and have decided to either close their operations or sell them to larger operators.
- Larger operators are increasingly pursuing economies of scale by vertically integrating their operations or by utilizing their facility, asset and management infrastructure over larger volumes. Larger solid waste collection and disposal companies have become more cost-effective and competitive by controlling a larger waste stream and by gaining access to significant financial resources to make acquisitions. However, acquisitions by larger companies generally have less of an impact on their growth rates and revenues because acquisitions are small relative to the size of such companies.

Our Acquisition Growth Strategy

Vertical Integration And Internalization

Vertical integration is a core element of our operating strategy because it allows us to manage the waste stream from the point of collection through disposal, thereby maximizing the rate of waste internalization, increasing our operating margins and improving our operating cash flows. Internalization refers to the disposal of collected waste into the landfills we own. All collected waste must ultimately be processed or disposed of, with landfills being the main depository for such waste. Generally, the most cost efficient collection services occur within a 35-mile operating radius from the disposal site (up to 100 miles if a transfer station is used). Collection companies that do not own a landfill within such range from their collection routes will usually have to dispose of the waste they collect in landfills owned by third parties. Thus, owning a landfill in a market area provides substantial leverage in the waste management business.

As of December 31, 2007, we owned 24 landfills throughout the regions we serve, two of which, though fully permitted, have not yet commenced operations. We believe that our relatively high number of landfills coupled with the geographic locations of those landfills in the regions we serve positions us to maintain relatively high levels of internalization within our existing markets. As a result of our vertical integration, for the years ended December 31, 2007 and 2006, we internalized approximately 74% and 76% of the total waste we collected, respectively.

Acquisition Strategy

Our acquisition strategy targets operations that we believe will benefit from our core operating strategy of maximizing the internalization of waste. We intend to make acquisitions for two primary purposes: (i) to expand our operations in market areas we already service ("tuck-in" acquisitions); and (ii) to gain entry into new markets ("strategic" acquisitions). Please read "—Acquisition History After Our Initial Public Offering" below for more information. We intend to focus our strategic acquisitions in markets that are generally characterized by one or more of the following characteristics: (i) the availability of adequate disposal capacity, either through acquisitions or through agreements with third parties; (ii) the opportunity for us to acquire a significant market share; and (iii) steady projected economic or population growth rates.

Since ownership of landfills is essential for internalization of waste, we look for opportunities to enter a new market by acquiring or managing a permitted landfill operation in that market. However, while we generally prefer to use a landfill acquisition as our entry into a new market, we, nevertheless, may acquire a collection operation in a new market first if we believe we will be able to acquire a permitted landfill operation in that market within a relatively short time after acquiring the collection operation.

Once we establish a presence in a new market, we intend to expand our presence by tuck-in acquisitions; that is, by acquiring companies that also operate in that market or in adjacent markets, especially collection companies and transfer stations that allow us to increase internalization of waste into landfills that we own or operate. Effective tuck-in acquisitions allow growth in revenue and an increase in market share and enable disposal internalization and consolidation of duplicative facilities and functions to maximize cost efficiencies and economies of scale.

We have generally targeted markets in the south and central regions of the United States because we believe that they: (i) are served by a large number of independent non-hazardous solid waste operations, many of which we believe may be suitable for acquisition by us; (ii) generally experience less seasonal fluctuation in the demand for solid waste services than other regions; and (iii) are projected to have steady economic and population growth rates.

Acquisition Opportunities

Despite ongoing consolidation, the solid waste services industry remains fragmented and regional in nature. As indicated above, we believe private companies and public companies, other than the three largest public waste companies, represent approximately 18% of the estimated \$52 billion in annual revenue generated by the solid waste industry. This condition contributes to the fragmented nature of the industry, with many small operations co-existing with a relatively small number of large organizations. While many of these operations may represent attractive acquisition candidates to a company of our size, many are too small to make any material impact on the revenues of the large companies in our industry and are thus less attractive to them. Accordingly, we believe that we have a greater opportunity for growth through acquisitions, when calculated as a percentage of revenue, than companies larger than us.

Management Experience

We believe that one of the important factors that will enable us to continue our acquisition-based growth strategy is the experience of our management.

Our management is extremely experienced in the waste industry and in consummating waste company acquisitions. Our co-founder and chairman of the board and chief executive officer, Tom J. Fatjo, Jr., has over 40 years of experience in the solid waste industry, beginning with Browning-Ferris Industries, Inc., or BFI, which he founded in 1966. Our other co-founder, president and chief operating officer, Jerome M. Kruszka, has over 35 years of experience in the solid waste management industry, beginning with Waste Management, Inc. and its affiliates, where he held a number of managerial positions during his tenure there. Both Mr. Fatjo, Jr. and Mr. Kruszka have overseen the acquisition and integration of several hundred solid waste operations during their careers in the industry. Additionally, our other senior executive officers, Charles A. Casalnova and Tom J. Fatjo, III, and our five regional managers have an average of over 22 years of experience in the industry, in each case involving substantial experience acquiring and integrating waste management assets and operations.

Acquisition History After Our Initial Public Offering

In June 2004, we completed an initial public offering of our common stock. In 2006, we issued our Series A Preferred Stock, issued senior notes, and entered into our current senior secured facilities. Please read notes 7 and 9 to our Consolidated Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources." The proceeds from these financing transactions, as well as issuance of common stock (or securities convertible into common stock), enabled us to acquire the following operations from June 2004 through March 1, 2008:

- In July 2004, we purchased Texas Environmental Waste, a residential and roll-off collection company in Houston, Texas.
- In August 2004, we purchased Ashley Trash Service, a residential collection operation in Seymour, Missouri, and Power Waste, a roll-off collection operation in Birmingham, Alabama.
- In September 2004, we acquired Blount Recycling and other related companies, which included a landfill and roll-off collection operation in Trafford, Alabama, a transfer station and roll-off collection operation in Huntsville, Alabama, a transfer station in Midfield, Alabama, and a hauling operation in Tuscaloosa, Alabama.
- In September 2004, we acquired Translift, Inc., a commercial and roll-off collection company in Little Rock, Arkansas.
- In November 2004, we acquired Rural Disposal, Inc., a residential, commercial and roll-off collection company in Willow Springs, Missouri.

Table of Contents

- In November 2004, we purchased Trash Away, Inc., which consisted of a transfer station and MRF, commercial, residential and roll-off collection company, and a portable toilet operation in Piedmont, South Carolina.
- In January 2005, we acquired Eagle Ridge landfill located approximately 45 miles northwest of St. Louis near Bowling Green, Missouri.
- In April 2005, we acquired certain assets from MRR Southern consisting of two landfills, two transfer stations and two MRFs in High Point and Raleigh, North Carolina.
- In May 2005, we completed two tuck-in acquisitions by acquiring Triad Waste and Triangle Environmental, roll-off collection companies in High Point and Raleigh, North Carolina. We also purchased Foster Ferguson, a residential and commercial collection operation in El Dorado Springs, Missouri, and Proper Disposal, a commercial and roll-off collection operation in Chanute, Kansas.
- In October 2005, we acquired Fort Meade landfill located in Fort Meade, Florida, from Waste Corporation of Central Florida, Inc., a subsidiary of Waste Corporation of America, LLC, a company owned by management and shareholders that were shareholders of our predecessor and former parent.
- In October 2005, we acquired certain assets from Meyer & Gabbert, which consisted of one landfill, three transfer stations and a roll-off collection operation in the Sarasota/Arcadia, Florida market area.
- In October 2005, we purchased Andy's Hauling, a roll-off collection operation in Sarasota, Florida, and Pendergrass, a commercial and residential collection operation in Springfield, Missouri.
- In February 2006, we acquired the membership interests of Transit Waste, LLC, which consisted of one landfill located near Durango, Colorado and a commercial, residential and roll-off collection operation in Bloomfield, New Mexico area from Waste Corporation of America, LLC.
- In August 2006, we completed the acquisition of Fort Myers transfer station located in Fort Myers, Florida, from Waste Corporation of Florida, Inc., a subsidiary of Waste Corporation of America, LLC. Fort Myers transfer station was exchanged in June 2007 as part of the acquisition from Waste Services, Inc.
- In October 2006, we acquired the membership interests of WCA of St. Lucie, LLC, which consisted of one transfer station located in St. Lucie, Florida, from Waste Corporation of Florida, Inc., a subsidiary of Waste Corporation of America, LLC.
- In December 2006, we purchased certain assets from Sunrise Disposal, LLC consisting of one commercial and residential collection operation located in Springfield, Missouri.
- In January 2007, we acquired the stock of Southwest Dumpster, Inc., a roll-off collection operation in Fort Myers, Florida. This collection operation was exchanged in June 2007 as part of the acquisition from Waste Services, Inc.
- In February 2007, we purchased American Waste, Inc. and affiliated companies, which consists of three landfills and four collection operations located near Oklahoma City, Oklahoma.
- In March 2007, we acquired the assets of Klean Way Disposal, Inc., a residential collection operation located in Springfield, Missouri.
- In May 2007, we acquired Carpenter Waste Systems, LLC, a roll-off collection operation located near Oklahoma City, Oklahoma.

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- In June 2007, we completed the purchase of a landfill, a transfer station, collection routes and other assets in Houston, Texas from Waste Services, Inc. and the exchange of our hauling and transfer operations in the Fort Myers, Florida market.
- In August 2007, we acquired Big Red Containers, Inc., a roll-off collection operation located in Ardmore, Oklahoma near one of our landfills.
- In September 2007, we purchased the assets of Roll-Off Rentals, a roll-off collection operation in Huntsville, Alabama.
- In October 2007, we acquired the membership interests of Waste Pro Services, LLC, a collection operation located in Houston, Texas.
- In October 2007, we completed two tuck-in acquisitions by acquiring DH Griffin Container Services, LLC and DH Griffin Container of Raleigh, LLC, roll-off collection operations in Greensboro and Raleigh, North Carolina.
- In January 2008, we purchased certain collection routes in Oklahoma City, Oklahoma from Maguire Disposal, Inc.

Please read "Management's Discussion and Analysis of Financial Condition and Results of Operations—Executive Overview—Acquisition Strategy Overview" for more information regarding each of the completed acquisitions. For a summary of the impact of the acquisitions during 2007, 2006 and 2005 on reported financial results for such periods, please read note 3 to our Consolidated Financial Statements.

We have integrated all of our completed acquisitions to date into our existing operations. However, it may take up to a year to fully realize operating synergies.

Our Operations

Our operations consist of the collection, transfer, processing and disposal of solid waste. Our revenue mix for the years ended December 31, 2007, 2006 and 2005 is shown in the table below (dollars in thousands):

	2007		2006		2005	
	\$	%	\$	%	\$	%
Collection	\$ 114,217	61.7%	\$ 85,800	57.4%	\$ 69,786	61.1%
Disposal	43,803	23.7%	39,066	26.1%	30,602	26.8%
Transfer and other, net	26,920	14.6%	24,631	16.5%	13,755	12.1%
Total revenue	\$ 184,940	100.0%	\$ 149,497	100.0%	\$ 114,143	100.0%

We have a broad and diverse customer base; no single customer accounted for more than 2% of our revenue for any of the years ended December 31, 2007, 2006 or 2005. Please read "Management's Discussion and Analysis of Financial Condition and Results of Operations" and note 12 to our consolidated financial statements for certain geographic information relating to our operations.

Collection Services

As of December 31, 2007, we provided solid waste collection services to approximately 329,000 industrial, commercial and residential customers in 12 states through 27 collection operations. In 2007, our collection revenue consisted of approximately 47% from services provided to industrial customers, 17% from services provided to commercial customers and 36% from services provided to residential customers.

In our commercial collection operations, we supply our customers with waste containers of various types and sizes. These containers are designed so that they can be lifted mechanically and emptied into a collection truck to be transported to a disposal facility. By using these containers, we can service most of our commercial customers with trucks operated by a single employee. Commercial collection services are generally performed under service agreements with a duration of one to five years with possible renewal options. Fees are generally determined by such considerations as individual market factors, collection frequency, the type of equipment we furnish, the type and volume or weight of the waste to be collected, the distance to the disposal facility and the cost of disposal.

Residential solid waste collection services often are performed under contracts with municipalities, which we generally secure by competitive bid and which give us exclusive rights to service all or a portion of the homes in these municipalities. These contracts usually range in duration from one to five years with possible renewal options. Residential solid waste collection services may also be performed on a subscription basis, in which individual households or homeowners' or similar associations contract directly with us. The fees received for residential collection are based primarily on market factors, frequency and type of service, the distance to the disposal facility and the cost of disposal.

Additionally, we rent waste containers and provide collection services to construction, demolition and industrial sites. We load the containers onto our vehicles and transport them with the waste to either a landfill or a transfer station for disposal. We refer to this as "roll-off" collection. Roll-off collection services are generally performed on a contractual basis. Contract terms tend to be shorter in length and may vary according to the customers' underlying projects.

Transfer and Disposal Services

Landfills are the main depository for solid waste in the United States. Solid waste landfills are built and operated under stringent regulations. Currently, solid waste landfills in the United States must be designed, permitted, operated, closed and maintained after closure in compliance with federal, state and local regulations pursuant to Subtitle D of the Resource Conservation and Recovery Act of 1976, as amended. We do not operate hazardous waste landfills, which are subject to even greater regulations. Operating a solid waste landfill includes excavating, constructing liners, continually spreading and compacting waste and covering waste with earth or other inert material as required, final capping, closure and post-closure. The objectives of these operations are to maintain sanitary conditions, to ensure the best possible use of the airspace and to prepare the site so that it can ultimately be used for other purposes.

Access to a disposal facility is a necessity for all solid waste management companies. While access to disposal facilities owned or operated by third parties can be obtained, we believe it is preferable to internalize the waste streams. When we internalize waste we collect, we pay ourselves instead of a third party landfill operator and generally are able to realize higher operating margins and stronger operating cash flows.

In areas where we conduct collection operations remote from one of our landfills, we often pursue the acquisition or development of transfer stations. Transfer stations allow us to consolidate waste for subsequent transfer in larger loads, thereby making disposal in our otherwise remote landfills economically feasible. A transfer station is a facility located near residential and commercial collection routes where collection trucks take the solid waste that has been collected. The waste is unloaded from the collection trucks and reloaded onto larger transfer trucks for transportation to a landfill for final disposal. In addition to increasing our ability to internalize the waste our collection operations collect, using transfer stations reduces the costs associated with transporting waste to final disposal sites because the trucks we use for transfer have a larger capacity than collection trucks, thus allowing more waste to be transported to the disposal facility in each trip. It also increases the efficiency of our collection personnel and equipment because it allows them to focus more on collection. The following table reflects the number of transfer stations/MRFs we owned and operated by state as of December 31, 2007, 2006 and 2005.

	<u>2007</u>	<u>2006</u>	<u>2005</u>
Alabama	3	3	2
Arkansas	2 (1)	2 (1)	2 (1)
Florida	4	5	3
Kansas	1	—	—
Missouri	7 (1)	8 (1)	8 (1)
North Carolina	3	3	3
South Carolina	1	1	1
Texas	2	2	2
Total	<u>23</u>	<u>24</u>	<u>21</u>

(1) Includes two transfer stations we operated but did not own, one in Arkansas and one in Missouri.

The fees charged at disposal facilities are based on market factors, as well as the type and weight or volume of solid waste deposited and the type and size of the vehicles used in the transportation of the waste. The fees charged to third parties who deposit waste at our transfer stations are generally based on the type and volume or weight of the waste transferred and the distance to the disposal site.

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Landfills

As of December 31, 2007, we owned 24 non-hazardous solid waste landfills in 11 states, two of which, though fully permitted, have not yet commenced operations. The following table sets forth certain information as of December 31, 2007 for each of our landfills. The table does not include information for the landfills acquired after December 31, 2007 as discussed in "—Acquisition History After Our Initial Public Offering" above.

Landfill	Location	Permitted Waste	Permitted Capacity (1) (Cu. Yds)	Probable Expansion Capacity (2) (Cu. Yds)	Total Capacity (3) (Cu. Yds)	Remaining Permitted Life (4) (Years)	Total Remaining Life (3)(4) (Years)
Oak Grove	Arcadia, KS	MSW	6,578,601	24,524,000	31,102,601	30.0	141.6
Black Oak	Hartville, MO	MSW	6,828,981	—	6,828,981	13.7	13.7
Central Missouri	Sedalia, MO	MSW	5,992,600	3,452,341	9,444,941	22.1	34.8
Eagle Ridge	Bowling Green, MO	MSW	2,926,152	16,335,000	19,261,152	14.2	93.5
Rolling Meadows	Hazen, AR	MSW	4,531,051	9,800,000	14,331,051	33.1	104.6
Union County	El Dorado, AR	MSW	3,890,786	496,100	4,386,886	22.8	25.7
Darrell Dickey(5)	Houston, TX	MSW	5,239,003	—	5,239,003	N/A(5)	N/A(5)
Fort Bend	Houston, TX	MSW	46,334,606	15,861,754	62,196,360	59.0	79.2
Pauls Valley	Oklahoma City, OK	MSW	7,238,951	—	7,238,951	111.4	111.4
Sooner	Oklahoma City, OK	MSW	1,793,834	3,649,284	5,443,118	19.2	58.2
Bondad	Durango, CO	MSW	3,017,852	—	3,017,852	32.9	32.9
Hardy Road	Houston, TX	C&D	6,289,599	—	6,289,599	11.8	11.8
Greenbelt	Houston, TX	C&D	5,776,390	1,400,000	7,176,390	16.7	20.7
Ralston Road	Houston, TX	C&D	740,834	2,220,739	2,961,573	1.9	7.7
Applerock(5)	Houston, TX	C&D	8,750,000	—	8,750,000	N/A(5)	N/A(5)
Shiloh	Travelers Rest, SC	C&D	1,369,763	1,575,683	2,945,446	9.6	20.7
Yarnell	Knoxville, TN	C&D	1,122,968	—	1,122,968	13.6	13.6
Blount	Trafford, AL	C&D	4,634,996	38,839,568	43,474,564	19.0	178.5
Fines	Alpine, AL	C&D/Industrial	922,179	7,096,062	8,018,241	8.2	71.0
High Point	High Point, NC	C&D	4,100,787	—	4,100,787	31.4	31.4
Raleigh	Raleigh, NC	C&D	7,265,471	6,612,722	13,878,193	29.5	56.4
DeSoto	Arcadia, FL	C&D	5,402,478	20,024,569	25,427,047	17.8	83.7
Fort Meade	Ft Meade, FL	C&D	4,563,031	3,635,910	8,198,941	14.6	26.3
Northeast	Oklahoma City, OK	C&D	4,655,924	—	4,655,924	13.5	13.5
Total			149,966,837	155,523,732	305,490,569	24.8	55.9

- (1) Permitted capacity includes the total available airspace approved by local regulatory agencies for our use. Additional approvals may be required for construction and use of specific cells within the permitted area. At any given time, certain landfills may be nearing the full capacity of existing approved cells. The failure to obtain a consent or approval for construction or use of additional cells could have a material effect. If the consent or approval is not obtained, we will evaluate alternative actions, such as diverting waste streams and pursuing legal recourse to challenge rulings. See "Risk Factors—Risks Relating to Our Business—We may not be successful in expanding the permitted capacity of our current or future landfills, which could restrict our growth, increase our disposal costs, and reduce our operating margins."

- (2) Probable expansion capacity includes possible expansion capacity that we believe, based on industry practice and our experience, is likely to be permitted. The criteria we use to determine if permit expansion is probable include, but are not limited to whether: (i) we believe that the project has fatal flaws; (ii) the land is owned or controlled by us, or under option agreement; (iii) we have committed to the expansion; (iv) financial analysis has been completed, and the results indicate that the expansion has the prospect of a positive financial and operational impact; (v) personnel are actively working to obtain land use, local, and state approvals for an expansion of an existing landfill; (vi) we believe the permit is likely to be received; and (vii) we believe that the timeframe to complete the permitting is reasonable. Please read "Management's Discussion and Analysis of Financial Condition and Results of Operations" and notes 1 and 2 to our consolidated financial statements for information regarding our landfill accounting and use of estimates.
- (3) Includes expansions that we classify as "probable." Please read "Management's Discussion and Analysis of Financial Condition and Results of Operations" and notes 1 and 2 to our consolidated financial statements for information regarding our landfill accounting and use of estimates.
- (4) Based on current and estimated future disposal volumes.
- (5) Fully permitted but has not yet commenced operations, and therefore remaining permitted life and total remaining life cannot be calculated.

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As indicated in the table above, as of December 31, 2007, 11 of our landfills were permitted to accept municipal solid waste. The remaining 13 landfills were permitted to accept non-hazardous dry construction and demolition debris, which generally includes bricks, boards, metal, concrete, wall board and similar materials. All of our landfills accept waste from municipalities, private sector waste collection companies and the general public.

Based on remaining permitted capacity (including probable expansions) as of December 31, 2007 and projected annual disposal volumes, the average remaining landfill life of our 22 operating landfills at December 31, 2007 was approximately 55.9 years. Some of our landfills have the potential for expanded disposal capacity beyond their currently permitted limits. We monitor the availability of permitted disposal capacity at each of our landfills on an ongoing basis and evaluate whether to pursue an expansion at a given landfill. In making this determination with respect to a particular landfill, we consider a number of factors, including the estimated future volume of waste to be disposed of at the landfill, the estimated future prices for disposal of waste at the landfill, the amount of unpermitted acreage included in the landfill, the likelihood that we will be able to obtain the required approvals and permits for expansion and the costs of developing the additional capacity. Please read notes 1 and 2 to our consolidated financial statements for information regarding our landfill accounting and use of estimates. We also regularly consider whether it is advisable, in light of changing market conditions and/or regulatory requirements, to seek to expand or change the permitted waste streams or to seek other permit modifications.

We are currently seeking to expand permitted capacity at several of our landfills. The table above includes a column reflecting expansions that we believe to be "probable" based on various estimates and assumptions. For a description of how we make determinations whether permit expansion is probable, please read "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Estimates and Assumptions—Landfill Accounting" and Note 1(f) to our Consolidated Financial Statements. However, we note that we may not be able to obtain permits for expansions, including expansions that we considered to be probable. Therefore, the average remaining landfill life of our 22 operating landfills as of December 31, 2007 may not be 55.9 years when considering remaining permitted capacity, probable expansion capacity and projected annual disposal volume. Please read "Risk Factors—Risks Relating to Our Business—We may not be successful in expanding the permitted capacity of our current or future landfills, which could restrict our growth, increase our disposal costs, and reduce our operating margins."

Available Airspace

The following table reflects airspace activity for landfills owned or operated by us for the years ended December 31, 2007, 2006 and 2005. The table does not include airspace activity for the landfill acquired after December 31, 2007 as discussed in "—Acquisition History After Our Initial Public Offering" above.

	Balance as of December 31, 2006	New Expansions Undertaken	Landfills Acquired, Net of Divestiture	Permits Granted	Airspace Consumed	Changes in Engineering Estimates and Design	Balance as of December 31, 2007
Permitted airspace:							
Cubic yards (in thousands)	95,676	—	53,222	7,036	(5,456)	(511)	149,967
Number of sites	20	—	4	—	—	—	24
Expansion airspace:							
Cubic yards (in thousands)	127,409	8,604	26,547	(7,036)	—	—	155,524
Number of sites	12	1	3	(1)	—	—	15
Total available airspace:							
Cubic yards (in thousands)	223,085	8,604	79,769	—	(5,456)	(511)	305,491
Number of sites	20		4				24

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	Balance as of December 31, 2005	New Expansions Undertaken	Landfills Acquired, Net of Divestiture	Permits Granted	Airspace Consumed	Changes in Engineering Estimates and Design	Balance as of December 31,2006
Permitted airspace:							
Cubic yards (in thousands)	92,583	—	3,171	5,204	(4,806)	(476)	95,676
Number of sites	19	—	1	—	—	—	20
Expansion airspace:							
Cubic yards (in thousands)	86,266	46,262	—	(5,204)	—	85	127,409
Number of sites	12	3	—	(3)	—	—	12
Total available airspace:							
Cubic yards (in thousands)	178,849	46,262	3,171	—	(4,806)	(391)	223,085
Number of sites	19	—	1	—	—	—	20

	Balance as of December 31, 2004	New Expansions Undertaken	Landfills Acquired, Net of Divestiture	Permits Granted	Airspace Consumed	Changes in Engineering Estimates and Design	Balance as of December 31,2005
Permitted airspace:							
Cubic yards (in thousands)	73,109	—	23,923	—	(3,854)	(595)	92,583
Number of sites	14	—	5	—	—	—	19
Expansion airspace:							
Cubic yards (in thousands)	39,986	—	46,138	—	—	142	86,266
Number of sites	8	—	4	—	—	—	12
Total available airspace:							
Cubic yards (in thousands)	113,095	—	70,061	—	(3,854)	(453)	178,849
Number of sites	14	—	5	—	—	—	19

We perform periodic engineering reviews of our landfill capacity. Based on these reviews, there may be changes in the estimated available remaining capacity of a landfill or changes in the utilization of such landfill capacity, affecting the amount of waste that can be placed in the future. Estimates of the amount of waste that can be placed in the future are reviewed annually and are based on a number of factors, including site-specific factors such as current and projected mix of waste type; initial and projected waste density; estimated number of years of life remaining; and depth of underlying waste. We continually focus on improving the utilization of airspace through efforts that include recirculating landfill leachate where allowed by permit; optimizing the placement and utilization of alternative daily cover; and increasing initial compaction through improved landfill equipment, operations and training.

Risk Management, Insurance and Financial Assurances

Our environmental risk management program includes evaluating existing facilities and potential acquisitions for environmental compliance. We do not presently expect environmental compliance costs to increase materially above current levels, but we cannot predict whether recent and future acquisitions will cause such costs to increase. We also maintain a worker safety program that encourages safe practices in the workplace. Operating practices at all of our facilities emphasize minimizing the possibility of environmental contamination and liability.

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The nature of our business exposes us to the risk of liabilities arising out of our operations, including possible damages to the environment. Such potential liabilities could involve, for example: (i) claims for remediation costs, personal injury, property damage and damage to the environment in cases where we may be held responsible for the escape of harmful materials; (ii) claims of employees, customers or third parties for personal injury or property damage occurring in the course of our operations; or (iii) claims alleging negligence in the planning or performance of work. We could also be subject to fines and civil and criminal penalties in connection with alleged violations of regulatory requirements. Because of the nature and scope of the possible environmental damages, liabilities imposed in environmental litigation can be significant. Our solid waste operations have third party environmental liability insurance with limits in excess of those required by permit regulations, subject to certain limitations and exclusions, which we believe are customary in the industry. However, the limits of such environmental liability insurance may be inadequate in the event of a major loss. Further, we may be unable to continue to carry excess environmental liability insurance should market conditions in the insurance industry make such coverage prohibitively expensive.

We have property insurance, general liability, automobile physical damage and liability, employment practices liability, pollution liability, directors and officers liability, fiduciary liability, workers' compensation and employer's liability coverage, as well as umbrella liability policies to provide excess coverage over the underlying limits contained in our primary general liability, automobile liability and employer's liability policies. Each of our insurance policies contains a per occurrence or per loss deductible for which we are responsible. Our deductibles range from \$5,000 per loss under our property insurance coverage to \$100,000 for general liability and \$250,000 per occurrence or loss under our automobile liability and workers' compensation and employer's liability coverages. In addition, we have a \$500,000 per loss deductible under our pollution liability coverage. Accordingly, we are effectively self-insured for these amounts with respect to claims covered by our insurance policies, as well as with respect to amounts that exceed our policy limits (including our umbrella policy limits, where applicable). In the future, we may be exposed to uninsured liabilities which could have a material adverse effect on our financial condition, results of operations or cash flows. Please read note 13(e) to our consolidated financial statements.

In the normal course of business, we are required to post performance bonds, insurance policies, letters of credit and/or cash deposits in connection with the performance of municipal residential collection contracts, the operation, closure or post-closure of landfills, certain environmental permits and certain business licenses and permits. Bonds issued by surety companies operate as a financial guarantee of our performance. We have satisfied financial responsibility requirements by obtaining bank letters of credit, insurance policies, performance bonds or making cash deposits.

As of December 31, 2007, we obtained performance bonds in an aggregate amount of approximately \$51.9 million and letters of credit in an aggregate amount of approximately \$10.4 million, supporting performance of landfill closure and post-closure requirements, insurance contracts, municipal contracts and other financial assurance obligations. For a description of the surety bonds and letter of credit commitments we had in place as of December 31, 2007, please read "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Other Commitments." If in the future we are unable to obtain such instruments in sufficient amounts or at acceptable rates, we could be precluded from entering into additional municipal solid waste collection contracts or obtaining or retaining landfill or transfer station operating permits. Please read "—Risk Factors—Risks Relating To Our Business—We may be unable to obtain financial assurances necessary for our operations, which could result in the closure of landfills or the termination of collection contracts."

Competition

The solid waste collection and disposal industry is highly competitive and fragmented and requires substantial labor and capital resources. The industry presently includes three large, publicly-held, national waste companies, Waste Management, Inc., Allied Waste Industries, Inc., and Republic Services, Inc., as well as other public and privately-held waste companies. As indicated above in "Business—Industry Overview," we believe that these three companies account for approximately 57% of the estimated \$52 billion of annual revenue generated by the industry. Certain of the markets in which we compete or will likely compete are served by one or more of these companies, as well as by numerous privately-held regional and local solid waste companies of varying sizes and resources, some of which have accumulated substantial goodwill in their markets. We also compete with operators of alternative disposal facilities and with counties, municipalities and solid waste districts that maintain their own waste collection and disposal operations. Public sector operations may have financial advantages over us because of their access to user fees and similar charges, tax revenues and tax-exempt financing.

We compete for collection, transfer and disposal volume based primarily on geographic location and the price and quality of our services. From time to time, our competitors may reduce the price of their services in an effort to expand their market shares or service areas or to win competitively bid municipal contracts. These practices may cause us to reduce the price of our services or, if we elect not to do so, to lose business.

The solid waste collection and disposal industry has undergone significant consolidation, and we encounter competition in our efforts to acquire landfills, transfer stations and collection operations. Intense competition exists not only for collection, transfer and disposal volume but also for acquisition candidates. We generally compete for acquisition candidates with publicly-owned waste management companies, private equity backed firms as well as numerous privately-held regional and local solid waste companies of varying sizes and resources. Competition in the disposal industry may also be affected by the increasing national emphasis on recycling and other waste reduction programs, which may reduce the volume of waste deposited in landfills. Accordingly, it may become uneconomical for us to make further acquisitions or we may be unable to locate or acquire suitable acquisition candidates at price levels and on terms and conditions that we consider appropriate, particularly in markets we do not already serve.

Non-Competition Agreements

We were a party to a mutual non-competition agreement with Waste Corporation of America, LLC, a company owned by management and shareholders that were shareholders of our predecessor and former parent. In 2005 and 2006, we acquired Waste Corporation of Central Florida, Inc., Transit Waste, LLC, Fort Myers transfer station and WCA of St. Lucie, LLC from Waste Corporation of America, LLC and, in connection with such acquisitions, we were released from the non-competition agreement in favor of Waste Corporation of America, LLC. However, Waste Corporation of America, LLC (which does not currently have any significant operations), remains subject to a non-competition agreement in favor of us, which precludes it and its subsidiaries from acquiring or operating any waste operations within 50 miles of any of our or our subsidiaries' operations in Alabama, Arkansas, Kansas, Missouri, South Carolina, Tennessee or Texas through June 2009.

Sales and Marketing

We focus our marketing efforts on continuing and expanding business with existing customers, as well as attracting new customers. Our sales and marketing strategy is to provide prompt, high quality, comprehensive solid waste collection, transfer and disposal services to our customers at competitive prices. We target potential customers of all sizes, from small quantity generators to large companies and municipalities. Because the waste collection and disposal business is a very localized business, most of our marketing activity is local in nature. However, we do have a vice president of sales who is responsible for overseeing our sales and marketing efforts, including assisting in hiring and setting compensation programs.

Government Contracts

We are parties to contracts with municipalities and other associations and agencies. Many of these contracts are or will be subject to competitive bidding. We may not be the successful bidder, or we may have to substantially lower prices in order to be the successful bidder. In addition, some of our customers may terminate their contracts with us before the end of the contract term.

Municipalities may annex unincorporated areas within counties where we provide collection services, and as a result, our customers in annexed areas may be required to obtain service from competitors who have been franchised or contracted by the annexing municipalities to provide those services. Some of the local jurisdictions in which we currently operate grant exclusive franchises to collection and disposal companies, others may do so in the future, and we may enter markets where franchises are granted by certain municipalities.

Regulation

Our business is subject to extensive and evolving federal, state and local environmental, health, safety and transportation laws and regulations. These laws and regulations are administered by the U.S. Environmental Protection Agency, or EPA, and various other federal, state and local environmental, zoning, air, water, transportation, land use, health and safety agencies. Many of these agencies regularly inspect our operations to monitor compliance with these laws and regulations. Governmental agencies have the authority to enforce compliance with these laws and regulations and to obtain injunctions or impose civil or criminal penalties in cases of violations. We believe that regulation of the waste industry will continue to evolve, and we will adapt to future legal and regulatory requirements to ensure compliance.

Our operation of landfills subjects us to certain operational, monitoring, site maintenance, closure, post-closure and other obligations which could give rise to increased costs for compliance and corrective measures. In connection with our acquisition of landfills and continued operation or expansion of our landfills, we must often spend considerable time to increase the capacity of these landfills. We may be unable to obtain or maintain necessary governmental approvals. Once obtained, operating permits are subject to modification and revocation by the issuing agency. Compliance with these and any future regulatory requirements could require us to make significant capital and operating expenditures. However, most of these expenditures are made in the normal course of business and do not place us at any competitive disadvantage.

Our operations are subject to extensive regulation, principally under the federal statutes described below.

The Resource Conservation and Recovery Act of 1976, as amended, or RCRA. RCRA regulates the handling, transportation and disposal of hazardous and non-hazardous wastes and delegates authority to states to develop programs to ensure the safe disposal of solid wastes. On October 9, 1991, the EPA promulgated Solid Waste Disposal Facility Criteria for non-hazardous solid waste landfills under Subtitle D of RCRA. Subtitle D includes location standards, facility design and operating criteria, closure and post-closure requirements, financial assurance standards and groundwater monitoring, as well as corrective action standards, many of which had not commonly been in place or enforced at landfills. Subtitle D applies to all solid waste landfill cells that received waste after October 9, 1991, and, with limited exceptions, required all landfills to meet these requirements by October 9, 1993. All states in which we operate have EPA-approved programs which implemented at least the minimum requirements of Subtitle D.

The Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, or CERCLA. CERCLA, which is also known as Superfund, addresses problems created by the release or threatened release of hazardous substances (as defined in CERCLA) into the environment. CERCLA's primary mechanism for achieving remediation of such problems is to impose strict, joint and several liability for cleanup of disposal sites on current owners and operators of the site, former site owners and operators at the time of disposal and parties who arranged for disposal at the facility (*i.e.*, generators of the waste and transporters who select the disposal site). The costs of a CERCLA cleanup can be substantial. Liability under CERCLA is not dependent on the existence or intentional disposal of "hazardous wastes" (as defined under RCRA), but can also be based upon the release or threatened release, even as a result of lawful, unintentional and non-negligent action, of any one of the more than 700 "hazardous substances" listed by the EPA, even in minute amounts.

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The Federal Water Pollution Control Act of 1972, as amended, or the Clean Water Act. This act establishes rules regulating the discharge of pollutants into streams and other waters of the United States (as defined in the Clean Water Act) from a variety of sources, including solid waste disposal sites. If runoff from our landfills or transfer stations may be discharged into surface waters, the Clean Water Act requires us to apply for and obtain discharge permits, conduct sampling and monitoring and, under certain circumstances, reduce the quantity of pollutants in those discharges. In 1990, the EPA issued additional rules under the Clean Water Act, which establish standards for management of storm water runoff from landfills and which require landfills that receive, or in the past received, industrial waste to obtain storm water discharge permits. In addition, if a landfill or transfer station discharges wastewater through a sewage system to a publicly-owned treatment works, the facility must comply with discharge limits imposed by the treatment works. Also, if development of a landfill may alter or affect "wetlands," the owner may have to obtain a permit and undertake certain mitigation measures before development may begin. This requirement is likely to affect the construction or expansion of many solid waste disposal sites.

The Clean Air Act of 1970, as amended, or the Clean Air Act. The Clean Air Act provides for increased federal, state and local regulation of the emission of air pollutants. The EPA has applied the Clean Air Act to solid waste landfills and vehicles with heavy duty engines, such as waste collection vehicles. Additionally, in March 1996, the EPA adopted New Source Performance Standards and Emission Guidelines (the "Emission Guidelines") for municipal solid waste landfills to control emissions of landfill gases. These regulations impose limits on air emissions from solid waste landfills. The Emission Guidelines impose two sets of emissions standards, one of which is applicable to all solid waste landfills for which construction, reconstruction or modification was commenced before May 30, 1991. The other applies to all municipal solid waste landfills for which construction, reconstruction or modification was commenced on or after May 30, 1991. The Emission Guidelines are being implemented by the states after the EPA approves the individual state's program. These guidelines, combined with the new permitting programs established under the Clean Air Act, subject solid waste landfills to significant permitting requirements and, in some instances, require installation of gas recovery systems to reduce emissions to allowable limits. The EPA also regulates the emission of hazardous air pollutants from municipal landfills and has promulgated regulations that require measures to monitor and reduce such emissions.

The Occupational Safety and Health Act of 1970, as amended, or OSHA. OSHA establishes certain employer responsibilities, including maintenance of a workplace free of recognized hazards likely to cause death or serious injury, compliance with standards promulgated by the Occupational Safety and Health Administration and various record keeping, disclosure and procedural requirements. Various standards, including standards for notices of hazards, safety in excavation and demolition work and the handling of asbestos, may apply to our operations.

Flow Control/Interstate Waste Restrictions. Certain permits and approvals, as well as certain state and local regulations, may limit a landfill or transfer station to accepting waste that originates from specified geographic areas, restrict the importation of out-of-state waste or wastes originating outside the local jurisdiction or otherwise discriminate against non-local waste. These restrictions, generally known as flow control restrictions, are controversial, and some courts have held that some flow control schemes violate constitutional limits on state or local regulation of interstate commerce. From time to time, federal legislation is proposed that would allow some local flow control restrictions. Although no such federal legislation has been enacted to date, if such federal legislation should be enacted in the future, states in which we own landfills could limit or prohibit the importation of out-of-state waste or direct that wastes be handled at specified facilities. Such state actions could adversely affect our landfills. These restrictions could also result in higher disposal costs for our collection operations. If we were unable to pass such higher costs through to our customers, our business, financial condition and operating results could be adversely affected.

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Certain state and local jurisdictions may also seek to enforce flow control restrictions through local legislation or contractually. In certain cases, we may elect not to challenge such restrictions. These restrictions could reduce the volume of waste going to landfills in certain areas, which may adversely affect our ability to operate our landfills at their full capacity and/or reduce the prices that we can charge for landfill disposal services. These restrictions may also result in higher disposal costs for our collection operations. If we were unable to pass such higher costs through to our customers, our business, financial condition and operating results could be adversely affected.

State and Local Regulation. Each state in which we now operate or may operate in the future has laws and regulations governing the generation, storage, treatment, handling, transportation and disposal of solid waste, occupational safety and health, water and air pollution and, in most cases, the siting, design, operation, maintenance, closure and post-closure maintenance of landfills and transfer stations. State and local permits and approval for these operations may be required and may be subject to periodic renewal, modification or revocation by the issuing agencies. In addition, many states have adopted statutes comparable to, and in some cases more stringent than, CERCLA. These statutes impose requirements for investigation and cleanup of contaminated sites and liability for costs and damages associated with such sites, and some provide for the imposition of liens on property owned by responsible parties. Furthermore, many municipalities also have ordinances, local laws and regulations affecting our operations. These include zoning and health measures that limit solid waste management activities to specified sites or activities, flow control provisions that direct or restrict the delivery of solid wastes to specific facilities, laws that grant the right to establish franchises for collection services and then put such franchises out for bid and bans or other restrictions on the movement of solid wastes into a municipality.

Permits or other land use approvals with respect to a landfill, as well as state or local laws and regulations, may specify the quantity of waste that may be accepted at the landfill during a given time period and/or specify the types of waste that may be accepted at the landfill. Once an operating permit for a landfill is obtained, it must generally be renewed periodically.

There has been an increasing trend at the state and local level to mandate and encourage waste reduction and recycling and to prohibit or restrict the disposal in landfills of certain types of solid wastes, such as yard wastes, beverage containers, unshredded tires, lead-acid batteries, paper, cardboard and household appliances. The enactment of regulations reducing the volume and types of wastes available for transport to and disposal in landfills could prevent us from operating our facilities at their full capacity.

Many states and local jurisdictions have enacted "bad boy" laws that allow the agencies that have jurisdiction over waste services contracts or permits to deny or revoke these contracts or permits based on the applicant's or permit holder's compliance history. Some states and local jurisdictions go further and consider the compliance history of the parent, subsidiaries or affiliated companies, in addition to that of the applicant or permit holder. These laws authorize the agencies to make determinations of an applicant's or permit holder's fitness to be awarded a contract to operate and to deny or revoke a contract or permit because of unfitness unless there is a showing that the applicant or permit holder has been rehabilitated through the adoption of various operating policies and procedures put in place to assure future compliance with applicable laws and regulations.

Some state and local authorities enforce certain federal laws in addition to state and local laws and regulations. For example, in some states, RCRA, OSHA, parts of the Clean Air Act and parts of the Clean Water Act are enforced by local or state authorities instead of the EPA, and in some states those laws are enforced jointly by state or local and federal authorities.

Public Utility Regulation. In many states, public authorities regulate the rates that landfill operators may charge. The adoption of rate regulation or the reduction of current rates in states in which we own landfills could adversely affect our business, financial condition and operating results.

Seasonality

Based on our industry and our historic trends, we expect our operations to vary seasonally. Typically, revenue will be highest in the second and third calendar quarters and lowest in the first and fourth calendar quarters. The fluctuation is primarily due to lower volumes of waste. We also expect that our operating expenses may be higher during the winter months due to periodic adverse weather conditions that can slow the collection of waste, resulting in higher labor and operational costs. Please read “—Risk Factors—Risks Relating To Our Operations and Corporate Organization—Seasonal fluctuations will cause our business and results of operations to vary among quarters, which could adversely affect our stock price.”

Employees

As of December 31, 2007, we had approximately 1,088 full-time employees. A group of 17 employees at one of our locations is represented by a union. In 2006, we negotiated with the union for a new collective bargaining agreement which has a term extending until March 2011. We have not experienced a significant work stoppage, and we believe our relations with our employees are good.

Available Information

As an accelerated filer, we electronically file certain documents with the Securities and Exchange Commission (the SEC). We file annual reports on Form 10-K; quarterly reports on Form 10-Q; and current reports on Form 8-K (as appropriate); along with any related amendments and supplements thereto. From time-to-time, we may also file registration statements and related documents in connection with equity or debt offerings. You may read and copy any materials we file with the SEC at the SEC’s Public Reference Room at 100 F Street, NE, Washington, DC 20549. You may obtain information regarding the Public Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an internet website at www.sec.gov that contains reports and other information regarding registrants that file electronically with the SEC.

Our Internet website is www.wcawaste.com. We make available through the “Investor Relations-SEC Filings” section of our internet website our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the Securities and Exchange Commission.

Item 1A. Risk Factors.

Risks Relating to Our Acquisition Program

We may be unable to identify, complete or integrate future acquisitions, which may harm our prospects.

We may be unable to identify appropriate acquisition candidates. If we do identify an appropriate acquisition candidate, we may not be able to negotiate acceptable terms or finance the acquisition or, if the acquisition occurs, effectively integrate the acquired business into our existing business. Negotiations of potential acquisitions and the integration of acquired business operations require a disproportionate amount of management's attention and our resources. Even if we complete additional acquisitions, continued financing may not be available or available on reasonable terms, any new businesses may not generate revenues comparable to our existing businesses, the anticipated cost efficiencies or synergies may not be realized and these businesses may not be integrated successfully or operated profitably or accretive to our earnings.

We compete for acquisition candidates with other purchasers, some of which have greater financial resources and may be able to offer more favorable terms, thus limiting our ability to grow through acquisitions.

Other companies in the solid waste services industry also have a strategy of acquiring and consolidating regional and local businesses. We expect that as the consolidation trend in our industry continues, the competition for acquisitions will increase. Competition for acquisition candidates may make fewer acquisition opportunities available to us or make those opportunities more expensive.

In connection with financing acquisitions, we may incur additional indebtedness, or may issue additional equity including common stock or preferred stock which would dilute the ownership percentage of existing stockholders.

We intend to finance acquisitions with available cash, borrowings under our credit facility, our equity including common stock or preferred stock, or a combination of these means. As a result, we may incur additional indebtedness or issue additional equity which would dilute the ownership percentage of existing stockholders. Our credit facility contains covenants restricting, among other things, the amount of additional indebtedness. We may offer equity as some or all of the consideration for certain acquisitions. Our ability to do so will depend in part on the attractiveness of our equity. This attractiveness may depend largely on the capital appreciation prospects of our equity compared to the equity of our competitors.

Businesses that we acquire may have unknown liabilities and require unforeseen capital expenditures, which would adversely affect our financial results.

We may acquire businesses with liabilities that we fail to discover, including liabilities arising from non-compliance with environmental laws by prior owners for which we may be responsible as the successor owner. Moreover, as we integrate a new business, we may discover that required expenses and capital expenditures are greater than anticipated, which would adversely affect our financial results.

Rapid growth may strain our management, operational, financial and other resources, which would adversely affect our financial results.

Executing our acquisition strategy will require significant time from our senior management. We may also be required to expand our operational and financial systems and controls and our management information systems capabilities. We may also need to attract and train additional senior managers, technical professionals and other employees. Failure to do any of these could restrict our ability to maintain and improve our profitability while continuing to grow.

Our acquisition strategy has resulted and is expected to continue to result in significant goodwill and other intangible assets, which may need to be written down if performance is not as expected.

As of December 31, 2007, we had approximately \$109.4 million of goodwill and other intangible assets, representing approximately 25.6% of our total assets. If we complete acquisitions at prices greater than the fair value of the assets acquired, we would generate additional goodwill. We are required to test our goodwill at least annually for impairment, which would require us to incur a charge if we determine there is a reduction in value. Any such charge would reduce our assets and earnings.

We may incur charges related to acquisitions, which could lower our earnings.

We capitalize some expenditures and advances relating to acquisitions and pending acquisitions, but expense indirect acquisition costs, including general corporate overhead, as they are incurred. We charge against earnings any unamortized capitalized expenditures and advances (net of any amount that we estimate we will recover, through sale or otherwise) that relate to any pending acquisition that is not consummated. We, therefore, may incur charges in future periods, which could lower our earnings.

Risks Relating To Our Business

Changes in interest rates may affect our profitability.

Our acquisition strategy could require us to incur substantial additional indebtedness in the future, which will increase our interest expense. Further, to the extent that these borrowings are subject to variable rates of interest, increases in interest rates will increase our interest expense, which will affect our profitability. In connection with the restructuring of our long-term debt in July 2006, we entered into a swap agreement effective July 11, 2006, where we agreed to pay a fixed-rate of 5.64% in exchange for three-month floating rate LIBOR. With the placement of this swap agreement, we bear exposure to, and are primarily affected by, changes in LIBOR rates on the unused portion of up to \$150 million of our credit facility. As of December 31, 2007, \$118.7 million was subject to the effect of the swap agreement. A 100 basis point increase in LIBOR interest rates would result in interest income on the swap agreement of approximately \$1.2 million annually while a 100 basis point decrease in interest rates would result in \$1.2 million in swap expense, in addition to any mark to market effect on the fair value of the swap. The decrease in interest rates that began in September 2007 reduced our cash flow and increased our interest expense by \$0.5 million in 2007. Based on the three-month LIBOR rates in effect at December 31, 2007 and continuing into 2008, we anticipate that the interest rate swap will have a greater impact on our financial results in 2008. Considering the rates in effect at December 31, 2007 and the current rates, the impact of the swap agreement is estimated to result in a pre-tax cash cost of \$3.2 million in 2008.

We may not be successful in expanding the permitted capacity of our current or future landfills, which could restrict our growth, increase our disposal costs, and reduce our operating margins.

Our ability to meet our growth objectives depends in part on our ability to expand landfill capacity, whether by acquisition or expansion. Exhausting permitted capacity at a landfill would restrict our growth, and reduce our financial performance in the market served by the landfill since we would be forced to dispose of collected waste at more distant landfills or at landfills operated by our competitors, thereby increasing our waste disposal expenses. Although we have received final permits on expansions at our existing landfills, there may be challenges, comments, or delays regarding the construction of specific cells that could have an adverse effect on our operations in these markets. Obtaining required permits and approvals to expand landfills has become increasingly difficult and expensive, requiring numerous hearings and compliance with various zoning, environmental and regulatory laws and drawing resistance from citizens, environmental or other groups. Even if permits are granted, they may contain burdensome terms and conditions or the timing required may be extensive and could affect the remaining capacity at the landfill. We may choose to delay or forego tuck-in acquisitions in markets where the remaining lives of our landfills are relatively short because increased volumes would further shorten the lives of these landfills.

We are subject to environmental and safety laws, which restrict our operations and increase our costs.

We are subject to extensive federal, state and local laws and regulations relating to environmental protection and occupational safety and health. These include, among other things, laws and regulations governing the use, treatment, storage and disposal of wastes and materials, air quality, water quality and the remediation of contamination associated with the release of hazardous substances. Our compliance with existing regulatory requirements is costly, and continued changes in these regulations could increase our compliance costs. Government laws and regulations often require us to enhance or replace our equipment and to modify landfill operations and may, in the future, require us to initiate final closure of a landfill. We are required to obtain and maintain permits that are subject to strict regulatory requirements and are difficult and costly to obtain and maintain. We may be unable to implement price increases sufficient to offset the cost of complying with these laws and regulations. In addition, regulatory changes could accelerate or increase expenditures for closure and post-closure monitoring at solid waste facilities and obligate us to spend sums over the amounts that we have accrued.

We may become subject to environmental clean-up costs or litigation that could curtail our business operations and materially decrease our earnings.

The Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, or CERCLA, and analogous state laws provide for the remediation of contaminated facilities and impose strict joint and several liability for remediation costs on current and former owners or operators of a facility at which there has been a release or a threatened release of a hazardous substance. This liability is also imposed on persons who arrange for the disposal of and who transport such substances to the facility. Hundreds of substances are defined as hazardous under CERCLA and their presence, even in small amounts, can result in substantial liability. The expense of conducting a cleanup can be significant. Notwithstanding our efforts to comply with applicable regulations and to avoid transporting and receiving hazardous substances, we may have liability because these substances may be present in waste collected by us or disposed of in our landfills, or in waste collected, transported or disposed of in the past by companies that we acquire even if we did not collect or dispose of the waste while we owned the landfill. The actual costs for these liabilities could be significantly greater than the amounts that we might be required to accrue on our financial statements from time to time.

In addition to the costs of complying with environmental regulations, we may incur costs to defend against litigation brought by government agencies and private parties. As a result, we may be required to pay fines or our permits and licenses may be modified or revoked. We may in the future be a defendant in lawsuits brought by governmental agencies and private parties who assert claims alleging environmental damage, personal injury, property damage and/or violations of permits and licenses by us. A significant judgment against us, the loss of a significant permit or license or the imposition of a significant fine could curtail our business operations and may decrease our earnings.

Our accruals for landfill closure and post-closure costs may be inadequate, and our earnings would be lower if we are required to pay or accrue additional amounts.

We are required to pay closure and post-closure costs of any disposal facilities that we own or operate. We accrue for future closure and post-closure costs of our owned landfills, generally for a term of up to 30 years, based on engineering estimates of future requirements associated with the final landfill design and closure and post-closure process. Please read "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Estimates and Assumptions." Our obligations to pay closure and post-closure costs, including for monitoring, may exceed the amount we accrued, which would adversely affect our earnings. Expenditures for these costs may increase as a result of any federal, state or local government regulatory action, including changes in closing or monitoring activities, types and quantities of materials used or the period of required post-closure monitoring. These factors could substantially increase our operating costs and therefore impair our ability to invest in our existing facilities or new facilities. The amount of our accruals is based upon estimates by management and engineers and accountants. We review at least annually our estimates for closure and post-closure costs, and any change in our estimates could require us to accrue additional amounts.

A general downturn in U.S. economic conditions may reduce our business prospects and decrease our revenue and cash flows.

Our business is affected by general economic conditions. Any extended weakness in the U.S. economy could reduce our business prospects and could cause decreases in our revenue and operating cash flows. In addition, in a down-cycle economic environment, we would likely experience the negative effects of increased competitive pricing pressure and customer turnover.

We may be unable to obtain financial assurances necessary for our operations, which could result in the closure of landfills or the termination of collection contracts.

We are required to provide financial assurances to governmental agencies under applicable environmental regulations relating to landfill closure and post-closure obligations, our landfill operations, and other collection and disposal contracts. We satisfy these financial assurances requirements by providing performance bonds, letters of credit, insurance policies or trust deposits. During the past several years, the costs associated with bonding and insurance have risen dramatically, the financial capacity and other requirements imposed by bonding and insurance companies have become more difficult to comply with than in prior years, and the number of these bonding and insurance companies has decreased.

Our business is capital intensive, requiring ongoing cash outlays that may strain or consume our available capital and force us to sell assets, incur debt, or sell equity on unfavorable terms.

Our ability to remain competitive, grow and maintain operations largely depends on our cash flow from operations and access to capital. Maintaining our existing operations and expanding them through internal growth or acquisitions requires large capital expenditures. As we undertake more acquisitions and further expand our operations, the amount we expend on capital, closure and post-closure and remediation expenditures will increase. These increases in expenditures may result in lower levels of working capital or require us to finance working capital deficits. We intend to continue to fund our cash needs through cash flow from operations and borrowings under our credit facility, if necessary. However, we may require additional equity or debt financing to fund our growth.

We do not have complete control over our future performance because it is subject to general economic, political, financial, competitive, legislative, regulatory and other factors. It is possible that our business may not generate sufficient cash flow from operations, and we may not otherwise have the capital resources, to allow us to make necessary capital expenditures. If this occurs, we may have to sell assets, restructure our debt or obtain additional equity capital, which could be dilutive to our stockholders. We may not be able to take any of the foregoing actions, and we may not be able to do so on terms favorable to us or our stockholders.

Increases in the costs of disposal may reduce our operating margins.

We dispose of approximately one-fourth of the waste that we collect in landfills operated by others, but that rate may increase in the future. We may incur increases in disposal fees paid to third parties or in the costs of operating our own landfills. Failure to pass these costs on to our customers may reduce our operating margins.

Increases in the costs of labor may reduce our operating margins.

We compete with other businesses in our markets for qualified employees. The labor market is currently tight in many of the areas in which we operate. A shortage of qualified employees would require us to enhance our wage and benefits packages to compete more effectively for employees or to hire more expensive temporary employees. Labor is our second largest operating cost, and even relatively small increases in labor costs per employee could materially affect our cost structure. Failure to attract and retain qualified employees, to control our labor costs, or to recover any increased labor costs through increased prices we charge for our services or otherwise offset such increases with cost savings in other areas may reduce our operating margins.

Increases in the costs of fuel may reduce our operating margins.

The price and supply of fuel needed to run our collection and transfer trucks and our landfill equipment is unpredictable and fluctuates based on events outside our control, including geopolitical developments, supply and demand for oil and gas, actions by OPEC and other oil and gas producers, war and unrest in oil producing countries, regional production patterns and environmental concerns. During 2007 and 2006, we experienced increases in the cost of diesel fuel as a percentage of revenue of 7.0% and 6.5%, respectively. Any significant price escalations or reductions in the supply could increase our operating expenses or interrupt or curtail our operations. Failure to offset all or a portion of any increased fuel costs through increased fees or charges would reduce our operating margins.

Increases in costs of insurance would reduce our operating margins.

One of our largest operating costs is for insurance coverage, including general liability, automobile physical damage and liability, property, employment practices, pollution, directors and officers, fiduciary, workers' compensation and employer's liability coverage, as well as umbrella liability policies to provide excess coverage over the underlying limits contained in our primary general liability, automobile liability and employer's liability policies. Changes in our operating experience, such as an increase in accidents or lawsuits or a catastrophic loss, could cause our insurance costs to increase significantly or could cause us to be unable to obtain certain insurance. Increases in insurance costs would reduce our operating margins. Changes in our industry and perceived risks in our business could have a similar effect.

We may not be able to maintain sufficient insurance coverage to cover the risks associated with our operations, which could result in uninsured losses that would adversely affect our financial condition.

Integrated non-hazardous waste companies are exposed to a variety of risks that are typically covered by insurance arrangements. However, we may not be able to maintain sufficient insurance coverage to cover the risks associated with our operations for a variety of reasons. Increases in insurance costs and changes in the insurance markets may, given our resources, limit the coverage that we are able to maintain or prevent us from insuring against certain risks. Large or unexpected losses may exceed our policy limits, adversely affecting our results of operations, and may result in the termination or limitation of coverage, exposing us to uninsured losses, thereby adversely affecting our financial condition.

Our failure to remain competitive with our numerous competitors, some of which have greater resources, could adversely affect our ability to retain existing customers and obtain future business.

Our industry is highly competitive. We compete with large companies and municipalities, many of which have greater financial and operational resources. The non-hazardous solid waste collection and disposal industry is led by three large national, publicly-traded waste management companies that we believe account for approximately 57% of the estimated \$52 billion of annual industry revenue. The industry also includes numerous regional and local companies. Additionally, many counties and municipalities operate their own waste collection and disposal facilities and have competitive advantages not available to private enterprises. We also encounter competition from alternatives to landfill disposal, such as recycling and incineration, that benefit from state requirements to reduce landfill disposal. If we are unable to successfully compete against our competitors, our ability to retain existing customers and obtain future business could be adversely affected.

We may lose contracts through competitive bidding, early termination or governmental action, or we may have to substantially lower prices in order to retain certain contracts, any of which would cause our revenue to decline.

We are parties to contracts with municipalities and other associations and agencies. Many of these contracts are or will be subject to competitive bidding. We may not be the successful bidder, or we may have to substantially lower prices in order to be the successful bidder. In addition, some of our customers may terminate their contracts with us before the end of the contract term. If we were not able to replace revenue from contracts lost through competitive bidding or early termination or from lowering prices or from the renegotiation of existing contracts with other revenue within a reasonable time period, our revenue could decline.

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Municipalities may annex unincorporated areas within counties where we provide collection services, and as a result, our customers in annexed areas may be required to obtain service from competitors who have been franchised or contracted by the annexing municipalities to provide those services. Some of the local jurisdictions in which we currently operate grant exclusive franchises to collection and disposal companies, others may do so in the future, and we may enter markets where franchises are granted by certain municipalities. Unless we are awarded a franchise by these municipalities, we will lose customers which will cause our revenue to decline.

Comprehensive waste planning programs and initiatives required by state and local governments may reduce demand for our services, which could adversely affect our waste volumes and the price of our landfill disposal services.

Many of the states in which we operate landfills require counties and municipalities to formulate comprehensive plans to reduce the volume of solid waste disposed of in landfills through waste planning, recycling, composting or other programs. Some state and local governments mandate waste reduction at the source and prohibit the disposal of certain types of wastes, such as yard wastes, at landfills. These actions may reduce the volume of waste going to landfills in certain areas, and therefore our landfills may not continue to operate at currently estimated volumes or they may be unable to charge current prices for landfill disposal services.

Efforts by labor unions to organize our employees could divert management attention and increase our operating expenses.

Labor unions have in the past attempted to organize our employees, and these efforts will likely continue in the future. At its 2003 national meeting, the International Brotherhood of Teamsters announced that our industry is one in which it will begin focusing its efforts. In March 2001, a group of employees chose to be represented by a union, and we negotiated a collective bargaining agreement with them which expired on March 3, 2006. In 2006, we negotiated with the union for a new collective bargaining agreement which has a term extending until March 2011. As of December 31, 2007, there were 17 employees in that group. Additional groups of employees may seek union representation in the future, and the negotiation of collective bargaining agreements could divert management attention and result in increased operating expenses and lower net income. If we are unable to negotiate acceptable collective bargaining agreements, we might have to wait through "cooling off" periods, which are often followed by union-initiated work stoppages, including strikes. Depending on the type and duration of these work stoppages, our operating expenses could increase significantly.

Current and proposed laws may restrict our ability to operate across local borders which could affect our manner, cost and feasibility of doing business.

For the year ended December 31, 2007, approximately \$2.5 million, or 1.3%, of our revenue was earned from the disposal of waste that is generated in a state other than the state where it is disposed. These operations could increase in the future. Some states have imposed restrictions on collection routes and disposal locations. Our collection, transfer and landfill operations may also be affected in the future by proposed "flow control" legislation that would allow state and local governments to direct waste generated within their jurisdictions to a specific facility for disposal or processing. Moreover, in the future, our operations may be affected by proposed federal legislation authorizing states to regulate, limit or perhaps even prohibit interstate shipments of waste. If this or similar legislation is enacted, state or local governments with jurisdiction over our landfills could act to limit or prohibit disposal or processing of out-of-state waste in our landfills, whether collected by us or by third parties which could affect our manner, cost and feasibility of doing business.

Risks Relating to Our Operations and Corporate Organization

Poor decisions by our regional and local managers could result in the loss of customers or an increase in costs, or adversely affect our ability to obtain future business.

We manage our operations on a decentralized basis. Therefore, regional and local managers have the authority to make many decisions concerning their operations without obtaining prior approval from executive officers. Poor decisions by regional or local managers could result in the loss of customers or an increase in costs, or adversely affect our ability to obtain future business.

We are vulnerable to factors affecting our local markets, which could adversely affect our stock price relative to our competitors.

The non-hazardous waste business is local in nature. Accordingly, our business in one or more regions or local markets may be adversely affected by events and economic conditions relating to those regions or markets even if the other regions of the country are not affected. As a result, our financial performance may not compare favorably to our competitors with operations in other regions, and our stock price could be adversely affected.

Seasonal fluctuations will cause our business and results of operations to vary among quarters, which could adversely affect our stock price.

Based on historic trends experienced by the businesses we have acquired, we expect our operating results to vary seasonally, with revenue typically lowest in the first quarter, higher in the second and third quarters, and again lower in the fourth quarter. This seasonality generally reflects the lower volume of waste during the winter months. Adverse weather conditions negatively affect waste collection productivity, resulting in higher labor and operational costs. The general increase in precipitation during the winter months increases the weight of collected waste, resulting in higher disposal costs, as costs are often calculated on a per ton basis. Because of these factors, we expect operating income to be generally lower in the winter months. As a result, our operating results may be negatively affected by these variations. Additionally, severe weather during any time of the year can negatively affect the costs of collection and disposal and may cause temporary suspensions of our collection and disposal services. Long periods of inclement weather may interfere with collection and landfill operations, delay the construction of landfill capacity and reduce the volume of waste generated by our customers. Any of these conditions can adversely affect our business and results of operations, which could negatively affect our stock price.

Failure to maintain effective internal controls in accordance with Section 404 of the Sarbanes-Oxley Act could have a material adverse effect on our business and stock price.

As part of our program of compliance with Section 404 of the Sarbanes-Oxley Act, we may identify deficiencies in our internal controls over financial reporting. Failure to maintain an effective internal control environment could have a material adverse effect on our business and our stock price.

Our success depends on key members of our senior management, the loss of any of whom could disrupt our customer and business relationships and our operations.

We believe that our continued success depends in large part on the sustained contributions of our chairman of the board and chief executive officer, Mr. Tom J. Fatjo, Jr., our president and chief operating officer, Mr. Jerome M. Kruszka, and other members of our senior management. We rely on them to identify and pursue new business opportunities and acquisitions and to execute operational strategies. The loss of services of Messrs. Fatjo, Jr. or Kruszka or any other senior management member could significantly impair our ability to identify and secure new contracts and otherwise disrupt our operations. We do not maintain key person life insurance on any of our senior executives. We have entered into employment agreements with our executive officers that contain non-compete and confidentiality covenants. Despite these agreements, we may not be able to retain these officers and may not be able to enforce the non-compete and confidentiality covenants in their employment agreements.

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A controlling interest in our voting stock is held by one fund and a small number of individuals (including management), which when combined with various agreements and rights of the fund, may discourage a change of control transaction and may exert control over our strategic direction.

As of March 1, 2008,

- Ares Corporate Opportunities Fund II L.P. (Ares) held preferred shares convertible into our common stock at a price of \$9.60 per share. The preferred shares carry a 5% payment-in-kind (PIK) dividend payable semi-annually. As of March 1, 2008, the preferred shares were immediately convertible into 8,452,835 shares of our common stock (representing approximately 32.7% of the outstanding common stock on a post-conversion basis). Dividends are solely PIK for the first five years — that is, they are payable solely by adding the amount of dividends to the stated value of each share. At the end of five years the preferred shares would be convertible into approximately 10,000,661 shares of common stock, which based on the currently outstanding shares would represent approximately 36.5% of the post-conversion shares outstanding. In the event that one of the “acceleration events”, including a change of control transaction, were to occur prior to the end of the fifth year, dividends would accelerate so that a total of five years of dividends will have been paid. Ares is entitled to vote its preferred shares as if converted (subject to contractual restrictions with us), is entitled to elect two directors, and is entitled to other contractual rights. Please read “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Private Placement of Preferred Stock” for a description of the various arrangements with Ares.
- Our executive officers, directors and their related entities owned or controlled approximately 14.0% of the outstanding shares of our common stock.
- The Esping Family and other related entities beneficially owned approximately 12.3% of our common stock. Additionally, these entities continue to own approximately 60.2% of the equity interests of Waste Corporation of America, LLC, our former parent and a privately-held solid waste company with which we have had various arrangements and from which we have acquired operations in Florida and Colorado. Mr. Ballard O. Castleman, who is a member of our board of directors, has an ownership position in and is employed by such entities.

Accordingly, these parties collectively held a controlling vote and will have the ability to significantly influence our management and affairs. This concentration of ownership and the potential ability to significantly influence our management and affairs may have the effect of preventing or discouraging transactions involving a potential change of control or otherwise adversely affect us.

Provisions in our amended and restated certificate of incorporation, our amended and restated bylaws and Delaware law could prohibit a change of control that our stockholders may favor and which could negatively affect our stock price.

Provisions in our amended and restated certificate of incorporation and our amended and restated bylaws and applicable provisions of the Delaware General Corporation Law may make it more difficult and expensive for a third party to acquire control of us even if a change of control would be beneficial to the interests of our stockholders. These provisions could discourage potential takeover attempts and could adversely affect the market price of our common stock. Our amended and restated certificate of incorporation and our amended and restated bylaws:

- authorize the issuance of blank check preferred stock that could be issued by our board of directors to thwart a takeover attempt;
- prohibit cumulative voting in the election of directors, which would otherwise allow holders of less than a majority of stock to elect some directors;

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- require super-majority voting to effect amendments to provisions of our amended and restated bylaws concerning the number of directors;
- limit who may call special meetings;
- prohibit stockholder action by written consent, requiring all actions to be taken at a meeting of the stockholders;
- establish advance notice requirements for nominating candidates for election to the board of directors or for proposing matters that can be acted upon by stockholders at stockholders meeting; and
- require that vacancies on the board of directors, including newly-created directorships, be filled only by a majority vote of directors then in office.

In addition, Section 203 of the Delaware General Corporation Law may discourage, delay or prevent a change in control by prohibiting us from engaging in a business combination with an interested stockholder for a period of three years after the person becomes an interested stockholder.

We do not anticipate paying cash dividends on our common stock in the foreseeable future, so you can only realize a return on your investment by selling your shares of our common stock.

We do not anticipate paying cash dividends on our common stock in the foreseeable future. Any payment of cash dividends will depend upon our financial condition, capital requirements, earnings and other factors and are prohibited by the terms of our credit facility. Please read "Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities—Dividend Policy." Accordingly, for the foreseeable future you can only realize a return on your investment by selling your shares of our common stock.

We may issue preferred stock that has a liquidation or other preference over our common stock without the approval of the holders of our common stock, which may affect those holders rights or the market price of our common stock.

Our board of directors is authorized to issue series of shares of preferred stock without any action on the part of our stockholders. Our board of directors also has the power, without stockholder approval, to set the terms of any such series of shares of preferred stock that may be issued, including voting rights, dividend rights, preferences over our common stock with respect to dividends or if we liquidate, dissolve or wind up our business and other terms. If we issue preferred stock in the future that has preference over our common stock with respect to the payment of dividends or upon our liquidation, dissolution or winding up, or if we issue preferred stock with voting rights that dilute the voting power of our common stock, the rights of holders of our common stock or the market price of our common stock could be adversely affected.

On July 13, 2006, our stockholders approved the issuance of 750,000 shares of convertible preferred stock at \$100.00 per share in the private placement with Ares. The shares were issued on July 27, 2006 and a portion of the net proceeds were used to completely repay the amounts outstanding under our credit facility. Issuance costs, including a 1% discount to Ares and other transaction costs, totaled approximately \$3.1 million. The preferred stock is convertible into shares of our common stock at a price of \$9.60 per share and carries a 5% PIK dividend payable semi-annually.

The preferred shares were convertible into 7,812,500 shares of our common stock on the issuance date and with the effect of the cumulative PIK dividends at the end of five years would be convertible into 10,000,661 shares of common stock. Under the terms of the preferred agreement, under certain circumstances, all five years' worth of cumulative PIK dividends would accelerate and become payable to the preferred holder. The preferred shareholder holds certain preferential rights, including the appointment of two directors.

Risks Associated with Our Indebtedness

We have a substantial amount of debt which could adversely affect our operations and financial performance.

As of March 1, 2008, we had approximately \$199.0 million of consolidated total indebtedness outstanding and approximately \$132.6 million of additional borrowing capacity available under our credit agreement.

Our substantial debt could have important consequences. For example, it could:

- make it more difficult for us to satisfy our obligations with respect to our debt;
- increase our vulnerability to general adverse economic and industry conditions;
- limit our ability to obtain additional financing for future working capital, capital expenditures, mergers and other general corporate purposes;
- require us to dedicate a substantial portion of our cash flow from operations to payments on our debt, thereby reducing the availability of our cash flow for operations and other purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- make us more vulnerable to increases in interest rates; and
- place us at a competitive disadvantage compared to our competitors that have less debt.

In addition, we may incur substantial additional debt in the future. If new debt is added to our current debt levels, these related risks could increase. We may not maintain sufficient revenue and cash flow to meet our capital expenditure requirements and our financial obligations, including our debt service obligations.

Our ability to make scheduled payments or to refinance our obligations with respect to our debt will depend on our financial and operating performance, which, in turn, is subject to prevailing economic conditions and to certain financial, business, and other factors beyond our control. If our cash flow and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay scheduled expansion and capital expenditures, sell material assets or operations, obtain additional capital or restructure our debt.

The provisions in our debt instruments impose restrictions on us that may limit the discretion of management in operating our business.

The indenture governing the senior notes and our new credit agreement contains various restrictive covenants that limit management's discretion in operating our business. In particular, these covenants will limit our ability to, among other things:

- incur additional debt or issue additional preferred stock;
- make certain investments or pay dividends or distributions on our capital stock or subordinated indebtedness or purchase or redeem or retire capital stock;
- sell or transfer assets, including capital stock of our restricted subsidiaries;
- restrict dividends or other payments by restricted subsidiaries;

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- incur liens;
- enter into transactions with affiliates; and
- consolidate, merge, sell or lease all or substantially all of our assets.

The credit agreement also requires us to maintain specified financial ratios and satisfy certain financial tests. Our ability to maintain or meet such financial ratios and tests may be affected by events beyond our control, including changes in general economic and business conditions, and we cannot assure you that we will maintain or meet such ratios and tests or that the lenders under the credit agreement will waive any failure to meet such ratios or tests.

These covenants could materially and adversely affect our ability to finance our future operations or capital needs. Furthermore, they may restrict our ability to expand, to pursue our business strategies and otherwise to conduct our business. Our ability to comply with these covenants may be affected by circumstances and events beyond our control, such as prevailing economic conditions and changes in regulations. A breach of these covenants could result in a default under the indenture governing the senior notes and/or the credit agreement. If there were an event of default under the indenture governing the senior notes and/or the credit agreement, the affected creditors could cause all amounts borrowed under these instruments to be due and payable immediately. Additionally, if we fail to repay indebtedness under our credit agreement when it becomes due, the lenders under the credit agreement could proceed against the assets which we have pledged to them as security. Please read "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Bank Credit Facility."

We are a holding company and do not conduct any business operations of our own. Our principal assets are the equity interests we own in our operating subsidiaries, either directly or indirectly. As a result, we are dependent upon cash dividends, distributions or other transfers we receive from our subsidiaries in order to make dividend payments to our stockholders, to repay any debt we may incur, and to meet our other obligations. The ability of our subsidiaries to pay dividends and make payments to us will depend on their operating results and may be restricted by, among other things, applicable corporate, tax and other laws and regulations and agreements of those subsidiaries, as well as by the terms of the credit agreement and the indenture governing the notes.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

Our principal executive offices are located at One Riverway, Suite 1400, Houston, Texas 77056, where we currently lease 14,360 square feet of office space. Currently, we also own or lease field-based administrative offices in Alabama, Arkansas, Colorado, Florida, Kansas, Missouri, New Mexico, North Carolina, Oklahoma, South Carolina, Tennessee and Texas.

Our principal property and equipment consist of land (primarily landfills, transfer stations and bases for collection operations), buildings, and vehicles and equipment, including waste collection and transportation vehicles, related support vehicles, carts, containers and heavy equipment used in landfill operations, all of which are encumbered by liens in favor of our lenders. As of December 31, 2007, we owned and/or operated 24 landfills, 27 collection operations and 23 transfer stations/MRFs. Of these facilities, two transfer stations and two landfills are fully permitted but not yet opened, and one transfer station is idle. We also operated but did not own two of the transfer stations as of December 31, 2007. For a description of our landfills, please read "Business—Our Operations—Landfills."

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Item 3. Legal Proceedings.

Information regarding our legal proceedings can be found in note 13(d) to our consolidated financial statements included elsewhere in this report.

Item 4. Submission of Matters to a Vote of Security Holders.

No matters were submitted to a vote of security holders, through the solicitation of proxies or otherwise, during the fourth quarter of 2007.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market for Common Stock

Our common stock is traded on the NASDAQ Global Market under the symbol "WCAA." As of March 1, 2008, there were approximately 111 holders of record of our common stock. This number does not include any beneficial owners for whom shares of common stock may be held in "nominee" or "street" name. The following table sets forth the range of high and low closing sales prices per share for our common stock as reported by NASDAQ for the periods indicated.

	<u>High</u>	<u>Low</u>
2006		
First Quarter	\$ 7.90	\$ 6.52
Second Quarter	\$ 8.25	\$ 6.36
Third Quarter	\$ 8.20	\$ 5.51
Fourth Quarter	\$ 8.05	\$ 5.65
2007		
First Quarter	\$ 8.29	\$ 6.33
Second Quarter	\$ 9.30	\$ 7.50
Third Quarter	\$ 9.00	\$ 7.06
Fourth Quarter	\$ 8.17	\$ 5.58
2008		
First Quarter (through March 4, 2008)	\$ 7.95	\$ 5.99

On March 4, 2008, the closing sales price of our common stock was \$6.14.

Dividend Policy

We have never declared or paid any cash dividends on our common stock and do not intend to declare or pay any cash dividends on our common stock in the foreseeable future. We currently intend to retain our earnings, if any, to finance the development and expansion of our business and for general corporate purposes. Furthermore, our debt agreements prohibit payment of cash dividends or other payments or advances by our primary operating subsidiary to us (or any intermediary) under all circumstances, meaning we have very limited sources of cash. Our only source of cash to pay dividends to our stockholders would be distributions or other payments or advances from our subsidiaries, which, as discussed above, is prohibited by the terms of our debt agreements. Please read "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Bank Credit Facility." Any future dividends declared would be subject to a relaxation of this prohibition, would be at the discretion of our board of directors and would depend on our financial condition, results of operations, capital requirements, contractual obligations, the other terms of our credit facility and other financing agreements at the time a dividend is considered, and other relevant factors. For a discussion of the PIK dividends accrued under our preferred stock, please read "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Private Placement of Preferred Stock."

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Purchases of Equity Securities by Company and Affiliates

Period	(a) Total number of shares (or units) purchased	(b) Average price paid per share (or unit)	(c) Total number of shares (or units) purchased as part of publicly announced plans or programs	(d) Maximum number (or approximate dollar value) of shares (or units) that may yet be purchased under the plans or programs
October 1 - October 31, 2007	163 (1)	\$7.84	—	—
November 1 - November 30, 2007	150 (1)	\$6.58	—	—
December 1 - December 31, 2007	—	—	—	—
Total	313 (1)	\$7.23	—	—

- (1) Represents shares of WCA Waste Corporation's common stock surrendered to satisfy tax withholding obligations on the vesting of restricted stock.

Item 6. Selected Financial Data.

The following tables set forth certain selected historical consolidated financial data derived from our consolidated financial statements included elsewhere in this report except 2003 and 2004 (in thousands except per share data). The information set forth below should be read in connection with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes included elsewhere in this report. The following information may not be indicative of our future operating results.

	Year Ended December 31,				
	2007	2006	2005	2004	2003
Consolidated Statements of Operations Data:					
Revenue	\$ 184,940	\$ 149,497	\$ 114,143	\$ 73,461	\$ 64,226
Expenses:					
Cost of services (1),(2)	121,853	95,991	73,933	50,387	41,666
Depreciation and amortization	24,234	19,070	14,795	8,828	7,812
General and administrative (3)	12,768	11,010	8,311	16,283	5,142
Total expenses	158,855	126,071	97,039	75,498	54,620
Operating income (loss)	26,085	23,426	17,104	(2,037)	9,606
Other income (expense):					
Interest expense, net (2)	(17,259)	(15,632)	(10,366)	(4,453)	(5,220)
Write-off of deferred financing costs and debt discount (4)	—	(3,240)	(1,308)	(618)	—
Net gain on terminated interest rate swap	—	3,980	—	—	—
Unrealized loss on interest rate swap	(3,948)	(3,393)	—	—	—
Other income (expense), net	387	192	286	268	28
Other income (expense)	(20,820)	(18,093)	(11,388)	(4,803)	(5,192)
Income (loss) from continuing operations before income taxes and cumulative effect of change in accounting principle	5,265	5,333	5,716	(6,840)	4,414
Income tax (provision) benefit	(2,343)	(2,313)	(2,248)	2,476	(1,753)
Income (loss) from continuing operations before cumulative effect of change in accounting principle	2,922	3,020	3,468	(4,364)	2,661
Discontinued operations, net of tax	—	—	—	—	93
Income (loss) before cumulative effect of change in accounting principle	2,922	3,020	3,468	(4,364)	2,754
Cumulative effect of change in accounting principle, net of tax (5)	—	—	—	—	2,324
Net income (loss)	2,922	3,020	3,468	(4,364)	5,078
Accrued payment-in-kind dividend on preferred stock	(3,876)	(1,603)	—	—	—
Net income (loss) available to common stockholders	\$ (954)	\$ 1,417	\$ 3,468	\$ (4,364)	\$ 5,078
Per Share Data — basic and diluted:					
Income (loss) from continuing operations before cumulative effect of change in accounting principle	\$ 0.18	\$ 0.19	\$ 0.22	\$ (0.38)	\$ 0.33
Discontinued operations, net of tax	—	—	—	—	0.01
Income (loss) before cumulative effect of change in accounting principle	0.18	0.19	0.22	(0.38)	0.34
Cumulative effect of change in accounting principle net of tax	—	—	—	—	0.29
Net income (loss)	0.18	0.19	0.22	(0.38)	0.63
Accrued payment-in-kind dividend on preferred stock	(0.24)	(0.10)	—	—	—
Net income (loss) available to common stockholders	\$ (0.06)	\$ 0.09	\$ 0.22	\$ (0.38)	\$ 0.63
Weighted average shares outstanding — basic	16,460	16,360	15,579	11,599	8,000
Weighted average shares outstanding — diluted	16,460	16,385	15,641	11,599	8,000
Other Financial Data:					
Capital expenditures	\$ 29,158	\$ 29,110	\$ 18,003	\$ 14,589	\$ 7,721

	As of December 31,				
	2007	2006	2005	2004	2003
Consolidated Balance Sheet Data:					
Property and equipment, net	\$ 270,384	\$ 207,441	\$ 186,299	\$ 90,521	\$ 70,726
Total assets	426,723	371,249	291,538	163,767	116,685
Current maturities of long-term debt	699	916	1,910	1,429	4,004
Long-term debt, less current maturities and discount	198,149	165,958	174,353	71,814	78,696
Total stockholders' equity	170,364	167,779	91,707	74,573	18,567

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- (1) We acquired prepaid disposal rights in connection with our acquisition of assets from Waste Management, Inc. (WMI) in 2000. All remaining prepaid disposal rights with WMI were fully utilized in 2007. Additionally in each of the years 2007, 2006 and 2005, we paid \$1,000 to acquire prepaid disposal rights at a Texas landfill from Waste Services, Inc. (WSI). At the time we acquired the landfill from WSI in 2007, the remaining prepaid disposal rights of \$1,270 were utilized as part of the consideration given. During the years ended December 31, 2007, 2006, 2005, 2004 and 2003, we recorded \$1,037, \$2,383, \$1,834, \$377 and \$302, respectively, for the use of such disposal rights as a component of cost of services. Please read note 3 to our consolidated financial statements. Prior to August 2003, we utilized the prepaid disposal rights in our west Texas operations, which we sold during 2003 and are reflected as discontinued operations. During the year ended December 31, 2003, we utilized \$1,307 of prepaid disposal rights in discontinued operations.
- (2) We have material financial commitments for the costs associated with our future obligations for final closure and post-closure maintenance of the landfills we own and operate. During the years ended December 31, 2007, 2006, 2005, 2004 and 2003, we have recorded \$483, \$284, \$159, \$257 and \$207, respectively, as a non-cash component of cost of services for the provision and accretion expense relating to these future obligations. Although these are non-cash expenses for the periods presented, the ultimate liability will be settled in cash. Please read "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Estimates and Assumptions—Landfill Accounting" for further discussion of landfill accounting and the adoption of SFAS No. 143 "Accounting for Asset Retirement Obligations."
- (3) General and administrative expenses include stock-based compensation expense of \$1,977, \$1,118, \$509, \$11,532 and \$1,220 during the years ended December 31, 2007, 2006, 2005, 2004 and 2003. The stock-based compensation expense during the years ended December 31, 2007, 2006 and 2005 includes earned compensation of \$1,765, \$1,118 and \$509, respectively, under the Second Amended and Restated 2004 WCA Waste Corporation Incentive Plan. In addition, the compensation expense of \$212 during the year ended December 31, 2007 relates to the stock portion of the executive bonus plan. The stock-based compensation expense during the years ended December 31, 2004 and 2003 represents a compensation charge in connection with stock options outstanding as of December 31, 2003. Prior to an internal reorganization in 2004 described in note 1 to our consolidated financial statements, our predecessor and former parent had options and warrants outstanding. As part of an internal reorganization with us and our predecessor and former parent, we assumed the obligation to issue shares upon the exercise of such options and warrants. Subsequently, we extinguished approximately 90% of such outstanding stock options and warrants by issuing 1,330,056 shares (after giving effect to a merger and reverse stock split prior to our initial public offering in June 2004) of our common stock. We recognized a compensation charge of \$11.5 million in connection with the cancellation of these options and warrants and subsequent issuance of common stock in 2004.
- (4) The \$3,240 write-off of deferred financing costs and debt discount in 2006 reflects the write-off of costs associated with our first and second lien credit agreements that were repaid and retired in connection with our financing transactions in July 2006. The \$1,308 write-off of deferred financing costs and debt discount in 2005 is associated with the restructuring of our credit facility in April 2005 as well as the repayment of the Environmental Facilities Revenue Bonds in June 2005. In December 2004, we wrote off \$618 of deferred financing costs related to the amendment of our credit facility.
- (5) The \$2,324 (net of \$1,425 tax expense) cumulative effect of change in accounting principle for the year ended December 31, 2003 relates to our adoption of SFAS No. 143 "Accounting for Asset Retirement Obligations."

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion of our financial condition and results of operations should be read together with the historical consolidated financial statements and the related notes included elsewhere in this report. This discussion contains forward-looking statements that involve risks, uncertainties and assumptions. For additional information regarding some of the risks and uncertainties that affect our business and the industry in which we operate, please read "Business—Risk Factors" included elsewhere in this report and "—Cautionary Statement About Forward-Looking Statements" below.

Executive Overview

General Overview of Our Business

Our operations consist of the collection, transfer, processing and disposal of non-hazardous solid waste. Our revenue is generated primarily from our landfill disposal services and our collection operations provided to residential, commercial and roll-off customers. Roll-off service is the hauling and disposal of large waste containers (typically between 10 and 50 cubic yards) that are loaded on to and off of the collection vehicle. The following table reflects our total revenue by source for the previous three years (dollars in thousands):

	2007		2006		2005	
	\$	%	\$	%	\$	%
Collection:						
Residential	\$ 41,647	22.5%	\$ 25,385	17.0%	\$ 19,128	16.8%
Commercial	19,069	10.3%	15,876	10.6%	13,847	12.1%
Roll-off	53,501	28.9%	44,539	29.8%	36,811	32.2%
Total collection	114,217	61.7%	85,800	57.4%	69,786	61.1%
Disposal	70,797		60,767		48,817	
Less intercompany	26,994		21,701		18,215	
Disposal, net	43,803	23.7%	39,066	26.1%	30,602	26.8%
Transfer and other	40,986		37,872		24,309	
Less intercompany	14,066		13,241		10,554	
Transfer and other, net	26,920	14.6%	24,631	16.5%	13,755	12.1%
Total revenue	\$ 184,940	100.0%	\$ 149,497	100.0%	\$ 114,143	100.0%

2007 Financial Objectives

We anticipated 2007 to be a year with mixed operating results which included strong increases in revenue and EBITDA and a decrease in earnings per share prior to the effect of potential acquisitions as a result of a higher average interest rate on our new borrowings and a 5% PIK preferred dividend. We also expected to selectively invest at least \$100 million on acquisitions and other growth opportunities during 2007.

2007 Business Performance

During 2007, our revenue was \$184.9 million, which represents a 23.7% increase over 2006. Our operating income in 2007 was \$26.1 million, a 11.4% increase over 2006. Net income (loss) available to common stockholders for 2007 was \$(1.0) million, or \$(0.06) per share, compared to \$1.4 million, or \$0.09 per share, for 2006. EBITDA for the year was \$50.7 million, an increase of 18.8% over 2006. We recognized unrealized losses on the interest rate swap agreement of \$2.4 million and \$2.1 million (net of tax) in 2007 and 2006, respectively. Our net income in 2006 also included a realized gain of \$2.5 million (net of tax) from the termination of our old interest rate swap agreement and a charge of \$2.0 million (net of tax) for the write-off of deferred financing costs and debt discount due to the restructuring of our long-term debt. Excluding the impact of interest rate swap agreements and the write-off of deferred financing costs and debt discount, net income available to common stockholders for 2007 was \$1.4 million, or \$0.09 per share, compared to \$3.1 million, or \$0.19 per share, for 2006.

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Our interest expense in 2007 was impacted by the existence of our interest rate swap arrangement with Comerica. Our swap agreement resulted in limiting the underlying base interest rate for \$150 million of our debt to 5.64% plus any applicable margin. However, with the reduction in interest rates that began in September 2007, we were obligated to fund the difference between 5.64% and the market rate for three-month floating rate LIBOR. This reduced our cash flow and increased our interest expense by \$0.5 million in 2007. Based on the three-month LIBOR rates in effect at December 31, 2007 and continuing into 2008, we anticipate that the interest rate swap will have a greater impact on our financial results in 2008. Considering the rates in effect at December 31, 2007 and the current rates, the impact of the swap agreement is estimated to result in a pre-tax cash cost of \$3.2 million in 2008.

During 2007, the total PIK dividend on preferred stock was \$3.9 million. Assuming no acceleration event occurs, we will reflect the following PIK preferred dividend in years 2008 through 2011 (dollars in thousands):

2008	2009	2010	2011
\$ 4,076	\$ 4,278	\$ 4,501	\$ 2,672

We invested approximately \$103.7 million on a combination of newly acquired companies and similar expansion and growth expenditures, including \$92.8 million of cash and \$5.0 million of other assets given in the 10 acquisitions in 2007 and \$2.0 million of cash in the acquisition of Sunrise Disposal, LLC on December 28, 2006. The remaining \$3.9 million was related to initial capital expenditures associated with these acquisitions. Our 2008 goals include the investment of \$60 million in such transactions. As of December 31, 2007, we had approximately \$133.3 million available under our existing credit facility. We believe that our available capacity will enable us to accomplish our investment goals in 2008.

Non-GAAP Measures

Our management evaluates our performance based on non-GAAP measures, of which the primary performance measure is EBITDA. EBITDA consists of earnings (net income or loss) available to common stockholders before preferred stock dividend, interest expense (including gains (losses) on interest rate swap agreements as well as write-off of deferred financing costs and debt discount), income tax expense, depreciation and amortization. We also compute EBITDA before the cumulative effect of change in accounting principle and before considering the effect of discontinued operations as the effect of these items is not relevant to our ongoing operations. We also use these same measures when evaluating potential acquisition candidates.

We believe EBITDA is useful to an investor in evaluating our operating performance because:

- it is widely used by investors in our industry to measure a company's operating performance without regard to items such as interest expense, depreciation and amortization, which can vary substantially from company to company depending upon accounting methods and book value of assets, financing methods, capital structure and the method by which assets were acquired;
- it helps investors more meaningfully evaluate and compare the results of our operations from period to period by removing the impact of our capital structure (primarily interest charges from our outstanding debt and the impact of our interest rate swap agreements and payment-in-kind (PIK) dividend) and asset base (primarily depreciation and amortization of our landfills and vehicles) from our operating results; and
- it helps investors identify items that are within our operational control. Depreciation charges, while a component of operating income, are fixed at the time of the asset purchase in accordance with the depreciable lives of the related asset and as such are not a directly controllable period operating charge.

Our management uses EBITDA:

- as a measure of operating performance because it assists us in comparing our performance on a consistent basis as it removes the impact of our capital structure and asset base from our operating results;

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- as one method to estimate a purchase price (often expressed as a multiple of EBITDA) for solid waste companies we intend to acquire. The appropriate EBITDA multiple will vary from acquisition to acquisition depending on factors such as the size of the operation, the type of operation, the anticipated growth in the market, the strategic location of the operation in its market as well as other considerations;
- in presentations to our board of directors to enable them to have the same consistent measurement basis of operating performance used by management;
- as a measure for planning and forecasting overall expectations and for evaluating actual results against such expectations;
- in evaluations of field operations since it represents operational performance and takes into account financial measures within the control of the field operating units;
- as a component of incentive cash bonuses paid to our executive officers and other employees;
- to assess compliance with financial ratios and covenants included in our credit agreements; and
- in communications with investors, lenders, and others, concerning our financial performance.

The following presents a reconciliation of our total EBITDA to net income (loss) available to common stockholders (in thousands):

	2007	2006	2005
Total EBITDA	\$ 50,706	\$ 42,688	\$ 32,185
Depreciation and amortization	(24,234)	(19,070)	(14,795)
Interest expense, net	(17,259)	(15,632)	(10,366)
Write-off of deferred financing costs and debt discount	—	(3,240)	(1,308)
Net gain on terminated interest rate swap	—	3,980	—
Unrealized loss on interest rate swap	(3,948)	(3,393)	—
Income tax provision	(2,343)	(2,313)	(2,248)
Accrued payment-in-kind dividend on preferred stock	(3,876)	(1,603)	—
Net income (loss) available to common stockholders	\$ (954)	\$ 1,417	\$ 3,468

Our EBITDA, as we define it, may not be comparable to similarly titled measures employed by other companies and is not a measure of performance calculated in accordance with GAAP. EBITDA should not be considered in isolation or as substitutes for operating income, net income or loss, cash flows provided by operating, investing and financing activities, or other income or cash flow statement data prepared in accordance with GAAP.

Other Considerations

Costs of services include, but are not limited to, labor, fuel and other operating expenses, equipment maintenance, disposal fees paid to third-party disposal facilities, insurance premiums and claims expense, selling expenses, wages and salaries of field personnel located at operating facilities, third-party transportation expense and state and local waste taxes. We are self-insured for a portion of our general liability, workers' compensation and automobile liability. The frequency and amount of claims or incidents could vary significantly from quarter-to-quarter and/or year-to-year, resulting in increased volatility of our costs of services.

General and administrative expenses include the salaries and benefits of our corporate management, certain centralized reporting, information technology and cash management costs and other overhead costs associated with our corporate office.

Depreciation and amortization expense includes depreciation of fixed assets over their estimated useful lives using the straight-line method and amortization of landfill costs and asset retirement costs based on the consumption of airspace.

We capitalize third-party expenditures related to pending acquisitions, such as legal, engineering, and accounting expenses, and certain direct expenditures such as travel costs. We expense indirect acquisition costs, such as salaries, commissions and other corporate services, as we incur them. We routinely evaluate all capitalized costs, and expense those related to projects that we believe are not likely to succeed. As of December 31, 2007, we had \$0.1 million of capitalized costs relating to pending acquisitions.

The integration expenses associated with our acquisitions include expenses related to: (i) incorporating newly-acquired truck fleets into our preventative maintenance program, (ii) the testing of new employees to comply with Department of Transportation regulations, (iii) implementing our safety program, (iv) re-routing trucks and equipment to assure maximization of routing efficiencies and disposal internalization, and (v) conversion of customers to our billing system. In the short-term, as expected, the cost of acquiring and integrating companies will continue to put pressure on operating results. While some synergies from tuck-in acquisitions can take as long as 12 months to be realized, we have integrated all of our completed acquisitions to date into our existing operations.

Goodwill represents the excess of the purchase price over the fair value of the net assets of the acquired entities. In allocating the purchase price of an acquired company among its assets, we first assign value to the tangible assets, followed by intangible assets such as covenants not-to-compete and any remaining amounts are then allocated to goodwill.

Acquisition Strategy Overview

As we discussed in "Business— Our Acquisition Growth Strategy" our acquisition strategy will target operations that will benefit from our core operating strategy of maximizing the internalization of waste. In markets where we already own a landfill, we intend to focus on expanding our presence by tuck-in acquisitions. Tuck-in acquisitions will allow growth in revenue and increase market share and enable disposal internalization and consolidation of duplicative facilities and functions to maximize cost efficiencies and economies of scale. We will typically seek to enter a new market by acquiring a permitted landfill operation in that market. Upon acquiring a landfill in a new market, we then intend to expand our operations by acquiring collection and/or transfer operations and internalizing waste into the landfill.

We intend to pursue our acquisition strategy primarily with cash on hand and available capacity under our \$175 million revolving credit facility entered into in July 2006. We may also issue additional debt, and/or additional equity, including common stock or preferred stock, in connection with acquisitions. Our 2008 goals include the investment of \$60 million in combined newly acquired companies and similar expansion and growth expenditures. As of December 31, 2007, we had approximately \$133.3 million available under our existing credit facility. We believe that our available capacity will enable us to accomplish our investment goals in 2008.

Since completing our initial public offering in June 2004 through the year ended December 31, 2007, we have completed 31 acquisitions. The purchase price for these acquisitions consisted of approximately \$225.4 million of cash, \$1.3 million of prepaid airspace, \$6.1 million of convertible debt, \$11.9 million of assumed debt (net of \$0.5 million of debt discount), \$4.4 million of assumed deferred tax liabilities and 1,726,336 shares of our common stock, less a note receivable valued at \$7.2 million. The note receivable was a \$10.5 million non-interest bearing promissory note with payments to us in the amount of \$125,000 per month for 84 months through June 2014.

We completed 10 acquisitions during the year ended December 31, 2007. Total consideration for these acquisitions included \$92.8 million of cash, \$1.3 million of prepaid airspace, \$1.6 million of convertible debt, a transfer station and collection operations in Fort Myers, Florida, less a note receivable valued at \$7.2 million. Information concerning our acquisitions may be found in our previously filed periodic and current reports and in note 3 to our consolidated financial statements.

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The following sets forth additional information regarding the acquisitions since our initial public offering through December 31, 2007:

Company	Location	Region	Completion Date	Operations
Texas Environmental Waste	Houston, TX	II	July 13, 2004	Collection
Ashley Trash Service	Springfield, MO	I	August 17, 2004	Collection
Power Waste	Birmingham, AL	III	August 31, 2004	Collection
Blount Recycling	Birmingham, AL	III	September 3, 2004	Collection, Landfill & Transfer Station
Translift, Inc.	Little Rock, AR	II	September 17, 2004	Collection
Rural Disposal, Inc.	Willow Springs, MO	I	November 12, 2004	Collection
Trash Away, Inc.	Piedmont, SC	IV	November 30, 2004	Collection & Transfer Station
Gecko Investments (Eagle Ridge)	St. Louis, MO	I	January 11, 2005	Collection & Landfill
MRR Southern, LLC	High Point/Raleigh, NC	IV	April 1, 2005	Landfill, Transfer Station & MRF
Triangle Environmental	Raleigh, NC	IV	May 16, 2005	Collection
Foster Ferguson	El Dorado Springs, MO	I	May 16, 2005	Collection
Triad Waste	High Point, NC	IV	May 31, 2005	Collection
Proper Disposal	Chanute, KS	I	May 31, 2005	Collection
Fort Meade Landfill	Fort Meade, FL	III	October 3, 2005	Landfill
Meyer & Gabbert	Sarasota/Arcadia, FL	III	October 3, 2005	Collection, Landfill & Transfer Station
Pendergrass Refuse	Springfield, MO	I	October 4, 2005	Collection
Andy's Hauling	Sarasota, FL	III	October 21, 2005	Collection
Transit Waste	Durango, CO/Bloomfield, NM	V	February 10, 2006	Collection & Landfill
Fort Myers Transfer Station (*)	Fort Myers, FL	III	August 10, 2006	Transfer Station
WCA of St. Lucie, LLC	St. Lucie, FL	III	October 2, 2006	Transfer Station
Sunrise Disposal, LLC	Springfield, MO	I	December 28, 2006	Collection
Southwest Dumpster, Inc. (*)	Fort Myers, FL	III	January 3, 2007	Collection
American Waste, Inc.	Oklahoma City, OK	V	February 21, 2007	Collection & Landfill
Klean Way Disposal, Inc.	Springfield, MO	I	March 30, 2007	Collection
Carpenter Waste Systems, LLC	Oklahoma City, OK	V	May 31, 2007	Collection
Fort Bend Regional Landfill	Houston, TX	II	June 29, 2007	Collection, Landfill & Transfer Station
Big Red Containers, Inc.	Ardmore, OK	V	August 14, 2007	Collection
Roll-Off Rentals	Huntsville, AL	III	September 4, 2007	Collection
Waste Pro Services, LLC	Houston, TX	II	October 1, 2007	Collection
DH Griffin Container Services, LLC	Greensboro, NC	IV	October 1, 2007	Collection
DH Griffin Container of Raleigh, LLC	Raleigh, NC	IV	October 1, 2007	Collection

(*) These assets were exchanged as part of the consideration for the acquisition of Fort Bend Regional Landfill.

After giving effect to these transactions, at December 31, 2007, we owned and/or operated a total of 24 landfills, 27 collection operations and 23 transfer stations/MRFs, had approximately 395 routes and handled approximately 14,000 landfill tons per day at our landfills.

On January 2, 2008, we purchased certain collection routes in Oklahoma City, Oklahoma from Maguire Disposal, Inc. The purchase price for this acquisition was approximately \$0.3 million of cash. Together with this acquisition, we have made 32 acquisitions totaling \$112.0 million in estimated annual "run rate" revenue since completing our initial public offering in June 2004, and own and/or operate 24 landfills, 27 collection operations and 23 transfer stations/ MRFs.

For a description of our accounting for acquisitions and acquisition-related expenses, please read "—Executive Overview—Other Considerations" above and notes 1 and 3 to the consolidated financial statements. After an acquisition is completed, we incur integration expenses related to (i) incorporating newly-acquired truck fleets into our preventative maintenance program, (ii) the testing of new employees to comply with Department of Transportation regulations, (iii) implementing our safety program, (iv) re-routing trucks and equipment to assure maximization of routing efficiencies and disposal internalization, and (v) conversion of customers to our billing system. We generally expect that the costs of acquiring and integrating an acquired business will be incurred primarily during the first 12 months after acquisition. Synergies from tuck-in acquisitions can also take as long as 12 months to be realized.

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In the discussion below, we provide estimates as to the factors that impacted revenue growth during the years ended December 31, 2007 and 2006 over the previous comparable years, respectively. Such estimates represent our best judgment as to the revenue growth attributable from operations acquired during period described versus revenue growth attributable to other factors on a consolidated basis. For this purposes, we develop estimates based on comparisons of operating results for different periods, information from acquired companies, records concerning pricing in various markets and records concerning volumes at different periods, among other information. As indicated above, over time acquired operations become integrated with our other operations so that revenues cannot be directly traced or sourced to any given acquisition. Customer additions and turnover, combinations of any adjustments to routes, alterations in safety and quality standards, sales and marketing for the integrated operation, and a variety of other factors influence revenues and other operating results for the combined operations.

Results of Operations

Year Ended December 31, 2007 Compared to Year Ended December 31, 2006

The following table sets forth the components of operating income (loss) by major operating segments (Region I: Kansas, Missouri; Region II: Arkansas, Texas; Region III: Alabama, Florida; Region IV: North Carolina, South Carolina, Tennessee; Region V: Colorado, New Mexico, Oklahoma) for the years ended December 31, 2007 and 2006 and the changes between the segments for each category (dollars in thousands):

	<u>Region I</u>	<u>Region II</u>	<u>Region III</u>	<u>Region IV</u>	<u>Region V</u>	<u>Corporate</u>	<u>Total</u>	<u>% of Revenue</u>
Year ended December 31, 2007:								
Revenue	\$ 52,543	\$ 63,022	\$ 29,188	\$ 21,672	\$ 18,515	\$ —	\$ 184,940	100.0
Cost of services	35,040	40,266	18,964	13,084	14,499	—	121,853	65.9
Depreciation and amortization	5,261	6,746	4,668	4,095	3,030	434	24,234	13.1
General and administrative	3,945	3,641	2,516	1,598	380	688	12,768	6.9
Operating income (loss)	<u>\$ 8,297</u>	<u>\$ 12,369</u>	<u>\$ 3,040</u>	<u>\$ 2,895</u>	<u>\$ 606</u>	<u>\$ (1,122)</u>	<u>\$ 26,085</u>	<u>14.1</u>
Year ended December 31, 2006:								
Revenue	\$ 48,849	\$ 44,383	\$ 31,635	\$ 20,867	\$ 3,763	\$ —	\$ 149,497	100.0
Cost of services	35,260	27,238	17,606	12,916	2,971	—	95,991	64.2
Depreciation and amortization	4,837	4,912	4,806	3,474	694	347	19,070	12.7
General and administrative	3,490	2,204	2,005	1,460	308	1,543	11,010	7.4
Operating income (loss)	<u>\$ 5,262</u>	<u>\$ 10,029</u>	<u>\$ 7,218</u>	<u>\$ 3,017</u>	<u>\$ (210)</u>	<u>\$ (1,890)</u>	<u>\$ 23,426</u>	<u>15.7</u>
Increase/(decrease) in 2007 compared to 2006:								
Revenue	\$ 3,694	\$ 18,639	\$ (2,447)	\$ 805	\$ 14,752	\$ —	\$ 35,443	
Cost of services	(220)	13,028	1,358	168	11,528	—	25,862	
Depreciation and amortization	424	1,834	(138)	621	2,336	87	5,164	
General and administrative	455	1,437	511	138	72	(855)	1,758	
Operating income (loss)	<u>\$ 3,035</u>	<u>\$ 2,340</u>	<u>\$ (4,178)</u>	<u>\$ (122)</u>	<u>\$ 816</u>	<u>\$ 768</u>	<u>\$ 2,659</u>	

Revenue. Total revenue for the year ended December 31, 2007 increased \$35.4 million, or 23.7%, to \$184.9 million from \$149.5 million for the year ended December 31, 2006. Our growth in revenue between the years has been primarily driven by acquisitions. We estimated that acquisitions contributed \$25.1 million of the increase while internal volume growth contributed \$5.2 million, operational price increases contributed \$3.8 million, and pricing from fuel surcharges added \$1.3 million. The above table reflects the total increase in revenue in each operating region. The financial results of completed acquisitions are generally blended with existing operations and do not have separate financial information available with the exception of new regions acquired which can be analyzed individually. The estimated revenue increase of \$18.6 million in Region II was primarily attributed to the volume and price increases associated with new collection and hauling contracts in our Texas residential operations as well as the acquisition of a landfill and a transfer station during 2007. We estimated that our acquisition of Oklahoma operations in Region V contributed \$13.9 million of the increase in revenue during the year ended December 31, 2007. The \$3.7 million increase in estimated revenue in Region I was caused by price increases, and volume growth from the two tuck-in acquisitions completed in late 2006 and early 2007. The estimated revenue in Region III decreased \$4.0 million as a result of general market conditions in Florida and the divestitures of a transfer station and collection operations in Fort Myers, Florida. Revenue increases in Alabama (Region III), Region IV and Colorado/New Mexico (Region V) were mainly related to price increases in order to compensate higher operating costs. For more information on the factors affecting our estimates, please see “—Executive Overview—Acquisition Strategy Overview” above.

Cost of services. Total cost of services for the year ended December 31, 2007 increased \$25.9 million, or 26.9%, to \$121.9 million from \$96.0 million for the year ended December 31, 2006. We believe that our acquisition program accounted for most of the increase in cost of services, followed by costs associated with internal volume growth including labor, fuel and disposal costs. For acquisitions within our existing markets, the acquired entities are merged into our existing operations and those results are indistinguishable from the remainder of the operations. As indicated above, Region II and Region V experienced growth through either acquisition or expanded volumes and they each reflected a corresponding increase in their cost of services. Region II had an estimated \$13.0 million increase in cost of services due to the rapid growth of Texas residential collection operations and the acquisition at the end of June 2007. More employees and vehicles were added, which caused the increase in labor, insurance, fuel and vehicle-related costs. In addition, third party disposal and hauling costs increased sharply as we disposed of more residential waste to a third party landfill and contracted third party hauling operations to transport waste from our transfer station to our recently-acquired landfill. The estimated \$11.5 million increase in cost of services in Region V was primarily attributed to the acquisition of Oklahoma operations during 2007. Cost of services in Region I decreased while revenue increased mainly due to the reduction in fleet maintenance costs and the partial recovery of charges incurred last year related to damage caused by a third party blasting rock near one of our landfills. Cost of services in Region III increased while revenue decreased mainly as a result of three factors: (i) landfill disposal revenue from Fort Myers Transfer Station was eliminated after we acquired the transfer station during the third quarter of 2006 while the operating costs of the transfer station remained in cost of services, causing an imbalance between revenue and cost of services; (ii) certain costs are semi-fixed and do not decrease proportionally with decreases in revenue; and (iii) operating costs in Alabama increased due to the increase in revenue. For more information on the factors affecting our estimates, please see “—Executive Overview —Acquisition Strategy Overview” above.

Overall cost of services increased to 65.9% of revenue for the year ended December 31, 2007 from 64.2% during the same period last year. Increases in operating costs as a percentage of revenue were primarily attributable to higher payroll-related costs, fuel and vehicle-related costs, and disposal costs. Diesel fuel costs as a percentage of revenue increased from 6.5% for the year ended December 31, 2006 to 7.0% for the year ended December 31, 2007. Other than periodic volatility in fuel prices, inflation has not materially affected our operations.

Depreciation and amortization. Depreciation and amortization expenses for the year ended December 31, 2007 increased by 27.1% to \$24.2 million from \$19.1 million for the year ended December 31, 2006. These increases can be attributed to acquisitions, capital expenditures, and increased amortization corresponding with increased landfill volume usage.

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General and administrative. Total general and administrative expense increased \$1.8 million, or 16.0%, to \$12.8 million for the year ended December 31, 2007 from \$11.0 million for the year ended December 31, 2006. The increase was primarily attributable to payroll-related costs, legal expenses and franchise taxes. The general and administrative expense also included a \$0.9 million increase in stock-based compensation expense related to the stock portion of the executive bonus plan and earned compensation from restricted stock grants under the Second Amended and Restated 2004 WCA Waste Corporation Incentive Plan. Overall, general and administrative expenses remained round 7% of revenue in each of the years presented.

The following table sets forth items below operating income in our condensed consolidated statement of operations and as a percentage of revenue for the years ended December 31, 2007 and 2006 (dollars in thousands):

	Years Ended December 31,			
	2007		2006	
Operating income	\$ 26,085	14.1%	\$ 23,426	15.7%
Interest expense, net	(17,259)	(9.3)	(15,632)	(10.5)
Write-off of deferred financing costs and debt discount	—	—	(3,240)	(2.2)
Net gain on terminated interest rate swap	—	—	3,980	2.7
Unrealized loss on interest rate swap	(3,948)	(2.1)	(3,393)	(2.3)
Other income, net	387	0.2	192	0.1
Income tax provision	(2,343)	(1.3)	(2,313)	(1.5)
Accrued payment-in-kind dividend on preferred stock	(3,876)	(2.1)	(1,603)	(1.1)
Net income (loss) available to common stockholders	<u>\$ (954)</u>	<u>(0.5)%</u>	<u>\$ 1,417</u>	<u>0.9%</u>

Interest expense, net. Interest expense, net for the year ended December 31, 2007 increased by 10.4%, to \$17.3 million from \$15.6 million for the year ended December 31, 2006. The increase was mainly caused by higher debt balances due to borrowings to finance acquisitions. In addition, the average interest rate was higher in 2007 as we had our 9.25% senior notes for the entire year of 2007 compared to less than six months in 2006. The average interest rate prior to the issuance of our senior notes was between 8.0% and 8.5%.

Write-off of deferred financing costs and debt discount. The \$3.2 million write-off of deferred financing costs and debt discount in 2006 reflects the write-off of costs associated with our first and second lien credit agreements that were repaid and retired in connection with our financing transactions in July 2006.

Net gain on terminated interest rate swap. With the restructuring of our long-term debt and the termination of the interest rate swap in July 2006, we realized \$4.0 million from the swap counter-party. We recorded a \$3.7 million unrealized gain in the second quarter of 2006 for the fair value of the swap agreement as of June 30, 2006. During the third quarter of 2006, we realized the entire gain of \$4.0 million related to the interest rate swap agreement, with an additional \$0.3 million recognized in earnings during the quarter. Please read note 1(p) to the financial statements included in Item 8 and "Quantitative and Qualitative Disclosures About Market Risk" elsewhere in this report for more information.

Unrealized loss on interest rate swap. The \$3.9 million loss for the year ended December 31, 2007 was attributable to the recognition of the unrealized loss as of December 31, 2007 of the interest rate swap agreement we entered into in July 2006. At the time we entered into the swap, we had no floating rate debt and no such floating rate interest payments were probable of being incurred in the near future. As a result, the swap transaction could not be designated as a hedging transaction and any changes in the unrealized fair value of the swap will be recognized in the statement of operations as a non-cash gain or loss. If, in the future, we have significant outstanding borrowings that have floating interest rate payments, we will consider designating all or part of this swap agreement as a hedge. The \$3.4 million loss for the year ended December 31, 2006 was attributable to the recognition of the unrealized loss as of December 31, 2006 of the interest rate swap we entered into in July 2006.

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Income tax provision. Income tax provision for the year ended December 31, 2007 as a percentage of pre-tax income was 44.5% as compared to 43.4% for the year ended December 31, 2006. The increase in tax rate primarily relates to the impact of certain non-deductible permanent items in the current year.

Accrued payment-in-kind dividend on preferred stock. The \$3.9 million and \$1.6 million in accrued PIK dividend on preferred stock relates to the accretion of the 5% PIK dividend on our Series A Convertible Preferred Stock from January 1, 2007 to December 31, 2007 and from its date of issuance (July 27, 2006) to December 31, 2006, respectively. Please read "—Liquidity and Capital Resources—Private Placement of Preferred Stock."

Year Ended December 31, 2006 Compared to Year Ended December 31, 2005

The following table sets forth the components of operating income (loss) by major operating segments (Region I: Kansas, Missouri; Region II: Arkansas, Texas; Region III: Alabama, Florida; Region IV: North Carolina, South Carolina, Tennessee; Region V: Colorado, New Mexico) for the years ended December 31, 2006 and 2005 and the changes between the segments for each category (dollars in thousands):

	<u>Region I</u>	<u>Region II</u>	<u>Region III</u>	<u>Region IV</u>	<u>Region V</u>	<u>Corporate</u>	<u>Total</u>	<u>% of Revenue</u>
Year ended December 31, 2006:								
Revenue	\$ 48,849	\$ 44,383	\$ 31,635	\$ 20,867	\$ 3,763	\$ —	\$ 149,497	100.0
Cost of services	35,260	27,238	17,606	12,916	2,971	—	95,991	64.2
Depreciation and amortization	4,837	4,912	4,806	3,474	694	347	19,070	12.7
General and administrative	3,490	2,204	2,005	1,460	308	1,543	11,010	7.4
Operating income (loss)	\$ 5,262	\$ 10,029	\$ 7,218	\$ 3,017	\$ (210)	\$ (1,890)	\$ 23,426	15.7
Year ended December 31, 2005:								
Revenue	\$ 44,480	\$ 38,166	\$ 13,664	\$ 17,833	\$ —	\$ —	\$ 114,143	100.0
Cost of services	30,626	23,496	9,531	10,280	—	—	73,933	64.8
Depreciation and amortization	4,653	4,649	2,552	2,811	—	130	14,795	13.0
General and administrative	2,648	1,916	912	927	—	1,908	8,311	7.2
Operating income (loss)	\$ 6,553	\$ 8,105	\$ 669	\$ 3,815	\$ —	\$ (2,038)	\$ 17,104	15.0
Increase/(decrease) in 2006 compared to 2005:								
Revenue	\$ 4,369	\$ 6,217	\$ 17,971	\$ 3,034	\$ 3,763	\$ —	\$ 35,354	
Cost of services	4,634	3,742	8,075	2,636	2,971	—	22,058	
Depreciation and amortization	184	263	2,254	663	694	217	4,275	
General and administrative	842	288	1,093	533	308	(365)	2,699	
Operating income (loss)	\$ (1,291)	\$ 1,924	\$ 6,549	\$ (798)	\$ (210)	\$ 148	\$ 6,322	

Revenue. Total revenue for the year ended December 31, 2006 increased \$35.4 million, or 31.0%, to \$149.5 million from \$114.1 million for the year ended December 31, 2005. Our growth in revenue between the periods has been primarily driven by acquisitions. We estimated that acquisitions contributed \$22.1 million of the increase while internal volume growth contributed \$7.5 million of the increase. Price increases contributed \$2.8 million, and pricing from fuel surcharges added \$3.0 million. The above table reflects the total increase in revenue in each operating region. The financial results of completed acquisitions are generally blended with existing operations and do not have separate financial information available with the exception of new regions which can be analyzed individually. As previously indicated in "—Executive Overview—Acquisition Strategy Overview", each region except Region II reflected one or more acquisitions in either 2005 or 2006. These acquisitions were the key factors leading to the revenue growth in these regions. Our largest acquisition since late 2005 was in Florida (Region III) which reflected the largest increase in revenue. We believe that the majority of the growth in Region II can be attributed to volume increases primarily associated with new collection and hauling contracts in our Texas residential operations.

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Cost of services. Total cost of services for the year ended December 31, 2006 increased \$22.1 million, or 29.8%, to \$96.0 million from \$73.9 million for the year ended December 31, 2005. We believe that our acquisition program accounted for most of the increase in cost of services, followed by costs associated with internal volume growth such as labor, insurance, fuel, disposal, repairs and maintenance costs. For acquisitions within our existing markets, the acquired entities are merged into our existing operations and those results are indistinguishable from the remainder of the operations. As indicated above, each of our regions experienced growth through either acquisition or expanded volumes and they each reflected a corresponding increase in their cost of services. Region III reflects the largest acquisition since late 2005 and thus the largest increase of cost of services from the prior year. Other than Region I, the cost of service margin remained consistent. The cost of services in Region I was negatively impacted by a liner damaged by a third party in 2006 which led to repair costs and higher transportation costs for rerouting the waste stream. The impact of these losses totaled \$0.4 million in 2006. Other regions were also impacted by increased costs associated with acquisitions as outlined. Furthermore, certain operating costs increased as a percentage of revenue across all regions.

Overall cost of services decreased to 64.2% of revenue from 64.8% last year. Reductions in operating costs as a percentage of revenue were achieved related to certain licenses and fees, landfill site expenses and field administrative costs which are semi-fixed and do not increase proportionally with revenue. Fuel costs as a percentage of revenue remained consistent at 6.5% for the years ended December 31, 2006 and 2005. While our fuel surcharges continue to cover a portion of the increase in fuel costs, fuel costs have a dilutive effect on operating margins. Other than volatility in fuel prices, inflation has not materially affected our operations.

Depreciation and amortization. Depreciation and amortization expenses for the year ended December 31, 2006 increased \$4.3 million, or 28.9%, to \$19.1 million from \$14.8 million for the year ended December 31, 2005. These increases can be attributed to acquisitions, capital expenditures, and increased amortization corresponding with increased landfill volume usage.

General and administrative. Total general and administrative expense increased \$2.7 million, or 32.5%, to \$11.0 million for the year ended December 31, 2006 from \$8.3 million for the year ended December 31, 2005. The increase was primarily attributable to increases in payroll-related costs, insurance costs and the write-off of acquisition costs as well as costs associated with operating the company airplane, partially offset by a reduction in legal expenses. The general and administrative expense also included a \$0.6 million increase in stock-based compensation expense recognized in each year related to earned compensation from restricted stock grants under the Second Amended and Restated 2004 WCA Waste Corporation Incentive Plan. Overall, general and administrative expenses remained just under 7.5% of revenue in each of the periods presented.

The following table sets forth items below operating income in our condensed consolidated statement of operations and as a percentage of revenue for the years ended December 31, 2006 and 2005 (dollars in thousands):

	Years Ended December 31,			
	2006		2005	
Operating income	\$ 23,426	15.7%	\$ 17,104	15.0%
Interest expense, net	(15,632)	(10.5)	(10,366)	(9.1)
Write-off of deferred financing costs and debt discount	(3,240)	(2.2)	(1,308)	(1.1)
Net gain on terminated interest rate swap	3,980	2.7	—	—
Unrealized loss on interest rate swap	(3,393)	(2.3)	—	—
Other income, net	192	0.1	286	0.2
Income tax provision	(2,313)	(1.5)	(2,248)	(2.0)
Accrued payment-in-kind dividend on preferred stock	(1,603)	(1.1)	—	—
Net income available to common stockholders	\$ 1,417	0.9%	\$ 3,468	3.0%

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Interest expense, net. Interest expense, net for the year ended December 31, 2006 increased by 50.8%, to \$15.6 million from \$10.4 million for the year ended December 31, 2005. As a percentage of revenue, interest expense increased to 10.5% for the year ended December 31, 2006 from 9.1% for the year ended December 31, 2005. The increase relates to the higher average interest rate and the higher average debt balance outstanding as a result of debt assumed in connection with acquisitions as well as the issuance of our 9.25% senior notes in July 2006. Our average borrowing rate increased from 7.90% at the end of 2005 to 9.29% at the end of 2006 mainly due to the higher interest rate associated with our senior notes.

Write-off of deferred financing costs and debt discount. The \$3.2 million write-off of deferred financing costs and debt discount in 2006 reflects the write-off of costs associated with our first and second lien credit agreements that were repaid and retired in connection with our financing transactions in July 2006. The \$1.3 million write-off in 2005 is related to the restructuring of our credit facility in April 2005 as well as the repayment of our Environmental Facilities Revenue Bonds in June 2005.

Net gain on terminated interest rate swap. With the restructuring of our long-term debt and the termination of the interest rate swap in July 2006, we recognized and realized the entire gain of \$4.0 million related to the interest rate swap agreement from the swap counter-party.

Unrealized loss on interest rate swap. The \$3.4 million loss is attributable to the recognition of the unrealized loss as of December 31, 2006 of the new interest rate swap agreement we entered into in July 2006. At the time we entered into the swap, we had no floating rate debt and no such floating rate interest payments were probable of being incurred in the near future. As a result, the swap transaction can not be designated as a hedging transaction and any changes in the unrealized fair value of the new swap will be recognized in the statement of operations. If, in the future, we have outstanding borrowings that have floating interest rate payments, we will consider designating all or part of this swap agreement as a hedge.

Income tax provision. Income tax provision in the year ended December 31, 2006 as a percentage of pre-tax income was 43.4% as compared to 39.3% for the year ended December 31, 2005. The increase in tax rate is primarily due to the impact of non-deductible expenses in the current year.

Accrued payment-in-kind dividend on preferred stock. The \$1.6 million in accrued PIK dividend on preferred stock relates to the accretion of the 5% PIK dividend on our Series A Convertible Preferred Stock from its date of issuance (July 27, 2006) to December 31, 2006. Please read "—Liquidity and Capital Resources—Private Placement of Preferred Stock."

Liquidity and Capital Resources

Our business and industry is capital intensive, requiring capital for equipment purchases, landfill construction and development, and landfill closure activities in the future. Our planned acquisition strategy also requires significant capital. We plan to meet our future capital needs primarily through cash on hand, cash flow from operations and borrowing capacity under our credit facility. Additionally, our acquisitions may use seller notes, equity issuances and debt financings. We expect these sources will be adequate to fund our future capital needs and acquisition strategy for the foreseeable future.

We implemented a capital plan in 2006, consisting of the issuance of \$150 million of unsecured senior notes, a \$175 million revolving credit facility and \$75 million of convertible preferred stock as described below. As of December 31, 2007, we had total outstanding long-term debt of approximately \$199.3 million, consisting of \$150 million of senior notes, \$31.3 million outstanding under our credit facilities, approximately \$8.7 million of various seller notes, approximately \$8.8 million of assumed tax-exempt Environmental Facilities Revenue Bonds associated with acquisitions, and approximately \$0.5 million of equipment notes. This represented an increase of \$32.0 million over our total debt outstanding as of December 31, 2006. The increase in outstanding debt since December 31, 2006 was due to borrowings of \$29.7 million from our revolving credit facility to finance acquisitions, borrowings of approximately \$1.6 million from the swing-line feature of the credit facility to meet daily cash requirements and approximately \$1.6 million of seller convertible notes from an acquisition, partially

offset by repayments of tax-exempt bonds and equipment notes. As of December 31, 2007, we had \$29.7 million outstanding under the revolving credit facility, approximately \$1.6 million in the swing-line feature under our credit facility and approximately \$10.4 million in letters of credit secured by the credit facility, leaving \$133.3 million in available capacity under the facility. With \$1.1 million cash on hand at December 31, 2007, our total capacity for potential acquisitions was approximately \$134.4 million.

We entered into a swap agreement effective July 11, 2006, where we agreed to pay a fixed-rate of 5.64% in exchange for three-month floating rate LIBOR which was 5.51% at the time the swap was entered. The intention of this swap agreement is to limit our exposure to a rising rate interest environment. At the time we entered into the swap, we had no floating rate LIBOR debt and no such floating rate interest payments were probable of being incurred in the near future. As a result, the swap transaction can not be designated as a hedging transaction. Accordingly, any changes in the unrealized fair value of the new swap will be recognized in the statement of operations. If, in the future, we have outstanding borrowings that have floating interest rate payments, we will consider designating all or part of this swap agreement as a hedge. We did not enter into the interest rate swap agreements for trading purposes.

9.25% Senior Notes Due 2014

On July 5, 2006, we issued \$150 million aggregate principal amount of 9.25% senior notes due 2014. The net proceeds of the offering were \$145.7 million after deducting \$3.75 million in initial purchasers' discounts and other issuance costs. The proceeds were applied to certain debt outstanding under our first and second lien credit agreements as well as outstanding borrowings on the revolving note payable. The senior notes pay interest semi-annually on June 15 and December 15, commencing December 15, 2006 with the following redemption provisions:

- At any time before June 15, 2009, we may redeem up to 35% of the notes with net cash proceeds of certain equity offerings at a redemption price of 109.25% of the par value of the notes redeemed, plus accrued and unpaid interest and liquidated damages, if any, to the redemption date, as long as we redeem the notes within 180 days of the offering and at least 65% of the aggregate principal amount of the notes issued pursuant to the indenture remains outstanding after the redemption;
- Prior to June 15, 2010, we may redeem all or part of the notes by paying a make-whole premium, plus accrued and unpaid interest, and, if any, liquidated damages; and
- The notes may be callable beginning on June 15, 2010, 2011, and 2012 and thereafter at redemption prices of 104.625%, 102.313% and 100% of the principal amount plus accrued interest.

The senior notes are senior unsecured obligations and rank equally with our existing and future senior unsecured indebtedness and senior to any of our existing and future subordinated indebtedness. The senior notes will be effectively subordinated to any existing or future secured indebtedness, to the extent of the assets securing such indebtedness. The senior notes are guaranteed by all of our subsidiaries. The guarantees are senior unsecured obligations of the guarantors. The guarantees rank equally with all existing and future senior unsecured indebtedness of the guarantors and senior to any existing and future subordinated indebtedness of the guarantors. The guarantees are effectively subordinated to any existing or future secured indebtedness of the guarantors to the extent of the assets securing such indebtedness.

The senior notes were issued under an indenture between WCA Waste and The Bank of New York Trust Company, N.A., as Trustee. The indenture contains covenants including, among other provisions, limitations on our ability to incur additional indebtedness, make capital expenditures, create liens, sell assets and make dividend and other payments. As of December 31, 2007, we were in compliance with all covenants under the senior notes indenture.

Bank Credit Facility

Additionally, on July 5, 2006, we entered into a \$100 million revolving secured credit facility with Comerica Bank maturing July 5, 2011. On July 28, 2006, Comerica syndicated the credit facility to a group of banks and we agreed to increase the capacity of the revolving credit facility to \$175 million. The credit commitment available under the credit facility includes sub-facilities for standby letters of credit in the aggregate principal amount of up to \$50.0 million and a swing-line feature for up to \$10.0 million for same day advances. This credit facility replaced the previous \$100 million revolving credit facility with Wells Fargo Bank National Association as administrative agent. The revolving credit facility includes covenants similar to the expiring facility with reduced interest margins associated with various leverage ratios. Applicable fees and margins are determined based on our leverage ratio for the trailing 12-month reporting period on each quarterly reporting date. The following table highlights the revised margins:

Leverage Ratio	LIBOR Margin	Prime Margin	Commitment Fee
Less than 3.0x	1.500	—	0.250
Equal to or greater than 3.0 and less than 3.5x	1.750	0.250	0.250
Equal to or greater than 3.5 and less than 4.0x	2.000	0.500	0.250
Equal to or greater than 4.0 and less than 4.5x	2.250	0.750	0.375
Equal to or greater than 4.5x	2.500	1.000	0.500

Our obligations under the credit facility are secured by the capital stock of our subsidiaries and all tangible (including real estate) and intangible assets belonging to us and our subsidiaries. The obligations are also guaranteed by certain material subsidiaries. Obligations under the credit facility are recourse obligations and are subject to cancellation and/or acceleration upon the occurrence of certain events, including, among other things, a change of control (as defined in the credit facility), nonpayment, breaches of representations, warranties and covenants (subject to cure periods in certain instances), bankruptcy or insolvency, defaults under other debt arrangements, failure to pay certain judgments and the occurrence of events creating material adverse effects.

Other covenants in the credit agreement limit our ability and certain of our subsidiaries to, among other things, create, incur, assume or permit to exist certain liens; make certain investments, loans and advances; enter into any sale-leaseback transactions; materially change the nature of their businesses; create, incur, assume or permit to exist certain leases; merge into or with or consolidate with any other person; sell, lease or otherwise dispose of all or substantially all of their properties or assets; discount or sell any of their notes or accounts receivable; transact business with affiliates unless in the ordinary course of business and on arm's length basis; make certain negative pledges; or amend, supplement or otherwise modify the terms of any debt or prepay, redeem or repurchase any subordinated debt. Please read "Risk Factors—Risks Associated with Our Indebtedness." As of December 31, 2007, we were in compliance with all covenants under the credit facility agreement.

Private Placement of Preferred Stock

On June 12, 2006, we entered into a privately negotiated Preferred Stock Purchase Agreement (the Purchase Agreement) with Ares Corporate Opportunities Fund II L.P., which provided for us to issue and sell 750,000 shares (Preferred Shares) of Series A Convertible Preferred Stock, par value \$0.01 per share (Preferred Stock), to Ares. The purchase price per Preferred Share was \$100.00, for an aggregate purchase price of \$75 million. The Preferred Stock is convertible into our common stock, par value \$0.01 per share (Common Stock), at a price of \$9.60 per share and carries a 5% PIK dividend payable semi-annually. The closing of the sale and issuance of the full amount of Preferred Shares pursuant to the Purchase Agreement was completed on July 27, 2006. The original issuance date for the Preferred Stock is the commitment date for both the Preferred Stock and the initial five years worth of dividends as the payment of the dividends through in-kind payments is non-discretionary for that initial five-year period. Based on the fair value of our underlying common stock on the issuance date and the stated conversion date, there is no beneficial conversion feature associated with the issuance of the Preferred Stock.

The Preferred Shares are immediately convertible at Ares' discretion into 8,452,835 shares of our Common Stock, which would represent approximately 32.7% of the outstanding Common Stock on a post-conversion basis as of March 1, 2008. Dividends are solely PIK for the first five years — that is, they are payable solely by adding the amount of dividends to the stated value of each share. At the end of five years, the Preferred Shares would be convertible into approximately 10,000,661 shares of Common Stock, which, based on the currently outstanding shares, would represent approximately 36.5% of the post-conversion shares outstanding.

Other material terms of the Preferred Stock are as follows:

- all dividends that would otherwise be payable through the fifth anniversary of issuance shall automatically be accelerated and paid in kind immediately prior to the occurrence of any of the following acceleration events:
 - liquidation
 - bankruptcy
 - closing of a public offering of Common Stock pursuant to an effective registration statement (except for Form S-4, solely for sales by third parties, or pursuant to Ares' own registration rights agreement)
 - the average of the closing price of the Common Stock for each of 20 consecutive trading days exceeds \$14.40 per share
 - fundamental transaction, including a "group" (defined in the Securities Exchange Act of 1934, as amended (the Exchange Act)) acquiring more than 35% of outstanding voting rights; replacement of more than one-half of the directors without approval of the existing board of directors; a merger, consolidation, sale of substantially all assets, going-private transaction, tender offer, reclassification, or other transaction that results in the transfer of a majority of voting rights;
- Ares can convert the Preferred Stock into Common Stock at any time at a conversion price of \$9.60 per share, with conversion being calculated by taking the stated value (initially \$100.00 per share) plus any amount added to stated value by way of dividends, then dividing by \$9.60 to produce the number of shares of Common Stock issuable;
- We can force a conversion into Common Stock following either (i) the average of the closing price of the Common Stock for each of 20 consecutive trading days exceeding \$14.40 per share or (ii) a fundamental transaction that Ares does not treat as a liquidation;
- after the fifth anniversary of issuance, we can redeem for cash equal to the liquidation preference;
- after the fifth anniversary of issuance, we can pay dividend in cash at our discretion;
- upon a liquidation of WCA Waste, prior to any holder of Common Stock or other junior securities, Ares shall receive in cash the greater of (i) the stated value plus any amount added by way of dividends (accelerated to include a full five years) or (ii) the amount it would receive if all shares of Preferred Stock were converted into Common Stock (calculated to include dividends accelerated to include a full five years);
- Ares can elect to treat any fundamental transaction (defined above) as a liquidation event, which will entitle Ares to their liquidation preferences. Following such election, in the event that we elect to make any payment such as a dividend or stock repurchase payment to a common shareholder, we will be required to repay Ares the full amount of the liquidation preference associated with Preferred Stock. However, if securities of another company are issued as consideration in a fundamental transaction, WCA Waste has the option of requiring Ares to accept such common shares to satisfy the liquidation preference if shares are then quoted on the Nasdaq Global Market or listed on the New York Stock Exchange. The value of such shares is determined at 98% of the closing price on the trading day preceding the transaction and the shares are freely transferable without legal or contractual restrictions;

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- the Preferred Stock voting as a separate class elects (i) two directors to our board of directors for so long as Ares continues to hold Preferred Stock representing at least 20% of our "post-conversion equity" (outstanding Common Stock assuming conversions into common shares of all securities, including the Preferred Stock and assuming Preferred Stock dividends accelerated to include a full five years), (ii) one director for so long as it continues to hold at least 10% of post-conversion equity, and (iii) no directors below 10%;
- the Preferred Stock voting as a separate class must approve (i) any alteration in its powers, preferences or rights, or in the certificate of designation, (ii) creation of any class of stock senior or pari passu with it, (iii) any increase in the authorized shares of Preferred Stock, and (iv) any dividends or distribution to Common Stock or any junior securities, except for pro rata dividends on Common Stock paid in Common Stock. These protective rights terminate on the first date on which there are outstanding less than 20% of the number of shares of Preferred Stock outstanding on the date the Preferred Stock is first issued; and
- except for the election of directors and special approvals described above, the Preferred Stock votes on all matters and with the Common Stock on an as-converted basis.

In connection with the issuance and sale of the Preferred Shares, we also entered into other agreements as contemplated by the Purchase Agreement, including a Stockholder's Agreement, a Registration Rights Agreement, and a Management Rights Letter. The Purchase Agreement, the Stockholder's Agreement, the Registration Rights Agreement, the Management Rights Letter and the Certificate of Designation pursuant to which the Preferred Shares were created, are described in our current report on Form 8-K filed on June 16, 2006.

Tax-Exempt Bonds

As of December 31, 2007, we had \$8.8 million of tax-exempt bonds outstanding.

Contractual Obligations

As of December 31, 2007, we had the following contractual obligations (in thousands). The contractual obligations do not include interest payments on long-term debt due to the variable interest rates under our credit facility and the varying amounts outstanding under our credit facility during the year. The contractual interest rate for our credit facility is the LIBOR base rate plus a stipulated margin, which also fluctuates based on our leverage ratio. For the year ended December 31, 2007, our cash paid for interest expense was \$17.2 million. Please read note 7 to our consolidated financial statements for balances and terms of our credit facility at December 31, 2007.

Contractual Obligations	Payments Due By Period				
	Total	Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years
Long-term debt principal amount outstanding (1)	\$ 199,254	\$ 699	\$ 8,138	\$ 33,887	\$ 156,530
Closure and post-closure costs (2)	161,347	—	277	834	160,236
Operating lease	5,468	938	1,709	1,145	1,676
Note payable	4,716	4,716	—	—	—
Total	\$ 370,785	\$ 6,353	\$ 10,124	\$ 35,866	\$ 318,442

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- (1) Related interest obligations have been excluded from this maturity schedule.
- (2) The closure and post-closure costs amounts included reflect the amounts recorded in our consolidated balance sheet as of December 31, 2007, without the impact of discounting and inflation. We believe the amount and timing of these activities are reasonably estimable. The cost in current dollars is inflated (2.5% at December 31, 2007) until the expected time of payment, and then discounted to present value (8.5% at December 31, 2007). Accretion expense is then applied to the closure and post-closure liability based on the effective interest method and is included in cost of services. Our recorded closure and post-closure liabilities will increase as we continue to place additional volumes within the permitted airspace at our landfills.

Other Commitments

As of December 31, 2007, we had the following other commitments (in thousands):

Other Commitments	Commitment Expiration By Period			
	Total	Less Than 1 Year	1-3 Years	More Than 5 Years
Financial surety bonds (1)	\$ 51,926	\$ 51,926	\$ —	\$ —
Standby letters of credit (2)	10,441	10,441	—	—
Total	\$ 62,367	\$ 62,367	\$ —	\$ —

- (1) We use financial surety bonds for landfill closure and post-closure financial assurance required under certain environmental regulations and may use other mechanisms including insurance, letters of credit and restricted cash deposits. These surety bonds are renewed on an annual basis. We have experienced less availability of surety bonds for landfill closure and post-closure requirements and increased costs including the direct fees associated with the bonds, increased levels of standby letters of credit or personal guarantees provided to the surety bond underwriters. Our commitments for financial surety bonds are not recorded in our financial statements. Our surety bonds relate to closure and post-closure obligations relating to our landfills and would not create debt unless and until we closed such landfills and were unable to satisfy closure and post-closure obligations.
- (2) We provide standby letters of credit to the surety bond underwriters as discussed in note (1) above. As of December 31, 2007, \$4.7 million had been provided to the surety bond underwriters. We also provide standby letters of credit and restricted cash deposits to our insurance underwriters for the self insured portion of outstanding claims. As of December 31, 2007, we had provided \$5.7 million in standby letters of credit. All of these standby letters of credit are renewed on an annual basis. Our commitments for standby letters of credit are not recorded in our financial statements. The standby letters of credit relate to the portion of claims covered by insurance policies as to which we had retained responsibility and would not create debt unless we were unable to satisfy such claims from our operating income. However, we currently satisfy such claims from our cash flows from operations.

If our current surety bond underwriters are unwilling to renew existing bonds upon expiration, or are unwilling to issue additional bonds as needed, or if we are unable to obtain surety bonds through new underwriters as such needs arise, we would need to arrange other means of financial assurance, such as restricted cash deposits or a letter of credit. While such alternate assurance has been available, it may result in additional expense or capital outlays.

We accrue claims related to our self-insurance programs based on claims filed, estimated open claims and claims incurred but not reported based on actuarial-based loss development factors. As of December 31, 2007, we had accrued approximately \$2.9 million for these claims. If we experience insurance claims or costs above or below our limited history, our estimates could be materially affected.

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Cash Flows

The following is a summary of our cash balances and cash flows for the years ended December 31, 2007, 2006 and 2005 (in thousands):

	Years Ended December 31,		
	2007	2006	2005
Cash and cash equivalents at the end of the period	\$ 1,138	\$ 52,207	\$ 678
Net cash provided by operating activities	\$ 39,606	\$ 36,876	\$ 19,562
Net cash used in investing activities	\$ (121,013)	\$ (36,537)	\$ (111,381)
Net cash provided by financing activities	\$ 30,338	\$ 51,190	\$ 92,225

Net cash provided by operating activities for the years ended December 31, 2007, 2006 and 2005 was \$39.6 million, \$36.9 million and \$19.6 million, respectively. The changes in cash flows from operating activities are primarily due to changes in the components of working capital from year to year. Other items impacting operating cash flows include depreciation and amortization, write-off of deferred financing costs and debt discount, interest rate swap, prepaid disposal usage as well as stock-based compensation, all of which were non-cash expenses. Additionally in 2006, we realized \$4.0 million from the termination of an interest rate swap agreement.

Net cash used in investing activities consists primarily of cash used for capital expenditures and the acquisition of businesses. Cash used for capital expenditures, including acquisitions, was \$121.3 million, \$36.7 million and \$111.6 million for the years ended December 31, 2007, 2006 and 2005, respectively. The fluctuation is mainly caused by acquisitions over the years. We spent substantially more in acquisitions in 2005 and 2007. During 2006 we reduced our pace for acquisitions and focused on implementing a new capital plan to provide us with more funds to pursue future acquisitions. On the other hand, capital expenditures related to our existing operations remained steady as our revenue grows. We expect maintenance capital expenditures for 2008, excluding acquisitions, to be approximately 12% of our revenue. In addition, we expect to incur additional capital expenditures for acquisitions that have further growth potential. These expenditures, together with maintenance capital expenditures, include the cost of vehicles, heavy equipment, containers, landfill cell development and certain information systems and program improvements. Furthermore, in connection with the execution of our acquisition strategy, we expect to make substantial capital expenditures. Because of their nature, we cannot accurately predict the amount and timing of these acquisition expenditures. We believe that we will have the necessary financial sources available to fund our capital expenditures and our acquisition program. These sources include the use of borrowings under our existing credit facility, seller notes, and the issuance of new debt or equity.

Net cash provided by financing activities during the years ended December 31, 2007, 2006 and 2005 was \$30.3 million, \$51.2 million and \$92.2 million, respectively. Net cash provided by financing activities during the years ended December 31, 2007, 2006 and 2005 mainly includes a combination of the issuance of equity including common stock and preferred stock, the issuance of our senior notes, borrowings under our credit facilities, repayments of debt, and financing costs associated with our credit facilities in all periods. Proceeds from financing during 2007 included the borrowings under our revolving credit facility. Proceeds from financing during 2006 included the net proceeds from the issuance of Preferred Stock and our senior notes. Proceeds from financing during 2005 included the net proceeds from the use of our credit facilities and seller notes. The significant increase in net cash from investing activities in 2005 reflects the amounts borrowed related to our ongoing acquisition program.

Critical Accounting Estimates and Assumptions

We make several estimates and assumptions during the course of preparing our financial statements. Since some of the information that we must present depends on future events, it cannot be readily computed based on generally accepted methodologies, or may not be appropriately calculated from available data. Some estimates require us to exercise substantial judgment in making complex estimates and assumptions and, therefore, have the greatest degree of uncertainty. This is especially true with respect to estimates made in accounting for landfills, environmental remediation liabilities and asset impairments. We describe the process of making such estimates and other significant accounting policies in notes 1 and 2 to our consolidated financial statements.

Landfill Accounting

Capitalized Landfill Costs

At December 31, 2007, we owned 24 landfills. Two of these landfills are fully permitted but not constructed and had not commenced operations as of December 31, 2007.

Capitalized landfill costs include expenditures for the acquisition of land and airspace, engineering and permitting costs, cell construction costs and direct site improvement costs. As of December 31, 2007, no capitalized interest was included in capitalized landfill costs. However, in the future interest could be capitalized on landfill construction projects but only during the period the assets are undergoing activities to prepare them for their intended use. Capitalized landfill costs are amortized ratably using the units-of- production method over the estimated useful life of the site as airspace of the landfill is consumed. Landfill amortization rates are determined periodically (not less than annually) based on aerial and ground surveys and other density measures and estimates made by our internal and/or third-party engineers.

Total available airspace includes the total of estimated permitted airspace plus an estimate of probable expansion airspace that we believe is likely to be permitted. Where we believe permit expansions are probable, the expansion airspace, and the projected costs related to developing the expansion airspace are included in the airspace amortization rate calculation. The criteria we use to determine if permit expansion is probable include but, are not limited to, whether:

- we believe that the project has fatal flaws;
- the land is owned or controlled by us, or under option agreement;
- we have committed to the expansion;
- financial analysis has been completed, and the results indicate that the expansion has the prospect of a positive financial and operational impact;
- personnel are actively working to obtain land use, local, and state approvals for an expansion of an existing landfill;
- we believe the permit is likely to be received; and
- we believe that the timeframe to complete the permitting is reasonable.

We may be unsuccessful in obtaining expansion permits for airspace that has been considered probable. If unsuccessful in obtaining these permits, the previously capitalized costs will be charged to expense. As of December 31, 2007, we have included 156 million cubic yards of expansion airspace with estimated development costs of approximately \$105.1 million in our calculation of the rates used for the amortization of landfill costs.

Closure and Post-Closure Obligations

We have material financial commitments for the costs associated with our future obligations for final closure, which is the closure of the landfill, the capping of the final uncapped areas of a landfill and post-closure maintenance of those facilities, which is generally expected to be for a period of up to 30 years depending on type and location.

On January 1, 2003, we adopted SFAS No. 143, "Accounting for Asset Retirement Obligations" (SFAS No. 143), which provides standards for accounting for obligations associated with the retirement of long-lived assets and the associated asset retirement costs. Generally, the requirements for recording closure and post-closure obligations under SFAS No. 143 are as follows:

- Landfill closure and post-closure liabilities are calculated by estimating the total obligation in current dollars. Cost estimates equate the costs of third parties performing the work. Any portion of the estimates which are based on activities being performed internally are increased to reflect a profit margin a third party would receive to perform the same activity. This profit margin will be taken to income once the work is performed internally.
- The total obligation is carried at the net present value of future cash flows, which is calculated by inflating the obligation based upon the expected date of the expenditure using an inflation rate and discounting the inflated total to its present value using a discount rate. The discount rate represents our credit-adjusted risk-free rate. The resulting closure and post-closure obligation is recorded as an increase in this liability as airspace is consumed.
- Accretion expense is calculated based on the discount rate and is charged to cost of services and increases the related closure and post-closure obligation. This expense will generally be less during the early portion of a landfill's operating life and increase thereafter.

The following table sets forth the rates we used for the amortization of landfill costs and the accrual of closure and post-closure costs for 2007, 2006, and 2005:

	2007	2006	2005
Number of landfills owned	24	20	19
Landfill depletion and amortization expense (in thousands)	\$ 10,483	\$ 8,784	\$ 6,957
Accretion expense (in thousands)	483	284	159
Closure and post-closure cost (in thousands)	513	286	—
	\$ 11,479	\$ 9,354	7,116
Airspace consumed (in thousands of cubic yards)	5,456	4,806	3,854
Depletion, amortization, accretion, closure and post-closure costs per cubic yard of airspace consumed	\$ 2.10	\$ 1.95	\$ 1.85

The impact of changes determined to be changes in estimates, based on an annual update, is accounted for on a prospective basis. Our ultimate liability for such costs may increase in the future as a result of changes in estimates, legislation, or regulations.

Goodwill and Intangible Assets

Goodwill and intangible assets acquired in a business combination accounted for as a purchase and determined to have an indefinite useful life are not amortized, but instead tested for impairment at least annually. Intangible assets with estimable useful lives are amortized over their respective estimated useful lives to their residual values, and reviewed for impairment.

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

Allocation of Acquisition Purchase Price

A summary of our accounting policies for acquisitions is as follows:

- Acquisition purchase price is allocated to identified tangible and intangible assets acquired and liabilities assumed based on their estimated fair values at the dates of acquisition, with any residual amounts allocated to goodwill. We accrue the payment of contingent purchase price if the events surrounding the contingency are deemed probable.
- We often consummate single acquisitions that include a combination of collection operations and landfills. For each separately identified collection operation and landfill acquired in a single acquisition, we perform an initial allocation of total purchase price to the identified collection operations and landfills based on their relative fair values. Following this initial allocation of total purchase price to the identified collection operations and landfills, we further allocate the identified intangible assets and tangible assets acquired and liabilities assumed for each collection operation and landfill based on their estimated fair values at the dates of acquisition, with any residual amounts allocated to either goodwill or landfill site costs, as discussed above.

Recently Adopted and New Accounting Pronouncements

In June 2006, the FASB issued Interpretation No. 48, "Accounting for Uncertainty in Income Taxes" — An Interpretation of SFAS No. 109 (FIN 48). FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with SFAS No. 109, "Accounting for Income Taxes". FIN 48 also prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return that results in a tax benefit. Additionally, FIN 48 provides guidance on de-recognition, income statement classification of interest and penalties, accounting in interim periods, disclosure, and transition. This interpretation is effective for fiscal years beginning after December 15, 2006. We adopted FIN 48 as of January 1, 2007. As a result of the implementation, we recorded \$1.8 million in other long-term liabilities for unrecognized tax benefits, which was accounted for as a reduction to the January 1, 2007 balance of retained earnings. As of January 1, 2007, we had unrecognized tax benefits of \$1.8 million, all of which would have an impact on the annual effective tax rate upon recognition. We also recognized interest and penalties accrued related to unrecognized tax benefits in income tax expense. This is an accounting policy election made by us that is a continuation of our historical policy and will continue to be consistently applied in the future.

In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements". SFAS No. 157 defines fair value, establishes a framework for measuring fair value in GAAP, and expands disclosures about fair value measurements. It applies under other accounting pronouncements that require or permit fair value measurements, and does not require any new fair value measurements. The application of SFAS No. 157, however, may change current practice within an organization. SFAS No. 157 is effective January 1, 2008, applied prospectively. In November 2007, the FASB provided a one year deferral for the implementation of FAS 157 for other nonfinancial assets and liabilities. We do not expect SFAS No. 157 to have any effect on our consolidated financial statements, other than expanded disclosures about fair value measurements, in future reporting periods.

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In February 2007, the FASB issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities—Including an amendment of FASB Statement No. 115", which permits an entity to choose to measure financial instruments and certain other items similar to financial instruments at fair value. All subsequent changes in fair value for the financial instrument would be reported in earnings. By electing the fair value option, an entity can also achieve consistent accounting for related assets and liabilities without having to apply complex hedge accounting. SFAS No. 159 is effective January 1, 2008. We do not believe that the adoption of SFAS No. 159 has a material impact on our consolidated financial position, results of operations or cash flows.

In December 2007, the FASB issued SFAS No. 141(R), "Business Combinations". SFAS No. 141(R) establishes principles and requirements on how the acquirer in a business combination recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed and any noncontrolling interest in the entity acquired. In addition, SFAS No. 141(R) provides guidance on the recognition and measurement of goodwill acquired in the business combination or a gain from a bargain purchase as well as what information to disclose to enable users of the financial statements to evaluate the nature and financial impact of the business combination. SFAS No. 141(R) requires contingent consideration to be recognized at its fair value on the acquisition date and, for certain arrangements, changes in fair value to be recognized in earnings until settled. SFAS No. 141(R) also requires acquisition-related transaction and restructuring costs to be expensed rather than treated as part of the cost of the acquisition. The provisions of SFAS No. 141(R) apply prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. We are currently evaluating the impact SFAS No. 141(R) will have on our financial position, results of operations or cash flows.

In December 2007, the FASB issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements—an Amendment of ARB No. 51". SFAS No. 160 establishes principles and requirements on how to treat the portion of equity in a subsidiary that is not attributable directly or indirectly to a parent. This is commonly known as a minority interest. The objective of SFAS No. 160 is to improve relevance, comparability, and transparency concerning ownership interests in subsidiaries held by parties other than the parent by providing disclosures that clearly identify between interests of the parent and interest of the noncontrolling owners and the related impacts on the consolidated statement of income and the consolidated statement of financial position. SFAS No. 160 also provides guidance on disclosures related to changes in the parent's ownership interest and deconsolidation of a subsidiary. SFAS No. 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. We are currently evaluating the impact of SFAS No. 160 on our financial position, results of operations or cash flows.

Cautionary Statement About Forward-Looking Statements

Some of the statements contained in this report are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. From time to time, our public filings, press releases and other communications (such as conference calls and presentations) will contain forward-looking statements. These forward-looking statements can generally be identified as such because the context of the statement will include words such as "may," "should," "outlook," "project," "intend," "seek," "plan," "believe," "anticipate," "expect," "estimate," "potential," "continue," or "opportunity," the negatives of these words, or similar words or expressions. Similarly, statements that describe our future plans, objectives or goals are also forward-looking statements. This is true of our description of our acquisition strategy for example. It is also true of our "run rate" definitions which are estimates based upon a mixture of historical and projected results.

We caution that forward-looking statements are not guarantees and are subject to known and unknown risks and uncertainties. Since our business, operations and strategies are subject to a number of risks, uncertainties and other factors, actual results may differ materially from those described in the forward-looking statements.

Thus, for example, our future financial performance will depend significantly on our ability to execute our acquisition strategy, which will be subject to many risks and uncertainties including, but not limited to, the following:

- we may be unable to identify, complete or integrate future acquisitions, which may harm our prospects;
- we compete for acquisition candidates with other purchasers, some of which have greater financial resources and may be able to offer more favorable terms, thus limiting our ability to grow through acquisitions;
- in connection with financing acquisitions, we may incur additional indebtedness, or may issue additional shares of our common stock, which would dilute the ownership percentage of existing stockholders;
- businesses that we acquire may have unknown liabilities and require unforeseen capital expenditures, which would adversely affect our financial results;
- rapid growth may strain our management, operational, financial and other resources, which would adversely affect our financial results;
- our acquisition strategy has resulted and is expected to continue to result in significant goodwill and other intangible assets, which may need to be written down if performance is not as expected; and
- we may incur charges related to acquisitions, which could lower our earnings.

Our business is also subject to a number of operational risks and uncertainties that could cause our actual results of operations or our financial condition to differ from any forward-looking statements. These include, but are not limited to, the following:

- changes in interest rates may affect our profitability;
- we are subject to environmental and safety laws, which restrict our operations and increase our costs;
- we may become subject to environmental clean-up costs or litigation that could curtail our business operations and materially decrease our earnings;
- our accruals for landfill closure and post-closure costs may be inadequate, and our earnings would be lower if we are required to pay or accrue additional amounts;

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- we may be unable to obtain financial assurances necessary for our operations, which could result in the closure of landfills or the termination of collection contracts;
- our business is capital intensive, requiring ongoing cash outlays that may strain or consume our available capital and force us to sell assets, incur debt, or sell equity on unfavorable terms;
- increases in the costs of disposal, labor, fuel and insurance could reduce operating margins;
- we may not be able to maintain sufficient insurance coverage to cover the risks associated with our operations, which could result in uninsured losses that would adversely affect our financial condition;
- our failure to remain competitive with our numerous competitors, some of which have greater resources, could adversely affect our ability to retain existing customers and obtain future business;
- we may lose contracts through competitive bidding, early termination or governmental action, or we may have to substantially lower prices in order to retain certain contracts, any of which would cause our revenue to decline;
- comprehensive waste planning programs and initiatives required by state and local governments may reduce demand for our services, which could adversely affect our waste volumes and the price of our landfill disposal services;
- covenants in our credit facilities and the instruments governing our other indebtedness may limit our ability to grow our business and make capital expenditures;
- efforts by labor unions to organize our employees could divert management attention and increase our operating expenses;
- a general downturn in U.S. economic conditions may reduce our business prospects and decrease our revenue and cash flows;
- current and proposed laws may restrict our ability to operate across local borders which could affect our manner, cost and feasibility of doing business;
- we may not be successful in expanding the permitted capacity of our current or future landfills, which could restrict our growth, increase our disposal costs, and reduce our operating margins;
- poor decisions by our regional and local managers could result in the loss of customers or an increase in costs, or adversely affect our ability to obtain future business;
- we are vulnerable to factors affecting our local markets, which could adversely affect our stock price relative to our competitors;
- seasonal fluctuations will cause our business and results of operations to vary among quarters, which could adversely affect our stock price;
- failure to maintain effective internal controls in accordance with Section 404 of the Sarbanes-Oxley Act could have a material adverse effect on our business and stock price;
- our success depends on key members of our senior management, the loss of any of whom could disrupt our customer and business relationships and our operations;

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- conflicts of interest to our stockholders' detriment may arise between us and Waste Corporation of America and its controlling equity holder, who owns a significant portion of our equity and has one director on our board;
- our executive officers, directors and their related entities own a significant interest in our voting stock and may be able to exert significant influence over our management and affairs, which may discourage a potential change of control transaction;
- provisions in our amended and restated certificate of incorporation, our amended and restated bylaws and Delaware law could prohibit a change of control that our stockholders may favor and which could negatively affect our stock price; and
- we may issue preferred stock that has a liquidation or other preference over our common stock without the approval of the holders of our common stock, which may affect those holders rights or the market price of our common stock.

We describe these and other risks in greater detail in the section entitled "Business—Risk Factors" included elsewhere in this report. We refer you to that section for additional information.

The forward-looking statements included in this report are only made as of the date of this report and we undertake no obligation to publicly update forward-looking statements to reflect subsequent events or circumstances.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

In the normal course of business, we are exposed to market risk, including changes in interest rates. We use interest rate swap agreements to manage a portion of our risks related to interest rates. We entered into a swap agreement effective July 11, 2006, where we agreed to pay a fixed-rate of 5.64% in exchange for three-month floating rate LIBOR which was 5.51% at the time the swap was entered. At December 31, 2007, the related floating rate was 4.60%. The intention of this swap agreement is to limit our exposure to a rising rate interest environment. The decrease in interest rates that began in September 2007 reduced our cash flow and increased our interest expense by \$0.5 million in 2007. Based on the three-month LIBOR rates in effect at December 31, 2007 and continuing into 2008, we anticipate that the interest rate swap will have a greater impact on our financial results in 2008. Considering the rates in effect at December 31, 2007 and the current rates, the impact of the swap agreement is estimated to result in a pre-tax cash cost of \$3.2 million in 2008. At the time we entered into the swap, we had no floating rate LIBOR debt and no such floating rate interest payments were probable of being incurred in the near future. As a result, the swap transaction can not be designated as a hedging transaction. Accordingly, any changes in the unrealized fair value of the new swap will be recognized in the statement of operations. If, in the future, we have outstanding borrowings that have floating interest rate payments, we will consider designating all or part of this swap agreement as a hedge. We did not enter into the interest rate swap agreements for trading purposes.

As of December 31, 2007 and 2006, we had no debt outstanding that bears interest at variable or floating rates. With the placement of the swap agreement, we bear exposure to, and are primarily affected by, changes in LIBOR rates on \$118.7 million. A 100 basis point increase in LIBOR interest rates would result in interest income on the swap agreement of approximately \$1.2 million annually while a 100 basis point decrease in interest rates would result in \$1.2 million in swap expense, in addition to any mark-to-market effect on the fair value of the swap. Please read "Business—Risk Factors—Risks Relating To Our Business—Changes in interest rates may affect our profitability." The table below provides scheduled principal payments and fair value information about our market-risk sensitive financial instruments as of December 31, 2007 (dollars in thousands):

	Expected Maturity Dates						Total
	2008	2009	2010	2011	2012	Thereafter	
Debt:							
Senior notes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 150,000	\$ 150,000
Average interest rate							
(a)							
Revolving credit agreement	\$ —	\$ —	\$ —	\$ 31,277	\$ —	\$ —	\$ 31,277
Average interest rate							
(b)							
Environmental Facilities Revenue Bonds	\$ 380	\$ 415	\$ 455	\$ 495	\$ 540	\$ 6,530	\$ 8,815
Average interest rate							
(c)							
Other borrowings	\$ 319	\$ 3,147	\$ 4,121	\$ —	\$ 1,575	\$ —	\$ 9,162
Average interest rate	6.2%	5.1%	7.9%	—	5.5%	—	6.5%
Note payable	\$ 4,716	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 4,716
Average interest rate	5.6%	—	—	—	—	—	5.6%

- (a) The interest rate of our senior notes is 9.25% as stipulated by the note agreement.
- (b) Borrowings under the revolving credit agreement bear interest at a floating rate, at our option, of either (i) the base rate loans plus the applicable margin or (ii) the LIBOR loans plus the applicable margin. The base rate is equal to the higher of the federal funds rate plus 1/2 of 1% or the prime rate. The applicable margin is determined based on our leverage ratio for the trailing 12-month reporting period on each quarterly reporting date. As of December 31, 2007, the interest rate in effect for the revolving credit agreement was 6.55%.
- (c) Borrowings under the Environmental Facilities Revenue Bonds bear interest at 8.50% to 9.00%. As of December 31, 2007, the weighted average interest rate in effect for the Environmental Facilities Revenue Bonds was 8.91%.

Our financial instruments that are potentially sensitive to changes in interest rates also include our 9.25% senior notes. As of December 31, 2007, the fair value of these notes, based on quoted market prices, was approximately \$151.9 million compared to a carrying amount of \$150 million.

Item 8. Financial Statements and Supplementary Data.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation to assess the effectiveness of our internal control over financial reporting as of December 31, 2007 based on the framework in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, our management concluded that our internal control over financial reporting was effective as of December 31, 2007.

There are inherent limitations in the effectiveness of any system of internal controls over financial reporting. Therefore, internal control over financial reporting determined to be effective can provide only reasonable assurance with respect to financial statement preparation and may not prevent or detect all misstatements. Further, because of changes in conditions, the effectiveness of internal control over financial reporting may vary over time.

Our evaluation did not include evaluating the effectiveness of internal control over financial reporting relating to certain landfills, collection operations, and a transfer station in Texas and Oklahoma during 2007. Total assets and revenues for these acquisitions represent approximately \$73 million and \$21 million, respectively, of the related consolidated financial statement amounts as of and for the year ended December 31, 2007.

Management's assessment of the effectiveness of our internal control over financial reporting as of December 31, 2007 has been audited by KPMG LLP, an independent registered public accounting firm, as stated in their report which is included herein.

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
WCA Waste Corporation:

We have audited the accompanying consolidated balance sheets of WCA Waste Corporation as of December 31, 2007 and 2006 and the related consolidated statements of operations, stockholders' equity, comprehensive income and cash flows for each of the years in the three-year period ended December 31, 2007. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of WCA Waste Corporation as of December 31, 2007 and 2006 and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2007 in conformity with U.S. generally accepted accounting principles.

As discussed in note 1(m) to the consolidated financial statements, effective January 1, 2007, the Company adopted FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes". Also as discussed in note 1(r) to the consolidated financial statements, effective January 1, 2006, the Company adopted Statement of Financial Accounting Standards No. 123 (revised 2004), "Share-Based Payment".

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), WCA Waste Corporation's internal control over financial reporting as of December 31, 2007, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated March 5, 2008 expressed an unqualified opinion on the effectiveness of internal control over financial reporting.

/s/ KPMG LLP

Houston, Texas
March 5, 2008

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
WCA Waste Corporation:

We have audited WCA Waste Corporation's internal control over financial reporting as of December 31, 2007, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). WCA Waste Corporation's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our evaluation did not include evaluating the effectiveness of internal control over financial reporting relating to certain landfills, collection operations, and a transfer station in Texas and Oklahoma during 2007. Total assets and revenues for these acquisitions represent approximately \$73 million and \$21 million, respectively, of the related consolidated financial statement amounts as of and for the year ended December 31, 2007.

In our opinion, WCA Waste Corporation maintained, in all material respects, effective internal control over financial reporting as of December 31, 2007, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of WCA Waste Corporation as of December 31, 2007 and 2006 and the related consolidated statements of operations, stockholders' equity, comprehensive income and cash flows for each of the years in the three-year period ended December 31, 2007 and our report dated March 5, 2008 expressed an unqualified opinion on those consolidated financial statements.

/s/ KPMG LLP

Houston, Texas
March 5, 2008

WCA WASTE CORPORATION

Consolidated Balance Sheets
(in thousands, except per share data)

	December 31,	
	2007	2006
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,138	\$ 52,207
Restricted cash	351	375
Accounts receivable, net of allowance for doubtful accounts of \$1,498 and \$540	22,946	17,165
Deferred tax assets	3,627	1,036
Prepaid expenses and other	6,937	7,858
Total current assets	34,999	78,641
Property and equipment, net	270,384	207,441
Goodwill, net	102,112	73,546
Intangible assets, net	7,271	4,885
Deferred financing costs, net	4,610	5,429
Restricted cash — debt service reserve fund	988	973
Long-term note receivable, less current maturities	6,101	—
Other assets	258	334
Total assets	\$ 426,723	\$ 371,249
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 9,856	\$ 7,469
Accrued liabilities and other	18,269	12,311
Note payable	4,716	3,335
Current maturities of long-term debt	699	916
Total current liabilities	33,540	24,031
Long-term debt, less current maturities and discount	198,149	165,958
Interest rate swap	4,677	2,448
Accrued closure and post-closure liabilities	6,560	3,751
Deferred tax liabilities	11,620	7,282
Other long-term liabilities	1,813	—
Total liabilities	256,359	203,470
Commitments and contingencies		
Stockholders' equity:		
Series A convertible preferred stock, \$0.01 par value per share. Authorized 805 shares; issued and outstanding 805 shares and 750 shares, respectively (liquidation preference \$96,006)	8	8
Common stock, \$0.01 par value per share. Authorized 50,000 shares; issued and outstanding 17,083 shares and 16,859 shares	171	169
Treasury stock	(174)	(174)
Additional paid-in capital	166,665	161,316
Retained earnings	3,694	6,460
Total stockholders' equity	170,364	167,779
Total liabilities and stockholders' equity	\$ 426,723	\$ 371,249

See accompanying notes to consolidated financial statements.

WCA WASTE CORPORATION

Consolidated Statements of Operations
(in thousands, except per share data)

	Years Ended December 31,		
	2007	2006	2005
Revenue	\$ 184,940	\$ 149,497	\$ 114,143
Expenses:			
Cost of services	121,853	95,991	73,933
Depreciation and amortization	24,234	19,070	14,795
General and administrative (including stock-based compensation of \$1,977, \$1,118 and \$509, respectively)	12,768	11,010	8,311
	<u>158,855</u>	<u>126,071</u>	<u>97,039</u>
Operating income	<u>26,085</u>	<u>23,426</u>	<u>17,104</u>
Other income (expense):			
Interest expense, net	(17,259)	(15,632)	(10,366)
Write-off of deferred financing costs and debt discount	—	(3,240)	(1,308)
Net gain on terminated interest rate swap	—	3,980	—
Unrealized loss on interest rate swap	(3,948)	(3,393)	—
Other income, net	387	192	286
	<u>(20,820)</u>	<u>(18,093)</u>	<u>(11,388)</u>
Income before income taxes	5,265	5,333	5,716
Income tax provision	<u>(2,343)</u>	<u>(2,313)</u>	<u>(2,248)</u>
Net income	2,922	3,020	3,468
Accrued payment-in-kind dividend on preferred stock	<u>(3,876)</u>	<u>(1,603)</u>	<u>—</u>
Net income (loss) available to common stockholders	<u>\$ (954)</u>	<u>\$ 1,417</u>	<u>\$ 3,468</u>
Net income (loss) available to common stockholders:			
Earnings per share — basic	<u>\$ (0.06)</u>	<u>\$ 0.09</u>	<u>\$ 0.22</u>
Earnings per share — diluted	<u>\$ (0.06)</u>	<u>\$ 0.09</u>	<u>\$ 0.22</u>
Weighted average shares outstanding — basic	<u>16,460</u>	<u>16,360</u>	<u>15,579</u>
Weighted average shares outstanding — diluted	<u>16,460</u>	<u>16,385</u>	<u>15,641</u>

See accompanying notes to consolidated financial statements.

WCA WASTE CORPORATION

Consolidated Statements of Stockholders' Equity
(in thousands)

	Preferred Stock		Common Stock		Treasury Stock		Additional	Retained	Accumulated	Total
	Shares	Amount	Shares	Amount	Shares	Amount	Paid-in Capital	Earnings	Other Comprehensive Loss	Stockholders' Equity
Balance, December 31, 2004	—	\$ —	14,853	\$ 149	—	\$ —	\$ 72,849	\$ 1,575	\$ —	\$ 74,573
Change in accumulated loss on interest rate swap, net of tax	—	—	—	—	—	—	—	—	(431)	(431)
Issuance of common stock	—	—	1,475	14	—	—	13,574	—	—	13,588
Issuance of restricted shares to employees and directors, net of unearned compensation	—	—	204	2	—	—	(2)	—	—	—
Accretion of unearned compensation	—	—	—	—	—	—	509	—	—	509
Net income	—	—	—	—	—	—	—	3,468	—	3,468
Balance, December 31, 2005	—	\$ —	16,532	\$ 165	—	\$ —	\$ 86,930	\$ 5,043	\$ (431)	\$ 91,707
Reclassification of accumulated loss on interest rate swap, net of tax	—	—	—	—	—	—	—	—	431	431
Issuance of preferred stock, net of issuance costs of \$3,107	750	8	—	—	—	—	71,885	—	—	71,893
Accrued payment-in-kind dividend on preferred stock	—	—	—	—	—	—	1,603	(1,603)	—	—
Issuance of common stock	—	—	6	—	—	—	52	—	—	52
Repurchase of common shares	—	—	(16)	—	—	—	(124)	—	—	(124)
Equity transaction costs	—	—	—	—	—	—	(144)	—	—	(144)
Gecko holdback settlement	—	—	(18)	—	18	(174)	—	—	—	(174)
Issuance of restricted shares to employees and directors, net of unearned compensation	—	—	355	4	—	—	(4)	—	—	—
Accretion of unearned compensation	—	—	—	—	—	—	1,118	—	—	1,118
Net income	—	—	—	—	—	—	—	3,020	—	3,020
Balance, December 31, 2006	750	\$ 8	16,859	\$ 169	18	\$ (174)	\$ 161,316	\$ 6,460	\$ —	\$ 167,779
Cumulative effect of change in accounting principle (FIN 48)	—	—	—	—	—	—	—	(1,812)	—	(1,812)
Accrued payment-in-kind dividend on preferred stock	—	—	—	—	—	—	3,876	(3,876)	—	—
Issuance of Preferred stock	55	—	—	—	—	—	—	—	—	—
Repurchase of common shares	—	—	(37)	—	—	—	(285)	—	—	(285)

Equity transaction costs	—	—	—	—	—	—	(5)	—	—	(5)
Issuance of restricted shares to employees and directors, net of unearned compensation	—	—	261	2	—	—	(2)	—	—	—
Accretion of unearned compensation	—	—	—	—	—	—	1,765	—	—	1,765
Net income	—	—	—	—	—	—	—	2,922	—	2,922
Balance, December 31, 2007	805	\$ 8	17,083	\$ 171	18	\$ (174)	\$ 166,665	\$ 3,694	\$ —	\$ 170,364

Consolidated Statements of Comprehensive Income
(in thousands)

	Years Ended December 31,		
	2007	2006	2005
Net income	\$ 2,922	\$ 3,020	\$ 3,468
Unrealized gain (loss) on interest rate swap, net of tax	—	431	(431)
Total comprehensive income	\$ 2,922	\$ 3,451	\$ 3,037

See accompanying notes to consolidated financial statements.

WCA WASTE CORPORATION

Consolidated Statements of Cash Flows
(in thousands)

	Years Ended December 31,		
	2007	2006	2005
Cash flows from operating activities:			
Net income	\$ 2,922	\$ 3,020	\$ 3,468
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	24,234	19,070	14,795
Non-cash compensation charge	1,977	1,118	509
Amortization of deferred financing costs and debt discount	897	728	587
Write-off of deferred financing costs and debt discount	—	3,240	1,308
Deferred tax provision	1,749	2,271	2,145
Accretion expense for closure and post-closure obligations	483	284	159
Gain on sale of assets	(387)	(192)	(295)
Unrealized loss on interest rate swap	3,948	3,393	—
Prepaid disposal usage	1,037	2,383	1,834
Changes in assets and liabilities, net of effects of acquisitions:			
Accounts receivable, net	(3,302)	(946)	(5,163)
Prepaid expenses and other	(1,851)	(1,308)	(2,277)
Accounts payable and other liabilities	7,899	3,815	2,492
Net cash provided by operating activities	39,606	36,876	19,562
Cash flows from investing activities:			
Acquisitions of businesses, net of cash acquired	(92,835)	(7,600)	(93,631)
Proceeds from sale of fixed assets	376	258	317
Cost incurred on possible acquisitions	(71)	(85)	(64)
Capital expenditures	(28,483)	(29,110)	(18,003)
Net cash used in investing activities	(121,013)	(36,537)	(111,381)
Cash flows from financing activities:			
Proceeds from issuance of preferred stock, net of issuance costs	—	71,893	—
Proceeds from issuance of long-term debt, net of original purchase discount	—	145,669	127,500
Principal payments on long-term debt	(931)	(126,969)	(23,537)
Net change in revolving line of credit	31,277	(37,723)	(9,176)
(Increase) decrease in restricted cash	9	14	(208)
Equity transaction costs	(5)	(144)	—
Deferred financing costs	(12)	(1,550)	(2,354)
Net cash provided by financing activities	30,338	51,190	92,225
Net change in cash and cash equivalents	(51,069)	51,529	406
Cash and cash equivalents at beginning of period	52,207	678	272
Cash and cash equivalents at end of period	\$ 1,138	\$ 52,207	\$ 678

See accompanying notes to consolidated financial statements.

WCA WASTE CORPORATION

Consolidated Statements of Cash Flows — Continued
(in thousands)

	Years Ended December 31,		
	2007	2006	2005
Supplemental cash flow information:			
Cash paid during the year for:			
Interest	\$ 17,224	\$ 15,758	\$ 9,452
Taxes	105	315	—
Non-cash investing and financing activities:			
Insurance premiums financed by direct debt	4,721	7,570	239
Acquisitions of operations, net of divestitures:			
Restricted cash	—	417	737
Accounts receivable	2,479	92	1,925
Prepaid expenses and other	(1,265)	88	29
Long-term note receivable, including current maturities	7,200	—	—
Property and equipment, net	55,201	10,739	91,674
Goodwill	28,566	1,091	24,945
Intangible assets	2,944	157	2,252
Debt and liabilities issued or assumed, net of debt discount	665	6,254	6,802
Long-term debt	1,575	—	1,500
Accrued closure post-closure liabilities	50	12	544
Deferred tax liabilities	—	(1,160)	5,665
Common stock	—	—	15
Treasury stock	—	(174)	—
Additional paid-in capital	—	52	13,405

See accompanying notes to consolidated financial statements.

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements
(dollars in thousands unless otherwise indicated)

(1) Organization and Summary of Significant Accounting

(a) Business

WCA Waste Corporation (WCA or the Company) was formed effective October 1, 2000 for the purpose of acquiring certain solid waste operations in the Central and Southern United States of America. WCA currently provides integrated non-hazardous solid waste collection, transfer, processing and disposal services to customers in Alabama, Arkansas, Colorado, Florida, Kansas, Missouri, New Mexico, North Carolina, Oklahoma, South Carolina, Texas, and Tennessee. See note 1(b) "Internal Reorganization and Basis of Presentation" for additional discussion on the formation of WCA.

(b) Internal Reorganization and Basis of Presentation

WCA Waste Corporation (Newco) was formed in February 2004 as a subsidiary of Waste Corporation of America, Inc. (Old WCA). In June 2004, Old WCA completed an internal reorganization between Old WCA, Newco and WCA Waste Systems, Inc. (WSI), which was a wholly-owned subsidiary of Old WCA. Through the internal reorganization, the ownership of WSI was transferred to Newco and Old WCA and certain other operating subsidiaries of Old WCA were spun off from the operations of Newco and WSI. This resulted in Old WCA and Newco being separate entities, each owned by the former shareholders of Old WCA, and WSI being a wholly-owned subsidiary of Newco.

In connection with the reorganization and subsequent stock split, Newco issued 6,670,260 shares of common stock to the shareholders of Old WCA. In addition, certain previously outstanding options and warrants of Old WCA were exchanged for 1,330,056 shares (after giving effect to a merger and reverse stock split) of Newco, resulting in a charge of \$11.5 million from this issuance. Following these transactions, there were 8,000,316 shares of Newco common stock outstanding. Following this reorganization, WCA Waste Corporation filed a registration statement with the Securities and Exchange Commission to effect an initial public offering of the common shares of WCA Waste Corporation and completed the offering of 6,587,947 shares of common stock on June 28, 2004.

The formation of Newco and the transfer of the operations of WSI to Newco represent a combination of entities under common control. Accordingly, the accompanying consolidated financial statements reflect the operations of WSI as if such reorganization had occurred as of the beginning of all periods presented.

(c) Principles of Consolidation

The consolidated financial statements include the accounts of WCA Waste Corporation and its majority-owned and controlled subsidiaries. All significant intercompany accounts and transactions have been eliminated.

(d) Cash Equivalents and Restricted Cash

The Company considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents. Restricted cash relates to the Environmental Facilities Revenue Bonds assumed as part of acquisitions in October 2005 and February 2006.

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)*(e) Property and Equipment*

Property and equipment are recorded at cost. Expenditures for major additions and improvements are capitalized while minor replacements, maintenance, and repairs are charged to expense as incurred.

When property and equipment are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gain or loss is included in the results of operations as increases or offsets to operating expense for the respective period. Depreciation is provided over the estimated useful lives of the related assets using the straight-line method. The estimated useful lives for significant property and equipment categories are as follows (in years):

Vehicles and equipment	3 to 10
Containers	5 to 12
Buildings and improvements	15 to 25
Computers and software	3 to 5
Furniture and fixtures	3 to 10

*(f) Landfill Accounting**Capitalized Landfill Costs*

At December 31, 2007, the Company owned 24 landfills. Two of these landfills are fully permitted but not constructed and have not yet commenced operations as of December 31, 2007.

Capitalized landfill costs include expenditures for the acquisition of land and related airspace, engineering and permitting costs, cell construction costs and direct site improvement costs. At December 31, 2007, no capitalized interest had been included in capitalized landfill costs, however, in the future interest could be capitalized on landfill construction projects but only during the period the assets are undergoing activities to ready them for their intended use. Capitalized landfill costs are amortized ratably using the units-of-production method over the estimated useful life of the site as airspace of the landfill is consumed. Landfill amortization rates are determined periodically (not less than annually) based on ground surveys and other density measures and estimates made by the Company's engineers, outside engineers, management and financial personnel.

Total available airspace includes the total of estimated permitted airspace plus an estimate of probable expansion airspace that the Company believes is likely to be permitted. Where the Company believes permit expansions are probable, the expansion airspace, and the projected costs related to developing the expansion airspace are included in the airspace amortization rate calculation. The criteria the Company uses to determine if permit expansion is probable include but are not limited to whether: (i) the Company believes the project has fatal flaws; (ii) the land is owned or controlled by the Company, or under option agreement; (iii) the Company has committed to the expansion; (iv) financial analysis has been completed and the results indicate that the expansion has the prospect of a positive financial and operational impact; (v) personnel are actively working to obtain land use, local and state approvals for an expansion; (vi) the Company believes that the permit is likely to be received; and (vii) the Company believes that the timeframe to complete the permitting is reasonable.

The Company may be unsuccessful in obtaining expansion permits for airspace that has been considered probable. If unsuccessful in obtaining these permits, certain previously capitalized costs will be charged to expense.

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)*Closure and Post-Closure Obligations*

The Company has material financial commitments for the costs associated with its future obligations for final closure, which is the closure of the landfill and the capping of the final uncapped areas of a landfill and post-closure maintenance of those facilities, which is generally expected to be for a period of up to 30 years depending on type and location.

The impact of changes determined to be changes in estimates, based on an annual update, is accounted for on a prospective basis. The Company's ultimate liability for such costs may increase in the future as a result of changes in estimates, legislation, or regulations.

The changes to landfill assets and closure and post-closure liabilities for the years ended December 31, 2007, 2006 and 2005 are as follows (in thousands):

	Landfill Assets, Net	Closure and Post-closure Liabilities
December 31, 2004	\$ 56,263	\$ 2,223
Capital expenditures	8,878	—
Acquisition of landfill	68,882	544
Amortization expense	(6,957)	—
Obligations incurred and capitalized	301	301
Revisions to estimates of closure and post-closure activities	391	391
Interest accretion	—	159
December 31, 2005	\$ 127,758	\$ 3,618
Capital expenditures	12,107	—
Acquisition of landfill and other adjustments	1,578	(291)
Amortization expense	(8,784)	—
Obligations incurred and capitalized	446	446
Revisions to estimates of closure and post-closure activities	(306)	(306)
Interest accretion	—	284
December 31, 2006	\$ 132,799	\$ 3,751
Capital expenditures	9,198	—
Acquisition of landfill and other adjustments	43,393	(466)
Amortization expense	(10,483)	—
Obligations incurred and capitalized	453	453
Revisions to estimates of closure and post-closure activities	2,339	2,339
Interest accretion	—	483
December 31, 2007	\$ 177,699	\$ 6,560

The Company's liabilities for closure and post-closure costs for the years ended December 31, 2007, 2006 and 2005 are as follows (in thousands):

	December 31,		
	2007	2006	2005
Recorded amounts:			
Current portion	\$ —	\$ —	\$ 286
Noncurrent portion	6,560	3,751	3,332
Total recorded	\$ 6,560	\$ 3,751	\$ 3,618

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

The Company's total anticipated cost for closure and post-closure activities is \$161.3 million, as measured in current dollars. The recorded liabilities as of December 31, 2007 include the impact of inflating these costs through the date the costs are estimated to be incurred and the discounting of these costs to present value. The Company believes the amount and timing of these activities are reasonably estimable. Anticipated payments of currently identified closure and post-closure liabilities for the next five years and thereafter are reflected below (in thousands):

2008	2009	2010	2011	2012	Thereafter
\$ —	\$ —	\$ 277	\$ 663	\$ 171	\$ 160,236

Where the Company believes that both the amount of a particular closure and post-closure liability and the timing of the payments are reliably determinable, the cost in current dollars is inflated (2.5% for each of the years ended December 31, 2007, 2006 and 2005) until expected time of payment and then discounted to present value (8.5% for each of the years ended December 31, 2007, 2006 and 2005). Accretion expense is applied to the closure and post-closure liability based on the effective interest method and is included in cost of services. Had the Company not discounted any portion of its liability, the amount recorded would have been \$26.9 million, \$16.8 million and \$14.0 million at December 31, 2007, 2006 and 2005, respectively.

The table below presents the Company's methodology of accounting for landfill closure and post-closure activities.

Description	Methodology
Definitions:	
Closure	Includes final capping event, final portion of methane gas collection system to be constructed, demobilization, and the routine maintenance costs incurred after site ceases to accept waste, but prior to being certified as closed.
Post-closure	Includes routine monitoring and maintenance of a landfill after it has closed, ceased to accept waste and been certified as closed by the applicable state regulatory agency.
Discount Rate:	Obligations discounted at a credit-adjusted, risk-free rate (8.5% for 2007, 2006 and 2005).
Cost Estimates:	Costs were estimated based on performance, by either third parties or the Company, except that the cost of any activities expected to be performed internally must be increased to represent an estimate of the amount a third party would charge to perform such activity.
Inflation:	Inflation rate of 2.5% for 2007, 2006 and 2005.
Recognition of Assets and Liabilities:	
Asset Retirement Cost	An amount equal to the discounted cash flow associated with the fair value of closure and post-closure obligation is recorded as an addition to capitalized landfill costs as airspace is consumed.
Closure and Post-Closure	The discounted cash flow associated with the fair value of the liability is recorded with a corresponding increase in capitalized landfill costs as airspace is consumed. Accretion expense is recorded to cost of services and the corresponding liability until the liability is paid.
Statement of Operations Expense:	
Landfill asset amortization	Landfill asset is amortized to depreciation and amortization expense as airspace is consumed over life of landfill.
Accretion	Expense, charged to cost of services, is accreted at credit-adjusted, risk-free rate (8.5% for 2007, 2006 and 2005).

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

(g) Allocation of Acquisition Purchase Price

A summary of the Company's accounting for acquisitions is as follows:

Acquisition purchase price is allocated to identified intangible assets and tangible assets acquired and liabilities assumed based on their estimated fair values at the dates of acquisition, with any residual amounts allocated to goodwill.

The Company deems the total remaining airspace of an acquired landfill to be a tangible asset. Therefore, for acquired landfills, it initially allocates the purchase price to identified intangible and tangible assets acquired, including landfill airspace, and liabilities assumed based on their estimated fair values at the date of acquisition.

The Company may consummate single acquisitions that include a combination of collection operations and landfills. For each separately identified collection operation and landfill acquired in a single acquisition, the Company performs an initial allocation of total purchase price to the identified collection operations and landfills based on their relative fair values. Following this initial allocation of total purchase price to the identified collection operations and landfills, the Company further allocates the identified intangible assets and tangible assets acquired and liabilities assumed for each collection operation and landfill based on their estimated fair values at the dates of acquisition, with any residual amounts allocated to either goodwill or landfill site costs, as discussed above.

The Company accrues the payment of contingent purchase price if the events surrounding the contingency are deemed probable. Contingent purchase price related to landfills is allocated to landfill site costs and contingent purchase price for acquisitions other than landfills is allocated to goodwill. There are currently no pending contingent amounts due relating to any prior acquisitions.

(h) Goodwill and Other Intangible Assets

Goodwill and intangible assets acquired in a business combination and determined to have an indefinite useful life are not amortized, but instead tested for impairment at least annually. Intangible assets with estimable useful lives are amortized over their respective estimated useful lives to their residual values, and reviewed for impairment.

The Company's intangible assets consist primarily of customer contracts, customer lists, and covenants not-to-compete. Customer contracts and customer lists are generally amortized over 7 to 20 years. Covenants not-to-compete are amortized over the term of the non-compete covenant, which is generally five years.

(i) Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset or asset group to estimated undiscounted future cash flows expected to be generated by the asset or asset group. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

(j) Costs Incurred on Possible Acquisitions

Costs incurred on possible acquisitions are capitalized as incurred and consist primarily of third-party accounting, legal and other consulting fees as well as travel costs incurred in the negotiation and due diligence process,

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

and nonrefundable down payments. Upon consummation of an acquisition accounted for as a purchase, deferred costs are capitalized as part of the purchase price. Capitalized costs are reviewed for reasonableness on a periodic basis, and costs that management believes relate to transactions that will not be consummated are charged to expense. During 2007, 2006 and 2005, the Company expensed \$44, \$286, and \$70, respectively, of such costs, which are included in general and administrative cost in WCA's consolidated statements of operations. At December 31, 2007 and 2006, \$140 and \$113 of such capitalized costs are reflected in other assets on WCA's consolidated balance sheets.

(k) Deferred Financing Costs

Deferred financing costs are amortized as a component of interest expense using the effective interest method. During 2007, 2006 and 2005, the Company expensed \$844, \$696 and \$580, respectively, of such costs, which are reflected as interest expense in WCA's consolidated statements of operations. In addition, the Company wrote off \$3,240 of deferred financing costs and debt discount associated with the first and second lien credit agreements that were repaid and retired in connection with its financing transactions in July 2006. The Company wrote off \$1,308 of deferred financing costs and debt discount in connection with the restructuring of its credit facility in April 2005 and the repayment of the Environmental Facilities Revenue Bonds in June 2005.

(l) Interest Expense

Interest expense, net includes interest accrued on outstanding note payable and long-term debt, amortization of deferred financing costs, accretion of debt discount, offset by interest income earned on the Company's cash balances. For the years ended December 31, 2007, 2006 and 2005, interest expense consists of the following (in thousands):

	2007	2006	2005
Note payable and long-term debt	\$ 17,434	\$ 16,206	\$ 9,851
Amortization of deferred financing costs	844	696	580
Amortization of debt discount	53	32	7
	18,331	16,934	10,438
Less interest income	1,072	1,302	72
Interest expense, net	\$ 17,259	\$ 15,632	\$ 10,366

(m) Income Taxes

The Company accounts for income taxes under the asset and liability method. Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying values of existing assets and liabilities and their respective tax bases based on enacted tax rates. The Company provides a valuation allowance when, based on management's estimates, it is more likely than not that a deferred tax asset will not be realized in future periods.

Income taxes have been calculated in accordance with SFAS No. 109, "Accounting for Income Taxes". All tax amounts have been provided to show the effect of temporary differences between the recognition of revenue and expenses for financial and income tax reporting purposes and between the tax basis of assets and liabilities and their reported amounts in the financial statements. Income taxes payable are included with accrued liabilities on the Company's balance sheets. See note 5 "Certain Balance Sheet Accounts" for detail of accrued liabilities.

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

In June 2006, the FASB issued FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes — an interpretation of FASB Statement No. 109" (FIN 48). FIN 48 prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. In addition, it provides guidance on the measurement, derecognition, classification and disclosure of tax positions, as well as the accounting for related interest and penalties. FIN 48 is effective for fiscal years beginning after December 15, 2006. The Company adopted the provisions of FIN 48 on January 1, 2007.

(n) Insurance

The Company has retained a portion of the risks related to its general liability, automobile and workers' compensation insurance programs. The exposure for unpaid claims and associated expenses, including incurred but not reported losses, is based on estimates of ultimate losses on claims and actuarially-determined development factors.

(o) Revenue Recognition

The Company recognizes revenue upon the receipt and acceptance of non-hazardous industrial and municipal waste at its landfills. Revenue for collection services is recognized as the services are performed. Revenue for container rental is recognized over the rental period. In certain situations, the Company will bill for services in advance of the performance of these services. Such amounts are deferred until the services are subsequently performed.

(p) Derivative Financial Instruments

The Company accounts for derivatives and hedging activities in accordance with SFAS No. 133, "Accounting for Derivative Instruments and Certain Hedging Activities", as amended, which requires that all derivative instruments be recorded on the balance sheet at their respective fair values.

Effective November 1, 2005, the Company entered into an interest rate swap agreement with a notional amount of \$150 million. Under the agreement, the Company receives a floating rate of interest based on LIBOR and pays a fixed rate of 4.885% through maturity of the swap in November 2010. The Company designated this swap agreement as a cash flow hedge of the variability of forecasted interest payments on current and future floating-rate debt obligations. Therefore changes in the fair market value of the swap agreement were reflected in other comprehensive income (loss). For the year ended December 31, 2005, the Company recorded \$161 in current liabilities and \$550 in long-term liabilities, net of deferred taxes of \$280, and \$431 as an unrealized loss within accumulated other comprehensive loss. With the restructuring of its long-term debt and the termination of the interest rate swap in July 2006, the Company received \$4.0 million from the swap counter-party and recorded the entire gain of \$4.0 million in the consolidated statement of operations.

On July 7, 2006, the Company entered into an interest rate swap agreement effective July 11, 2006, where it agreed to pay a fixed-rate of 5.64% in exchange for three-month floating rate LIBOR which was 5.51% at the time the swap was entered. The Company did not enter into the interest rate swap agreement for trading purposes, but rather the swap agreement was intended to limit the Company's exposure to a rising rate interest environment. At the time the swap was entered, there was no offsetting floating rate LIBOR-based debt and no such floating rate interest payments were probable of being incurred in the near future. As a result, the swap transaction can not be designated as a hedging transaction and any changes in the unrealized fair value of the new swap will be recognized in the statement of operations. If, in the future, the Company has corresponding debt instruments that have floating rate debt, it will consider designating all or part of this swap agreement as a hedge. For the years ended December 31, 2007 and 2006, the Company recorded \$3.9 million and \$3.4 million, respectively, of unrealized loss related to the interest rate swap in the consolidated statement of operations.

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)*(g) Fair Value of Financial Instruments*

The following disclosure of the estimated fair value of financial instruments is made in accordance with the requirements of SFAS No. 107, "Disclosures About Fair Value of Financial Instruments". The carrying values of cash and cash equivalents, accounts receivable, accounts payable, derivatives, and accrued expenses approximate fair value.

As of December 31, 2007, the fair value of the Company's 9.25% senior notes, based on quoted market prices, was approximately \$151.9 million compared to a carrying amount of \$150 million

(r) Stock-Based Compensation

On January 1, 2006, the Company adopted SFAS No. 123 (revised 2004), "Share-Based Payment" (SFAS No. 123(R)) using the modified prospective method, and accordingly, has not restated the consolidated statements of operations. Prior to the adoption of SFAS No. 123(R), the Company accounted for stock-based compensation under the intrinsic value method prescribed by Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees", and related interpretations. Under this method, the Company recorded no compensation expense for stock options granted to employees when the exercise price of the options is equal to or greater than the fair market value of common stock on the date of grant.

On December 22, 2005, in response to SFAS No. 123(R), the Company's Board of Directors approved accelerating the vesting of all outstanding "out-of-the-money" unvested stock options. All outstanding stock options had exercise prices in excess of the closing price of \$7.40 on December 22, 2005, the effective date of the acceleration.

The decision to accelerate vesting of these options was made to avoid recognizing compensation cost in the statement of operations in future financial statements subsequent to the adoption of SFAS No. 123(R). It is estimated that the maximum future compensation expense that was avoided was approximately \$1,058, before tax, based on the Company's adoption date on January 1, 2006. The vesting acceleration did not result in the recognition of compensation expense in net income for the year ended December 31, 2005. The pro-forma disclosure presented below includes approximately \$1.8 million (\$1.1 million, net of tax) of compensation expense for the year ended December 31, 2005.

Pro forma information regarding net income and earnings per share is required by SFAS No. 123 and has been determined as if the Company had accounted for its employee stock options under the fair value method described above. The fair value calculations at the date of grant using the Black-Scholes option pricing model were calculated with the following weighted average assumptions:

	2005
Risk-free interest rate	3.4%
Volatility factor of stock price	0.35
Dividends	—
Option life	4 years
Calculated fair value per share	\$ 3.35

Had compensation expense for the options granted to employees been determined based on the fair value at the grant date, consistent with the provisions of SFAS No. 123, the Company's net income (loss) and earnings (loss) per share for the year ended December 31, 2005 would have been adjusted to the pro forma amounts indicated below (in thousands, except per share data):

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

	2005
Net income — as reported	\$ 3,468
Stock-based employee compensation expense determined under fair value based methods, net of tax	(1,072)
Net income — pro forma	\$ 2,396
Earnings (loss) per share — basic and diluted	\$ 0.22
Pro forma earnings (loss) per share — basic and diluted	\$ 0.15

(s) Earnings per Share

Basic and diluted earnings per share have been calculated by dividing net income (loss) by the weighted average number of common shares outstanding during the year.

(t) Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and accounts receivable. The Company places its cash with high-quality financial institutions and limits the amount of credit exposure with any one institution. Concentrations of credit risk with respect to accounts receivable are limited because a large number of geographically diverse customers comprise the Company's customer base, thus spreading the trade credit risk. At December 31, 2007, 2006 and 2005, no single group or customer represents greater than 10% of total accounts receivable.

(u) Allocation of Expenses

Prior to the reorganization discussed in note 1(b), the Company was a wholly owned-subsiidiary of Old WCA and shared common management, general and administrative and overhead costs. The cost for these services were incurred by the Company and allocated to Old WCA and Old WCA's other subsidiaries. The Company allocated these costs based upon an average of each entity's respective proportion of total headcount and total revenues, both of which produce comparable allocation percentages. Management believes that these two bases of allocation of expenses provided the most relevant and reasonable method of allocating these costs to the respective operations. In connection with the reorganization, the Company entered into an administrative services agreement with Old WCA where Old WCA will pay a monthly fee of approximately \$40 for administrative services, including executive officers, other employees, administrative systems, service and facilities. In response to decreases in Old WCA's assets and operations, the monthly administrative fees were reduced to \$30 starting in October 2005 and \$20 starting in January 2006. Such fees were further reduced to \$10 starting in February 2006 upon the completion of the Company's acquisition of Transit Waste from Old WCA. Subsequent to the acquisition of Fort Myers transfer station from Old WCA in August 2006, the allocation of administrative expenses was completely eliminated. During the years ended December 31, 2007, 2006 and 2005, the Company allocated costs totaling \$0, \$90 and \$450, respectively, to Old WCA. WCA's senior management serve as officers of Old WCA. It is impracticable to estimate the amount of expenses that would have been incurred in each of the three years ended December 31, 2007 had the Company been an unaffiliated entity of Old WCA.

There has been no allocation of debt or interest expense between the Company and Old WCA as both entities have incurred their own debt in order to finance their operations. There is no inter-company debt between the Company and Old WCA, and the Company does not receive proceeds from any debt incurred by Old WCA.

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)*(v) Segment Information*

The Company's revenue is derived from one industry segment, which includes collection, transfer and disposal of non-hazardous solid waste primarily in the central and southern United States. Operating segments (regions) are determined by the reporting structure and the vertical integration of the related operations. The five regional managers report to the Company's chief operating officer and the Company's financial performance is evaluated based on the regional managers' responsibilities. See note 12 "Segment Reporting" for geographic information relating to the Company's operations.

(w) New Accounting Pronouncements

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" (SFAS No. 157). SFAS No. 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. It applies under other accounting pronouncements that require or permit fair value measurements, and does not require any new fair value measurements. The application of SFAS No. 157, however, may change current practice within an organization. SFAS No. 157 is effective January 1, 2008, applied prospectively. In November 2007, the FASB provided a one year deferral for the implementation of FAS 157 for other nonfinancial assets and liabilities. The Company does not expect SFAS No. 157 to have any effect on the Company's consolidated financial statements, other than expanded disclosures about fair value measurements, in future reporting periods.

In February 2007, the FASB issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities—Including an amendment of FASB Statement No. 115", which permits an entity to choose to measure financial instruments and certain other items similar to financial instruments at fair value. All subsequent changes in fair value for the financial instrument would be reported in earnings. By electing the fair value option, an entity can also achieve consistent accounting for related assets and liabilities without having to apply complex hedge accounting. SFAS No. 159 is effective January 1, 2008. The Company is currently evaluating the impact of SFAS No. 159 on the Company's financial position, results of operations or cash flows.

In December 2007, the FASB issued SFAS No. 141(R), "Business Combinations". SFAS No. 141(R) establishes principles and requirements on how the acquirer in a business combination recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed and any noncontrolling interest in the entity acquired. In addition, SFAS No. 141(R) provides guidance on the recognition and measurement of goodwill acquired in the business combination or a gain from a bargain purchase as well as what information to disclose to enable users of the financial statements to evaluate the nature and financial impact of the business combination. SFAS No. 141(R) requires contingent consideration to be recognized at its fair value on the acquisition date and, for certain arrangements, changes in fair value to be recognized in earnings until settled. SFAS No. 141(R) also requires acquisition-related transaction and restructuring costs to be expensed rather than treated as part of the cost of the acquisition. The provisions of SFAS 141(R) apply prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. The Company is currently evaluating the impact SFAS No. 141(R) will have on the Company's financial position, results of operations or cash flows.

In December 2007, the FASB issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements—an Amendment of ARB No. 51". SFAS No. 160 establishes principles and requirements on how to treat the portion of equity in a subsidiary that is not attributable directly or indirectly to a parent. This is commonly known as a minority interest. The objective of SFAS No. 160 is to improve relevance, comparability, and transparency concerning ownership interests in subsidiaries held by parties other than the

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

parent by providing disclosures that clearly identify between interests of the parent and interest of the noncontrolling owners and the related impacts on the consolidated statement of income and the consolidated statement of financial position. SFAS No. 160 also provides guidance on disclosures related to changes in the parent's ownership interest and deconsolidation of a subsidiary. SFAS No. 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. The Company is currently evaluating the impact of SFAS No. 160 on the Company's financial position, results of operations or cash flows.

(2) Use of Estimates

In preparing the Company's financial statements, several estimates and assumptions are made that affect the accounting for and recognition of assets, liabilities, revenues and expenses. These estimates and assumptions must be made because certain of the information that is used in the preparation of the Company's financial statements is dependent on future events, cannot be calculated with a high degree of precision from data available or is simply not capable of being readily calculated based on generally accepted methodologies. In some cases, these estimates are particularly difficult to determine and the Company must exercise significant judgment. The most difficult, subjective and complex estimates and the assumptions that deal with the greatest amount of uncertainty are related to the Company's accounting for landfills, asset impairments, and insurance claims as described below.

Accounting for landfills. The Company utilizes the units of production method to amortize landfill construction costs over the estimated remaining capacity of a landfill. Under this method the Company includes future estimated landfill development costs, as well as costs incurred to date, in the amortization base. Additionally, the Company includes deemed permitted expansion airspace, which has not been permitted, in the calculation of the total remaining capacity of the landfill.

This accounting method requires the Company to make estimates and assumptions, as described below. Any changes in the Company's estimates will impact the Company's income from operations prospectively from the date changes are made.

Landfill costs. The Company estimates the total cost to develop each landfill site to its final capacity. This includes certain projected landfill site costs that are uncertain because they are dependent on future events. The total cost to develop a site to its final capacity includes amounts previously expended and capitalized, net of accumulated airspace amortization, and projections of future purchase and development costs, operating construction costs, permitting cost of expansions and capitalized interest costs.

Closure and post-closure costs. The costs for closure and post-closure obligations at landfills the Company owns or operates are generally estimated based on interpretations of current requirements and proposed or anticipated regulatory changes. The estimates for landfill closure and post-closure costs also consider when the costs would actually be paid and factor in inflation and discount rates. The possibility of changing legal and regulatory requirements and the forward-looking nature of these types of costs make any estimation or assumption less certain.

Available airspace. The Company's engineers determine the remaining capacity at landfills by estimating the available airspace. This is done by using surveys and other methods to calculate, based on height restrictions and other factors, how much airspace is left to fill and how much waste can be disposed of at a landfill before it has reached its final capacity.

Expansion airspace. The Company will also consider currently unpermitted airspace in the estimate of remaining capacity in certain circumstances. See note 1(f) "Landfill Accounting — Capitalized Landfill Costs" for further explanation.

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

It is possible that the Company's estimates or assumptions will ultimately turn out to be significantly different from actual results. In some cases the Company may be unsuccessful in obtaining an expansion permit or the Company may determine that an expansion permit that the Company previously thought was probable has become unlikely. To the extent that such estimates, or the assumptions used to make those estimates, prove to be significantly different than actual results, or the belief that the Company will receive an expansion permit changes adversely in a significant manner, the costs of the landfill, including the costs incurred in the pursuit of the expansion, may be subject to impairment testing, as described below, and lower profitability may be experienced due to higher amortization rates, and higher expenses or asset impairments related to the removal of previously included expansion airspace.

Asset Impairments. Accounting standards require that assets be written down if they become impaired. If significant events or changes in circumstances indicate that the carrying value of an asset may not be recoverable, a test of recoverability is performed by comparing the carrying value of the asset or asset group to its undiscounted expected future cash flows. If the carrying values are in excess of undiscounted expected future cash flows, impairment is measured by comparing the fair value of the asset to its carrying value. Fair value is determined by either internally developed discounted projected cash flow analysis of the asset or an analysis of market value for similar assets. Cash flow projections are sometimes based on a group of assets, rather than a single asset. If cash flows cannot be separately and independently identified for a single asset, the Company will determine whether an impairment has occurred for the group of assets for which the projected cash flows can be identified. If the fair value of an asset is determined to be less than the carrying amount of the asset or asset group, an impairment in the amount of the difference is recorded in the period that the impairment indicator occurs. Several impairment indicators are beyond the Company's control, and cannot be predicted with any certainty whether or not they will occur. Estimating future cash flows requires significant judgment and projections may vary from cash flows eventually realized. Also, there are other considerations for impairments of landfills and goodwill as discussed in note 1(f).

Allowance for Doubtful Accounts. The Company estimates losses for uncollectible accounts based on the aging of the accounts receivable and the evaluation of the likelihood of success in collecting the receivable.

Acquisition Accounting. The Company estimates the fair value of assets and liabilities when allocating the purchase price of an acquisition.

Income Taxes. The Company assumes the deductibility of certain costs in its income tax filings and estimates the future recovery of deferred tax assets.

Insurance claims reserves. The Company accrues claims related to our self-insurance programs based on claims filed, estimated open claims and claims incurred but not reported based on actuarial-based loss development factors.

Contingent Liabilities. The Company estimates the amount of potential exposure it may have with respect to litigation, claims and assessments in accordance with SFAS No. 5, "Accounting for Contingencies."

Actual results could differ materially from the estimates and assumptions that the Company uses in the preparation of its financial statements.

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

(3) Acquisitions

During 2007, the Company completed 10 acquisitions. Total consideration for these transactions included \$92.8 million of cash, \$1.3 million of prepaid airspace, \$1.6 million of convertible debt, a transfer station and collection operations in Fort Myers, Florida, less a note receivable valued at \$7.2 million. These acquisitions resulted in the addition of four landfills and four collection operations as well as several tuck-in operations.

During 2006, the Company completed four acquisitions, including three acquisitions from Old WCA (see note 14). Total consideration for these transactions was approximately \$12.9 million, including \$7.6 million of cash, and \$5.3 million of debt assumed (net of \$0.1 million of debt discount). Subsequently, the Company repaid \$1.3 million of the assumed debt associated with one of these acquisitions. These acquisitions resulted in the addition of one landfill, one collection operation and two transfer stations. Also during 2006, 17,943 shares were returned as treasury shares and 6,427 shares were issued in association with final settlement of prior acquisitions.

During 2005, the Company completed 10 acquisition transactions, including one acquisition from Old WCA. Total consideration for these transactions was \$119.1 million, including cash consideration of \$92.0 million primarily funded with proceeds from the Company's credit facilities. Other consideration included \$1.5 million in convertible debt, \$6.6 million in debt assumed, net of discount, \$5.6 million in deferred tax liabilities assumed and 1,474,694 shares of common stock valued at \$13.4 million. Contemporaneously with one acquisition, certain individuals affiliated with the seller purchased \$2.5 million in convertible debt. These acquisitions resulted in the addition of five landfills, four collection operations and six transfer stations/MRFs. Two of the acquisitions (MRR Southern and Meyer & Gabbert) were deemed significant as defined by the SEC.

The consolidated financial statements included herein include the results of MRR Southern and Meyer & Gabbert from April 3, 2005 and October 3, 2005, respectively. The following unaudited pro forma results of operations have been prepared assuming that the acquisition had occurred at the beginning of each period (in thousands, except per share data). This pro forma information is not necessarily indicative of the results of operations that would have occurred had the acquisitions been made on those dates, or of results which may occur in the future (unaudited).

	2005
Revenue	\$ 126,541
Operating income	20,064
Net income	4,330
Per share data:	
Net income — basic	\$ 0.27
Net income — diluted	\$ 0.27

Allocation of purchase price, including the costs incurred to complete the acquisition and any additional costs incurred relating to prior year acquisitions, net of divestitures, has been allocated as follows (in thousands):

	2007	2006	2005
Restricted cash	\$ —	\$ 417	\$ 737
Accounts receivable	2,479	92	1,925
Prepaid expenses and other	5	88	29
Property and equipment, net	55,201	10,739	91,674
Goodwill	28,566	1,091	24,945
Intangible assets	2,944	157	2,252
Accounts payable and accrued liabilities	(715)	(994)	(706)
	<u>\$ 88,480</u>	<u>\$ 11,590</u>	<u>\$ 120,856</u>

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

The table above reflected \$39 of purchase price adjustments in 2007 relating to the 2006 acquisitions. The adjustments resulted in a \$39 increase in land, a \$17 increase in goodwill and a \$17 increase in accrued liabilities related to the settlement of certain pre-acquisition contingencies. In 2006, \$1,348 of the adjustment entries were associated with the 2005 and 2004 acquisitions. In 2005, there was \$1.7 million of purchase price adjustments relating to the 2004 acquisitions including a \$1.0 million earn-out payment related to an acquisition in 2004.

In connection with a certain prior acquisition, the Company acquired prepaid disposal rights at certain of the seller's landfills. These rights expire at the earlier of September 2010 or the usage of two million cubic yards. The Company can utilize these rights to dispose of waste at the specified landfills. The prepaid disposal rights were fully utilized in 2007. During the years ended December 31, 2007, 2006, and 2005, the Company utilized \$428, \$1,602 and \$1,834, respectively, of prepaid disposal rights, which is included as a cost of service in the related statements of operations.

The Company also paid \$1,000 to acquire prepaid disposal rights at a landfill during each of the years ended December 31, 2007, 2006 and 2005. At the time the Company acquired the landfill in 2007, the remaining prepaid disposal rights of \$1,270 were utilized as part of the consideration given.

(4) Earnings per Share

Basic earnings (loss) per share is computed by dividing net income (loss) available to common stockholders by the weighted average number of shares of common stock outstanding during the year. Diluted earnings (loss) per share is computed using the treasury stock method for options, warrants and restricted shares and the if-converted method for convertible preferred stock and convertible debt. The detail of the earnings (loss) per share calculations for net income (loss) available to common stockholders for the years ended December 31, 2007, 2006 and 2005 is as follows (in thousands, except per share data):

	Year Ended December 31,		
	2007	2006	2005
Numerator:			
Net income	\$ 2,922	\$ 3,020	\$ 3,468
Accrued payment-in-kind dividend on preferred stock	(3,876)	(1,603)	—
Net income (loss) available to common stockholders	\$ (954)	\$ 1,417	\$ 3,468
Denominator:			
Weighted average basic shares outstanding	16,460	16,360	15,579
Dilutive effect of options and warrants	—	—	5
Dilutive effect of restricted share issuances	—	25	57
Weighted average diluted shares outstanding	16,460	16,385	15,641
Earnings (loss) per Share:			
Basic	\$ (0.06)	\$ 0.09	\$ 0.22
Diluted	\$ (0.06)	\$ 0.09	\$ 0.22

Due to their anti-dilutive effect, the following potential common shares have been excluded from the computation of diluted earnings (loss) per share (in thousands):

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

	Year Ended December 31,		
	2007	2006	2005
Stock options and warrants	621	634	15
Restricted shares	594	32	—
Convertible preferred stock	8,221	3,506	—
Convertible debt	674	636	636
	<u>10,110</u>	<u>4,808</u>	<u>651</u>

(5) Certain Balance Sheet Accounts*Allowance for Doubtful Accounts*

The following summarizes the activity in the allowance for doubtful accounts for the years ended December 31, 2007, 2006 and 2005 (in thousands):

	2007	2006	2005
Balance, beginning of year	\$ 540	\$ 1,190	\$ 575
Amounts charged to expense	1,213	(36)	1,002
Amounts written off, net of amounts recovered	(255)	(614)	(387)
Balance, end of year	<u>\$ 1,498</u>	<u>\$ 540</u>	<u>\$ 1,190</u>

Prepaid Expenses and Other

Prepaid expenses and other consist of the following at December 31, 2007 and 2006 (in thousands):

	2007	2006
Prepaid insurance premiums	\$ 4,607	\$ 3,878
Prefunded insurance claims	261	1,369
Prepaid disposal rights	—	1,210
Income tax receivable	—	160
Current maturities of long-term note receivable	754	—
Other	1,315	1,241
	<u>\$ 6,937</u>	<u>\$ 7,858</u>

Property and Equipment

Property and equipment consist of the following at December 31, 2007 and 2006 (in thousands):

	2007	2006
Land and landfills	\$ 237,964	\$ 183,294
Vehicles and equipment	75,738	55,239
Containers	29,867	22,350
Buildings and improvements	10,609	8,382
Computers and software	1,451	1,125
Furniture and fixtures	877	649
	<u>356,506</u>	<u>271,039</u>
Less accumulated depreciation and amortization	<u>86,122</u>	<u>63,598</u>
	<u>\$ 270,384</u>	<u>\$ 207,441</u>

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)**Other Assets**

Other assets consist of the following at December 31, 2007 and 2006 (in thousands):

	2007	2006
Prepaid disposal rights	\$ —	\$ 97
Costs incurred on possible acquisitions	140	113
Deposits	118	124
	<u>\$ 258</u>	<u>\$ 334</u>

Accrued Liabilities

Accrued liabilities consist of the following at December 31, 2007 and 2006 (in thousands):

	2007	2006
Accrued insurance claims	\$ 3,546	\$ 2,593
Accrued payroll costs	3,727	3,268
Deferred revenue	4,517	3,636
Accrued taxes	944	349
Accrued interest	1,197	987
Interest rate swap	2,664	945
Other	1,674	533
	<u>\$ 18,269</u>	<u>\$ 12,311</u>

(6) Goodwill and Other Intangible Assets

The changes in the carrying amount of goodwill for the periods indicated are as follows (in thousands):

Balance, December 31, 2005	\$ 72,455
Acquisitions	1,091
Balance, December 31, 2006	\$ 73,546
Acquisitions, net of divestitures	28,566
Balance, December 31, 2007	<u>\$ 102,112</u>

The Company performs an annual impairment test of its goodwill. The Company estimated the fair value of each reporting unit by utilizing either the anticipated discounted cash flow of the reporting unit or a multiple of EBITDA, or some combination thereof. To the extent the carrying amount of a reporting unit exceeded the fair value of the reporting unit, the Company would be required to perform the second step of the impairment test, as this is an indication that the reporting unit goodwill may be impaired. This step was not required for any of the Company's reporting units and accordingly no impairment of goodwill was indicated in connection with the annual impairment test during 2007, 2006 or 2005.

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

Intangible assets, all of which are subject to amortization, consist of the following at December 31, 2007 and 2006 (in thousands):

	Customer Contracts and Customer Lists	Covenants Not-to-Compete	Total
December 31, 2007			
Intangible assets	\$ 7,460	\$ 941	\$ 8,401
Less accumulated amortization	917	213	1,130
	<u>\$ 6,543</u>	<u>\$ 728</u>	<u>\$ 7,271</u>
December 31, 2006			
Intangible assets	\$ 5,260	\$ 236	\$ 5,496
Less accumulated amortization	518	93	611
	<u>\$ 4,742</u>	<u>\$ 143</u>	<u>\$ 4,885</u>

Amortization expense for these intangible assets was approximately \$558, \$313 and \$217 for 2007, 2006 and 2005, respectively. The intangible asset amortization expense estimated as of December 31, 2007, for the five years following 2007 is as follows (in thousands):

2008	2009	2010	2011	2012
\$ 703	\$ 698	\$ 682	\$ 665	\$ 583

(7) Long-Term Debt

Long-term debt consists of the following at December 31, 2007 and 2006 (in thousands):

	2007	2006
Senior Notes, with interest rate of 9.25%, due in June 2014	\$ 150,000	\$ 150,000
Revolving note payable with financial institutions, variable interest rate based on LIBOR plus a margin (6.55% at December 31, 2007)	31,277	—
Environmental Facilities Revenue Bonds, principal payable in varying annual installments, maturing in 2020, interest rate ranging from 8.5% to 9% (8.91% and 8.89% weighted average rate at December 31, 2007 and 2006, respectively)	8,815	9,165
Notes payable to banks and financial institutions, payable monthly through August 2010, weighted average interest rate of 6.69% and 6.54% at December 31, 2007 and 2006, respectively	459	1,008
Note payable, with interest rate of 5%, due in January 2010	128	160
Seller convertible note, with interest rate of 5%, due in December 2009	3,000	3,000
Seller convertible notes, with interest rate of 8%, due in January 2010	4,000	4,000
Seller convertible notes, with interest rate of 5.5%, due in October 2012	1,575	—
	<u>199,254</u>	<u>167,333</u>
Less debt discount	406	459
Less current maturities	<u>699</u>	<u>916</u>
	<u>\$ 198,149</u>	<u>\$ 165,958</u>

As of December 31, 2007, the Company had \$175 million in total capacity under its credit facility, of which \$31.3 million was outstanding under the revolving line of credit and \$10.4 million in other letters of credit issued, leaving \$133.3 million in availability. See further discussions under Bank Credit Facility below.

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)*9.25% Senior Notes Due 2014*

On July 5, 2006, the Company issued \$150 million aggregate principal amount of 9.25% senior notes due June 15, 2014. The net proceeds of the offering were \$145.7 million after deducting initial purchasers' discounts of \$3.75 million and other issuance costs. The proceeds were applied as follows: \$21.4 million to outstanding borrowings on the Company's revolving note payable, \$99.0 million to debt outstanding under the Company's Term B Loan, and \$25.3 million to debt outstanding under the Company's Second Lien Credit Agreement which included \$0.3 million of prepayment premium associated with the second lien notes. The Company wrote off \$3.2 million of deferred financing costs and debt discount associated with the repayment and retirement of its first and second lien credit agreements, along with the restructuring of its credit facility as discussed under Bank Credit Facility below. The senior notes pay interest semi-annually on June 15 and December 15, commencing December 15, 2006, with the following redemption provisions:

- At any time before June 15, 2009, the Company may redeem up to 35% of the notes with net cash proceeds of certain equity offerings, as long as it redeems the notes within 180 days of the offering and at least 65% of the aggregate principal amount of the notes issued pursuant to the indenture remains outstanding after the redemption;
- Prior to June 15, 2010, the Company may redeem all or part of the notes by paying a make-whole premium, plus accrued and unpaid interest, and, if any, liquidated damages; and
- The notes may be callable beginning on June 15 of 2010, 2011, and 2012 and thereafter at redemption prices of 104.625%, 102.313% and 100% of the principal amount plus accrued interest.

The senior notes were issued under an indenture between the Company and The Bank of New York Trust Company, N.A., as Trustee. The indenture contains covenants including, among other provisions, limitations on the Company's ability to incur additional indebtedness, make capital expenditures, create liens, sell assets and make dividend and other payments.

The senior notes due 2014 are guaranteed by all of the Company's current and future subsidiaries as of December 31, 2007. These guarantees are full, unconditional and joint and several. In addition, the Company has no non-guarantor subsidiaries and no independent assets or operations outside of its ownership of the subsidiaries. There are no restrictions on the subsidiaries to transfer funds through dividends or otherwise.

Bank Credit Facility

Additionally, on July 5, 2006, the Company entered into a \$100 million revolving secured credit facility with Comerica Bank maturing July 5, 2011. On July 28, 2006, Comerica syndicated the credit facility to a group of banks and the Company agreed to increase the capacity of the revolving credit facility to \$175 million. This credit facility replaced the previous \$100 million revolving credit facility with Wells Fargo Bank National Association as administrative agent. The new revolving credit facility includes covenants similar to the expiring facility with reduced interest margins associated with various leverage ratios. The following table highlights the revised margins:

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

<u>Leverage Ratio</u>	<u>LIBOR Margin</u>	<u>Prime Margin</u>	<u>Commitment Fee</u>
Less than 3.0x	1.500	—	0.250
Equal to or greater than 3.0 and less than 3.5x	1.750	0.250	0.250
Equal to or greater than 3.5 and less than 4.0x	2.000	0.500	0.250
Equal to or greater than 4.0 and less than 4.5x	2.250	0.750	0.375
Equal to or greater than 4.5x	2.500	1.000	0.500

Other covenants in the credit agreement limit the Company's ability and certain of its subsidiaries to, among other things, create, incur, assume or permit to exist certain liens; make certain investments, loans and advances; enter into any sale-leaseback transactions; materially change the nature of their businesses; create, incur, assume or permit to exist certain leases; merge into or with or consolidate with any other person; sell, lease or otherwise dispose of all or substantially all of their properties or assets; discount or sell any of their notes or accounts receivable; transact business with affiliates unless in the ordinary course of business and on arm's length basis; make certain negative pledges; or amend, supplement or otherwise modify the terms of any debt or prepay, redeem or repurchase any subordinated debt.

Other Debt Instruments

In conjunction with one acquisition during 2007, the Company issued convertible notes in the amount of \$1.6 million. The notes and any accrued but unpaid interest are convertible into shares of common stock at the rate of \$10.24 per share. Provided an event of default has not occurred, at any time after (i) the first anniversary of the date of issuance and (ii) the average closing price of the common stock of the Company on ten consecutive trading days equals or exceeds \$13.31 per share, the Company may declare that all unpaid principal and accrued interest be converted into the common stock of the Company.

The Company assumed \$3.0 million of tax-exempt Environmental Facilities Revenue Bonds as part of the debt assumed in the Transit Waste acquisition in February 2006. At the time of such acquisition, there was restricted cash on hand of \$0.4 million associated with the debt. The Company subsequently repaid \$0.1 million of the assumed debt in June 2006. The Company also assumed certain Environmental Facilities Revenue Bonds in connection with the October 2005 acquisition of a landfill located near Fort Meade, Florida. At the time of the acquisition, there was restricted cash on hand of \$0.7 million associated with the debt.

In conjunction with one acquisition during 2005, the Company issued convertible notes in the amount of \$4.0 million. The notes and any accrued but unpaid interest are convertible into shares of common stock at the rate of \$10.37 per share. The holders of the note may convert at any time after February 1, 2006. The Company can force conversion if the closing price of the Company's common stock exceeds \$15.00 per share.

The Company has entered into interest rate swap agreements from time to time. On July 7, 2006, the Company entered into a \$150 million swap agreement effective July 11, 2006 where the Company pays 5.64% fixed and receives three-month LIBOR floating interest. See note 1(p) "Derivative Financial Instruments" for further discussion of the accounting for and valuation of this interest rate swap agreement.

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

The aggregate payments of long-term debt outstanding at December 31, 2007 are as follows (in thousands):

2008	\$ 699
2009	3,562
2010	4,576
2011	31,772
2012	2,115
Thereafter	156,530
	<u>\$ 199,254</u>

(8) Note Payable

In July and December 2007, the Company issued notes payable for \$363 and \$4,357, respectively, to a financial institution to fund the payments of general insurance premiums. The notes bear interest at 5.99% and 5.5%, and principal and interest are payable monthly through April and October 2008, respectively. In November 2007, the Company issued a note payable in the amount of \$675 for the purchase of a parcel of land in Houston, Texas. The note payable bears interest at 6%, and principal and interest shall be due and payable in January 2008.

(9) Stockholders' Equity*Preferred Stock*

On July 13, 2006, the Company's shareholders approved the issuance of 750,000 shares of convertible preferred stock at \$100.00 per share in the private placement with Ares Corporate Opportunities Fund II L.P. (Ares). The shares were issued on July 27, 2006 and a portion of the net proceeds were used to completely repay the amounts outstanding under the credit facility. Issuance costs, including a 1% discount to Ares and other transaction costs, totaled approximately \$3.1 million. The preferred stock is convertible into shares of the Company's common stock at a price of \$9.60 per share and carries a 5% payment-in-kind (PIK) dividend payable semi-annually.

The preferred shares were convertible into 7,812,500 shares of the Company's common stock on the issuance date and with the effect of the cumulative PIK dividends at the end of five years would be convertible into 10,000,661 shares of common stock. Under the terms of the preferred agreement, under certain circumstances, all five years' worth of cumulative PIK dividends would accelerate and become payable to the preferred holder. The preferred shareholder holds certain preferential rights, including the appointment of two directors. The Company can force a conversion into its common stock following either (i) the average of the closing price of the common stock for each of 20 consecutive trading days exceeding \$14.40 per share or (ii) a fundamental transaction that Ares does not treat as a liquidation. After the fifth anniversary of issuance, the Company can, at its discretion, redeem for cash equal to the liquidation preference which is \$96,006. After the fifth anniversary of issuance, the Company can pay dividend in cash at its discretion. The original issuance date for the preferred stock is the commitment date for both the preferred stock and the initial five years worth of dividends as the payment of the dividends through in-kind payments is non-discretionary for that initial five-year period. Based on the fair value of the Company's underlying common stock on the issuance date and the stated conversion date, there is no beneficial conversion feature associated with the issuance of the preferred stock.

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

Stock-based Compensation

The Company established the Second Amended and Restated 2004 WCA Waste Corporation Incentive Plan. The plan authorizes the issuance of up to 2,250,000 shares. As of December 31, 2007, there were approximately 860,000 remaining shares authorized for issuance.

Additionally during 2007, 2006 and 2005, approximately 287,000, 363,000 and 204,000 restricted shares of the common stock of the Company were granted to certain directors, officers and key employees with an aggregate market value of \$6.9 million on the grant dates. This value was included in additional paid-in capital within the stockholders' equity section of the accompanying consolidated balance sheet. These shares vest over periods ranging from one to ten years from the issuance date. The value of the restricted shares is being amortized to expense over that period. During the years ended December 31, 2007 and 2006, \$1,765 and \$1,118 of stock compensation expense related to these restricted shares was recognized.

The following table reflects the restricted share activity for the Company during 2007, 2006 and 2005 (in thousands):

	2007			2006			2005		
	Shares	Weighted Average Grant-Date Fair Value	Weighted Average Remaining Contractual Term (years)	Shares	Weighted Average Grant-Date Fair Value	Weighted Average Remaining Contractual Term (years)	Shares	Weighted Average Grant-Date Fair Value	Weighted Average Remaining Contractual Term (years)
Unvested at beginning of year	478	\$ 7.84		204	\$ 9.50		2	\$ 8.59	
Granted	287	7.97		363	7.24		204	9.51	
Vested	(145)	8.09		(81)	9.37		(1)	8.59	
Forfeited	(26)	7.57		(8)	7.54		(1)	9.45	
Unvested at end of year	594	\$ 7.85	3.31	478	\$ 7.84	4.83	204	\$ 9.50	2.08

The following table reflects the option and warrant activity for the Company during 2007, 2006 and 2005 (in thousands, except per share data):

	2007		2006		2005	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Outstanding at beginning of year	634	\$ 9.52	644	\$ 9.52	900	\$ 11.33
Grants	—	—	—	—	6	10.39
Forfeitures	(13)	9.80	(10)	9.50	(262)	15.76
Outstanding at end of year	621	\$ 9.51	634	\$ 9.52	644	\$ 9.52

The following table summarizes information about the stock options outstanding at December 31, 2007 (in thousands, except per share data):

Range of Exercise Prices	Outstanding and Exercisable		
	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Life
9.50	610	\$ 9.50	6.5
10.28 – 10.48	11	10.34	7.0
	621	\$ 9.51	6.5

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

As the exercise prices of all outstanding options were greater than the Company's common stock share price as of December 31, 2007, there was no intrinsic value as of December 31, 2007.

Other

During 2006, 17,943 shares were returned as treasury shares and 6,427 shares were issued in association with the final settlement of prior acquisitions.

(10) Employee Benefit Plan

Effective February 1, 2000, the Company began sponsoring a 401(k) Profit Sharing Plan for its eligible employees. Under the plan, eligible employees are permitted to make salary deferrals of amounts up to the Internal Revenue Service limitation. Salary deferrals will be matched 25% by WCA, subject to IRS limitations, and employees are 100% vested in these matching contributions after three years of service with the Company. Salary deferrals are 100% vested at all times. Matching contributions to the plan for the years ended December 31, 2007, 2006, and 2005 totaled \$370, \$301 and \$144, respectively.

(11) Income Taxes

The Company's provision for income taxes is determined by applying the applicable statutory rate to the Company's pre-tax financial reporting income, adjusted for permanent book-tax differences. The Company's federal and state income tax provision attributable to pre-tax income for the periods reported consist of the following (in thousands):

	2007	2006	2005
Current	\$ 594	\$ 42	\$ 103
Deferred	1,749	2,271	2,145
Income tax provision	<u>\$ 2,343</u>	<u>\$ 2,313</u>	<u>\$ 2,248</u>

At December 31, 2007 and 2006, the individually significant components that comprise the Company's deferred tax assets and liabilities are as follows (in thousands):

	2007	2006
Deferred tax assets:		
Federal net operating loss carryforward	\$ 8,613	\$ 10,754
State net operating loss carryforward	3,858	3,010
Other	5,172	2,408
Alternative minimum tax	320	159
Deferred tax assets before valuation allowance	17,963	16,331
Valuation allowance	(3,316)	(2,624)
Deferred tax assets after valuation allowance	<u>14,647</u>	<u>13,707</u>
Deferred tax liabilities:		
Excess of book basis over tax basis of property	(21,331)	(18,469)
Prepaid expenses	(391)	(375)
Other	(919)	(1,109)
Deferred tax liabilities	<u>(22,641)</u>	<u>(19,953)</u>
Net deferred tax liabilities	<u>\$ (7,994)</u>	<u>\$ (6,246)</u>

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

At December 31, 2007, the Company had a federal net operating loss carryforward (NOL) of approximately \$24.6 million which, if not utilized, will begin to expire in 2021. Additionally the Company has state NOLs of approximately \$95.4 million which, if not utilized, will expire beginning in 2008. The amount of the NOLs that can be utilized to offset taxable income in any individual year may be severely limited. Accordingly, the Company has established valuation allowances against the deferred tax assets associated with a portion of these NOLs. The valuation allowance for deferred tax assets as of December 31, 2007 and 2006 was \$3,316 and \$2,624, respectively. The change in the total valuation allowance for the years ended December 31, 2007, 2006 and 2005 was a net increase of \$692, \$186 and \$353, respectively. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realized. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment.

In June 2006, the FASB issued FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes—an interpretation of FASB Statement No. 109" (FIN 48). FIN 48 prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. In addition, it provides guidance on the measurement, derecognition, classification and disclosure of tax positions, as well as the accounting for related interest and penalties. FIN 48 is effective for fiscal years beginning after December 15, 2006. The Company is required to record the impact of adopting FIN 48 as an adjustment to the January 1, 2007, beginning balance of retained earnings rather than the consolidated statement of operations.

The Company adopted the provisions of FIN 48 on January 1, 2007. As a result of the implementation of FIN 48, the Company recorded approximately \$1,812 in other long-term liabilities for unrecognized tax benefits, which was accounted for as a reduction to the January 1, 2007 balance of retained earnings.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows (in thousands):

Balance at January 1, 2007	\$ 1,812
Additions for tax positions of prior years	1
Reductions for tax positions of prior years	—
Additions for tax positions related to the current year	—
Settlements	—
Lapse of statute of limitations	—
Balance at December 31, 2007	\$ 1,813

Included in the balance of unrecognized tax benefits as of December 31, 2007, was \$1,812 of tax benefits that, if recognized in future periods, would impact the Company's effective tax rate.

The Company recognizes interest and penalties accrued related to unrecognized tax benefits in income tax expense. This is an accounting policy election made by the Company that is a continuation of the Company's historical policy and will continue to be consistently applied in the future. During the year ended December 31, 2007, the Company accrued approximately \$21 of gross interest and penalties of which approximately \$20 was recorded as a reduction of retained earnings upon the adoption of FIN 48.

The Company does not anticipate a significant change in the balance of unrecognized tax benefits within the next 12 months.

The Company is subject to federal income tax in the United States and to state taxes in the various states in which it operates within the United States. With few exceptions, the Company remains subject to both U.S federal income tax and to state and local income tax examinations by taxing authorities for tax years through 1998. Currently, the Company is not involved in any income tax examinations for any year.

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

The table below reconciles the Company's statutory income tax provision attributable to pre-tax income to its effective income tax provision at December 31, 2007, 2006 and 2005 (in thousands):

	2007	2006	2005
Statutory federal tax provision	\$ 1,843	\$ 1,867	\$ 2,001
State income tax provision, net of federal tax benefit	(460)	(539)	(198)
Adjustment to valuation allowance	692	700	353
Nondeductible expenses and other	267	285	92
FIN 48 interest and penalties	1	—	—
Effective tax provision	<u>\$ 2,343</u>	<u>\$ 2,313</u>	<u>\$ 2,248</u>

(12) Segment Reporting

The Company's operations consist of the collection, transfer and disposal of non-hazardous solid waste. Revenues are generated primarily from our collection operations to residential, commercial and roll-off customers and landfill disposal services. The following table reflects total revenue by source for the years ended December 31, 2007, 2006 and 2005 (in thousands):

	2007	2006	2005
Collection:			
Residential	\$ 41,647	\$ 25,385	\$ 19,128
Commercial	19,069	15,876	13,847
Roll-off	53,501	44,539	36,811
Total collection	<u>114,217</u>	<u>85,800</u>	<u>69,786</u>
Disposal	70,797	60,767	48,817
Less intercompany	26,994	21,701	18,215
Disposal, net	<u>43,803</u>	<u>39,066</u>	<u>30,602</u>
Transfer and other	40,986	37,872	24,309
Less intercompany	14,066	13,241	10,554
Transfer and other, net	<u>26,920</u>	<u>24,631</u>	<u>13,755</u>
Total revenue	<u>\$ 184,940</u>	<u>\$ 149,497</u>	<u>\$ 114,143</u>

The table below reflects major operating segments (Region I: Kansas, Missouri; Region II: Arkansas, Texas; Region III: Alabama, Florida; Region IV: North Carolina, South Carolina, Tennessee; Region V: Colorado, New Mexico, Oklahoma) for the years ended December 31, 2007, 2006 and 2005.

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

	Region I	Region II	Region III	Region IV	Region V	Corporate	Total
Year ended December 31, 2007:							
Revenue	\$ 52,543	\$ 63,022	\$ 29,188	\$ 21,672	\$ 18,515	\$ —	\$ 184,940
Depreciation and amortization	5,261	6,746	4,668	4,095	3,030	434	24,234
Operating income (loss)	8,297	12,369	3,040	2,895	606	(1,122)	26,085
Total assets	75,799	109,400	79,847	76,857	51,639	33,181	426,723
Goodwill	22,831	28,336	14,012	23,341	13,592	—	102,112
Capital expenditures	6,891	11,823	3,515	3,617	2,602	710	29,158
Year ended December 31, 2006:							
Revenue	\$ 48,849	\$ 44,383	\$ 31,635	\$ 20,867	\$ 3,763	\$ —	\$ 149,497
Depreciation and amortization	4,837	4,912	4,806	3,474	694	347	19,070
Operating income (loss)	5,262	10,029	7,218	3,017	(210)	(1,890)	23,426
Total assets	70,279	61,729	83,792	70,889	7,552	77,008	371,249
Goodwill	20,175	21,065	13,045	19,261	—	—	73,546
Capital expenditures	7,232	6,661	5,506	5,204	1,641	2,866	29,110
Year ended December 31, 2005							
Revenue	\$ 44,480	\$ 38,166	\$ 13,664	\$ 17,833	\$ —	\$ —	\$ 114,143
Depreciation and amortization	4,653	4,649	2,552	2,811	—	130	14,795
Operating income (loss)	6,553	8,105	669	3,815	—	(2,038)	17,104
Capital expenditures	5,226	6,143	2,354	3,625	—	655	18,003

Total assets for Corporate include cash, certain permitted but unopened landfills and corporate airplane.

(13) Commitments and Contingencies

(a) Operating Leases

The Company leases certain of its operating and office facilities for various terms. Lease expense aggregated \$1,265, \$1,217 and \$916 during 2007, 2006 and 2005, respectively. The long-term, non-cancelable rental obligations as of December 31, 2007 are due in the following years (in thousands):

2008	\$ 938
2009	879
2010	830
2011	668
2012	477
2013 and thereafter	1,676
	<u>\$ 5,468</u>

(b) Financial Instruments

Letters of credit, performance bonds, and other guarantees have been provided by WCA to support tax-exempt bonds, performance of landfill final closure and post-closure requirements, insurance contracts, and other contracts. Total letters of credit, performance bonds, insurance policies, and other guarantees outstanding at December 31, 2007 aggregated approximately \$62.4 million.

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

(c) Environmental Matters

In the normal course of business and as a result of the extensive governmental regulation of the solid waste industry, the Company may periodically become subject to various judicial and administrative proceedings involving federal, state or local agencies. In these proceedings, an agency may seek to impose fines on the Company or to revoke or deny renewal of an operating permit it holds.

From time to time, the Company may also be subject to actions brought by citizens' groups or adjacent landowners or residents in connection with the permitting and licensing of landfills and transfer stations the Company owns or operates or alleging environmental damage or violations of the permits and licenses pursuant to which the Company operates.

The Company may also be subject to liability for any environmental damage that its solid waste facilities cause to neighboring landowners or residents, particularly as a result of the contamination of soil, groundwater, surface water, and drinking water, including damage resulting from conditions existing prior to the acquisition of such facilities by the Company.

The Company may also be subject to liability for any off-site environmental contamination caused by pollutants or hazardous substances whose transportation, treatment, or disposal was arranged by the Company or its predecessors. Any substantial liability for environmental damage incurred by the Company could have a material adverse effect on the Company's financial condition, results of operations, or cash flows. As of December 31, 2007, the Company was not aware of any significant environmental liabilities.

(d) Legal Proceedings

The Company is a party to various legal proceedings that have arisen in the ordinary course of business. While the results of these matters cannot be predicted with certainty, the Company believes that losses, if any, resulting from the ultimate resolution of these matters will not have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows. However, unfavorable resolution could affect the consolidated financial position, results of operations or cash flows for the quarterly period in which they are resolved.

Except as described above, and other than routine litigation incidental to the Company's business, which is not currently expected to have a material adverse effect upon its financial condition, results of operations or prospects, there are no pending material legal proceedings to which the Company is a party or to which any of its property is subject. While management believes a majority of the Company's present litigation matters are covered by insurance, subject to deductibles and the self-insured portion (as described below), no assurance can be given with respect to the outcome of any such proceedings or the effect such outcomes may have on the Company, or that the Company's insurance would be adequate to cover all liability, costs and expenses associated with such litigation matters.

(e) Other Potential Proceedings

In the normal course of business and as a result of the extensive governmental regulation of the solid waste industry, the Company may periodically become subject to various judicial and administrative proceedings involving federal, state or local agencies. In these proceedings, an agency may seek to impose fines on the Company or to revoke or deny renewal of an operating permit it holds. From time to time, the Company may also be subject to actions brought by citizens' groups or adjacent landowners or residents in connection with the permitting and licensing of landfills and transfer stations the Company owns or operates or alleging

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

environmental damage or violations of the permits and licenses pursuant to which the Company operates. Moreover, the Company may become party to various claims and suits pending for alleged damages to persons and property, alleged violations of certain laws and alleged liabilities arising out of matters occurring during the normal operation of a waste management business.

No assurance can be given with respect to the outcome of any such proceedings or the effect such outcomes may have on the Company, or that the Company's insurance coverage would be adequate. The Company is self-insured for a portion of its general liability, workers' compensation and automobile liability. The Company's excess loss limits related to its self-insured portion of general liability, workers' compensation and automobile liability are \$100, \$250 and \$250, respectively. The frequency and amount of claims or incidents could vary significantly from quarter-to-quarter and/or year-to-year, resulting in increased volatility of its costs of services. Although the Company is unable to estimate any possible losses, a significant judgment against the Company, the loss of significant permits or licenses or the imposition of a significant fine or other liabilities could have a material adverse effect on the Company's financial condition, results of operations and prospects.

(14) Related-Party Transactions

The Company paid its Chief Executive Officer, Chief Operating Officer and an affiliate of a major stockholder each \$90 during 2005 for personal guarantees of the Company's performance bonds relating to landfill closure and post-closure obligations.

The Company reimburses its outside board members for expenses incurred in connection with their service as directors. Total payments of \$2, \$2 and \$1 were made during 2007, 2006 and 2005, respectively, for such reimbursements.

In addition, the Company allocated costs totaling \$0, \$90 and \$450, respectively, to Old WCA during 2007, 2006 and 2005 for administrative services, including executive officers, other employees, administrative systems, service and facilities.

(15) Unaudited Quarterly Financial Data

The following table summarizes quarterly financial information for 2007 and 2006 (in thousands, except per share data):

	<u>First Quarter</u>	<u>Second Quarter</u>	<u>Third Quarter</u>	<u>Fourth- Quarter</u>	<u>Year Ended December 31,</u>
2007:					
Revenue	\$ 40,627	\$ 46,200	\$ 48,421	\$ 49,692	\$ 184,940
Operating income	6,543	6,190	8,107	5,245	26,085
Net income (loss) available to common stockholders	368	1,645	(467)	(2,500)	(954)
Basic earnings (loss) per share	\$ 0.02	\$ 0.10	\$ (0.03)	\$ (0.15)	\$ (0.06)
Diluted earnings (loss) per share	\$ 0.02	\$ 0.10	\$ (0.03)	\$ (0.15)	\$ (0.06)
2006:					
Revenue	\$ 34,680	\$ 38,216	\$ 39,217	\$ 37,384	\$ 149,497
Operating income	5,118	6,825	6,242	5,241	23,426
Net income (loss) available to common stockholders	612	3,839	(3,385)	351	1,417
Basic earnings (loss) per share	\$ 0.04	\$ 0.23	\$ (0.21)	\$ 0.02	\$ 0.09
Diluted earnings (loss) per share	\$ 0.04	\$ 0.23	\$ (0.21)	\$ 0.02	\$ 0.09

WCA WASTE CORPORATION

Notes to Consolidated Financial Statements — Continued
(dollars in thousands unless otherwise indicated)

Computation of per share amounts for quarters are made independently and reflect the weighted average shares outstanding for each of these quarters. The Company's issuances of common stock in connection with acquisitions and restricted stock grants significantly impacted the number of shares outstanding and the computation of earnings (loss) per share. Therefore, the sum of per share amounts above do not agree with per share amounts for the year as a whole.

(16) Subsequent Events

On January 2, 2008, the Company acquired certain collection routes in Oklahoma City, Oklahoma from Maguire Disposal, Inc., for approximately \$0.3 million in cash.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

There were no changes in or disagreements on any matters of accounting principles or financial statement disclosure between us and our independent registered public accounting firm during our two most recent fiscal years or any subsequent interim period.

Item 9A. Controls and Procedures.

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2007. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2007 in ensuring that the information required to be disclosed by us (including our consolidated subsidiaries) in the reports that we file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms; and is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, a report of management's assessment of the design and effectiveness of internal controls is included as part of this Annual Report on Form 10-K for the fiscal year ended December 31, 2007. KPMG LLP, our independent registered public accountants, also attested to, and reported on, management's assessment of the effectiveness of internal controls over financial reporting. Management's report and the independent registered public accounting firm's attestation report are included in Part II, Item 8 "Financial Statements and Supplementary Data" of this Annual Report on Form 10-K.

Based on an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, there has been no change in our internal control over financial reporting that occurred during our last fiscal quarter ended December 31, 2007, that has materially affected, or that is reasonably likely to materially affect, our internal control over financial reporting.

PART III

Item 10. Directors and Executive Officers of the Registrant.

The information with respect to our directors, executive officers, audit committee and audit committee financial expert, is incorporated by reference to the sections entitled "Election of Directors", "Executive Officers", "Information relating to our Board of Directors and Certain Committees of our Board of Directors", respectively, in our definitive proxy statement for our 2008 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission within 120 days of the close of our fiscal year.

Information concerning compliance with Section 16(a) of the Securities Exchange Act of 1934, as amended, is incorporated by reference to the section entitled "Section 16(a) Beneficial Ownership Reporting Compliance" in our definitive proxy statement for our 2008 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission within 120 days of the close of our fiscal year.

We have adopted a code of business conduct and ethics applicable to all of our officers, directors and employees, including our principal executive officer, principal financial officer and principal accounting officer. The code of business conduct and ethics is available on the "Investor Relations-Corporate Governance" section of our internet website at www.wcawaste.com. If we amend the code of business conduct and ethics or grant a waiver, including an implicit waiver, from the code of business conduct and ethics, we intend to disclose the information on the "Investor Relations-Corporate Governance" section of our Internet website at www.wcawaste.com within four business days of such amendment or waiver, as applicable.

The information required by Rule 10A-3(d) of the Exchange Act is incorporated by reference to the section entitled "Information relating to our Board of Directors and Certain Committees of our Board of Directors" in our definitive proxy statement for our 2008 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission within 120 days of the close of our fiscal year.

Item 11. Executive Compensation.

The information required by Item 11 of this Annual Report on Form 10-K is incorporated by reference to the sections entitled "Executive Compensation", "Compensation Committee Interlocks and Insider Participation", "Employment Agreements", and "Compensation of Directors" in our definitive proxy statement for our 2008 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission within 120 days of the close of our fiscal year.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by Item 12 of this Annual Report on Form 10-K is incorporated by reference to the section entitled "Equity Compensation Plan Information" and "Security Ownership of Certain Beneficial Owners and Management" in our definitive proxy statement for our 2008 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission within 120 days of the close of our fiscal year.

Item 13. Certain Relationships and Related Transactions.

The information required by Item 13 of this Annual Report on Form 10-K is incorporated by reference to the section entitled "Certain Relationships and Related Transactions" in our definitive proxy statement for our 2008 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission within 120 days of the close of our fiscal year.

Item 14. Principal Accounting Fees and Services.

The information required by Item 14 of this Annual Report on Form 10-K is incorporated by reference to the section entitled "Independent Registered Public Accounting Firm" in our definitive proxy statement for our 2008 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission within 120 days of the close of our fiscal year.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

(a) The following documents are filed as a part of this report:

(1) and (2) Financial Statements and Financial Statement Schedules.

Consolidated financial statements of the Company are included in Item 8 (Financial Statements and Supplementary Data). All other schedules for the Company have been omitted since the required information is not present or not present in an amount sufficient to require submission of the schedule, or because the information required is included in the consolidated financial statements or the notes thereto.

(3) Exhibits.

Exhibit No.	Description
2.1**	Reorganization Agreement, dated May 10, 2004, by and among Waste Corporation of America, Inc., WCA Waste Corporation, WCA Holdings Corporation and WCA Merger Corporation (incorporated by reference to Exhibit 2.1 to Amendment No. 2 to the registrant's Registration Statement on Form S-1 (File No. 333-113416) filed with the SEC on May 14, 2004).
2.2	Agreement and Plan of Merger, dated May 10, 2004, between WCA Waste Corporation, Waste Corporation of America, Inc. and WCA Merger Corporation (incorporated by reference to Exhibit 2.2 to Amendment No. 2 to the registrant's Registration Statement on Form S-1 (File No. 333-113416) filed with the SEC on May 14, 2004).
2.3	Agreement and Plan of Merger, dated as of May 20, 2004, between WCA Waste Corporation and WCA Merger II Corporation (incorporated by reference to Exhibit 2.3 to Amendment No. 5 to the registrant's Registration Statement on Form S-4 (File No. 333-114901) filed with the SEC on June 21, 2004).
2.4†**	Membership Interest Purchase Agreement, dated effective January 14, 2005, between WCA of North Carolina, L.P., MRR Southern, LLC, Material Recovery, LLC, Material Reclamation, LLC, MRR of High Point, LLC, MRR Wake Transfer Station, LLC, WCA Waste Corporation, F. Norbert Hector, Jr., D.H. Griffin, Paul M. Givens, Edward I. Weisiger, Jr. and David Griffin, Jr. (incorporated by reference to Exhibit 2.4 to the registrant's Form 10-K (File No. 000-50808) filed with the SEC on March 24, 2005).
2.5†	Closing and Asset Purchase Agreement, dated as of October 2, 2005, by and among WCA of Florida, Inc., Meyer & Gabbert Excavating Contractors, Inc., Leonard G. Meyer, Jr. and James F. Gabbert (incorporated by reference to Exhibit 2.1 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on October 6, 2005).
2.6	Agreement and Plan of Merger, dated as of September 30, 2005, by and among WCA Waste Corporation, WCA of Central Florida, Inc., WCA Management Company, L.P., Waste Corporation of America, LLC and Waste Corporation of Central Florida, Inc. (incorporated by reference to Exhibit 2.2 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on October 6, 2005).
2.7	First Amendment to Membership Interest Purchase Agreement, dated as of March 30, 2005, by and among WCA of North Carolina, L.P., MRR Southern, LLC, WCA Waste Corporation and WCA of Wake County, L.P. (incorporated by reference to Exhibit 2.2 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on May 13, 2005).
3.1	Second Amended and Restated Certificate of Incorporation of WCA Waste Corporation (incorporated by reference to Exhibit 3.1 to the registrant's Form 10-K (File No. 000-50808) filed with the SEC on December 22, 2005).

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3.2	Second Amended and Restated Bylaws of WCA Waste Corporation (incorporated by reference to Exhibit 3.1 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on June 20, 2007).
4.1	Specimen of Common Stock Certificate (incorporated by reference to Exhibit 4.1 to Amendment No. 2 to the registrant's Registration Statement on Form S-1 (File No. 333-113416) filed with the SEC on May 14, 2004).
4.2	Trust Indenture between Gulf Coast Waste Disposal Authority and U.S. Bank National Association, as Trustee, dated as of August 1, 2002 (incorporated by reference to Exhibit 4.2 to Amendment No. 4 to the registrant's Registration Statement on Form S-1 (File No. 333-113416) filed with the SEC on June 17, 2004).
4.3	Form of Environmental Facilities Revenue Bond (included in Exhibit 4.2 above).
4.4	Indenture, dated as of July 5, 2006, by and among WCA Waste Corporation, the Guarantors named therein and The Bank of New York Trust Company, N.A. (incorporated by reference to Exhibit 4.1 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on July 5, 2006).
4.5	Form of 9.25% Senior Note due 2014 (included as Exhibit A to Exhibit 4.4 above).
4.6	Certificate of Designation of Series A Convertible Pay-in-Kind Preferred Stock (incorporated by reference to Exhibit 4.7 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on August 8, 2006).
4.7	Specimen of Series A Convertible Pay-in-Kind Preferred Stock Certificate (incorporated by reference to Exhibit 4.8 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on August 8, 2006).
10.1	Administrative Services Agreement, dated May 20, 2004, between WCA Waste Corporation, WCA Management Company, L.P., Waste Corporation of America, LLC, Transit Waste, LLC, Waste Corporation of Central Florida, Inc. and Waste Corporation of Florida, Inc. (incorporated by reference to Exhibit 10.2 to Amendment No. 3 to the registrant's Registration Statement on Form S-1 (File No. 333-113416) filed with the SEC on June 1, 2004).
10.2+	Amended and Restated Employment Agreement, effective as of January 1, 2007, between WCA Management Company, L.P., WCA Waste Corporation and Tom J. Fatjo, Jr. (incorporated by reference to Exhibit 10.2 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on January 9, 2007).
10.3+	Amended and Restated Employment Agreement, effective as of January 1, 2007, between WCA Management Company, L.P., WCA Waste Corporation and Jerome Kruzka (incorporated by reference to Exhibit 10.3 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on January 9, 2007).
10.4+	Amended and Restated Employment Agreement, effective as of January 1, 2007, between WCA Management Company, L.P., WCA Waste Corporation and Charles Casalnova (incorporated by reference to Exhibit 10.4 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on January 9, 2007).
10.5+	Amended and Restated Employment Agreement, effective as of January 1, 2007, between WCA Management Company, L.P., WCA Waste Corporation and Tom J. Fatjo, III (incorporated by reference to Exhibit 10.5 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on January 9, 2007).
10.6	Capital Contribution Commitment Agreement, dated May 10, 2004, between WCA Waste Corporation and Waste Corporation of America, Inc. (incorporated by reference to Exhibit 10.12 to Amendment No. 2 to the registrant's Registration Statement on Form S-1 (File No. 333-113416) filed with the SEC on May 14, 2004).

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10.7	Tax Disaffiliation Agreement, dated as of May 20, 2004, by and between WCA Waste Corporation and Waste Corporation of America, LLC (incorporated by reference to Exhibit 10.13 to Amendment No. 3 to the registrant's Registration Statement on Form S-1 (File No. 333-113416) filed with the SEC on June 1, 2004).
10.8	Registration Rights Agreement, dated June 15, 2004, by and among WCA Waste Corporation, EFO Co-Investment Partners and WCA Partners, L.P. (incorporated by reference to Exhibit 10.14 to Amendment No. 4 to the registrant's Registration Statement on Form S-1 (File No. 333-113416) filed with the SEC on June 17, 2004).
10.9†	Out Purchase and Sale of Assets Agreement, dated as of September 3, 2004, by and between WCA of Alabama, L.L.C., Bluewater Diving, LLC, Frank Hollis and Van Mulvehill (incorporated by reference to Exhibit 10.1 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on November 10, 2004).
10.10†	Purchase and Sale of Assets Agreement, dated as of September 3, 2004, by and between WCA of Alabama, L.L.C., BRC, LLC, Frank Hollis and Van Mulvehill (incorporated by reference to Exhibit 10.2 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on November 10, 2004).
10.11†	Purchase and Sale of Assets Agreement, dated as of September 3, 2004, by and between WCA of Alabama, L.L.C., Blount Recycling, LLC, Frank Hollis and Van Mulvehill (incorporated by reference to Exhibit 10.3 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on November 10, 2004).
10.12+	Form of WCA Waste Corporation Stock Option Agreement under the 2004 WCA Waste Corporation Incentive Plan (incorporated by reference to Exhibit 10.4 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on November 10, 2004).
10.13+	Form of Executive Officer Restricted Stock Grant under the 2004 WCA Waste Corporation Incentive Plan (incorporated by reference to Exhibit 10.15 to the registrant's Form 10-K (File No. 000-50808) filed with the SEC on March 24, 2005).
10.14†	Closing and Asset Purchase Agreement, dated as of November 30, 2004, between WCA Shiloh Landfill, L.L.C., Trash Away, Inc. and Gary W. Seymore (incorporated by reference to Exhibit 10.16 to the registrant's Form 10-K (File No. 000-50808) filed with the SEC on March 24, 2005).
10.15†	Closing and Asset Purchase Agreement, dated as of November 30, 2004, between WCA Shiloh Landfill, L.L.C., Waste Reduction of South Carolina, Inc. and Gary W. Seymore (incorporated by reference to Exhibit 10.17 to the registrant's Form 10-K (File No. 000-50808) filed with the SEC on March 24, 2005).
10.16†	Membership Interest Purchase Agreement, dated effective January 11, 2005, between WCA Waste Corporation, Waste Corporation of Missouri, Inc., Gecko Investments, LLC, Andrew Zelenkofske, Daniel J. Clark and Joseph E. LoConti (incorporated by reference to Exhibit 10.18 to the registrant's Form 10-K (File No. 000-50808) filed with the SEC on March 24, 2005).
10.17+	WCA Waste Corporation Management Incentive Plan, as amended and restated effective January 1, 2007 (incorporated by reference to Exhibit 10.1 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on January 9, 2007).
10.18+	WCA Waste Corporation Management Incentive Plan (incorporated by reference to Exhibit 10.20 to the registrant's Form 10-K (File No. 000-50808) filed with the SEC on March 24, 2005).
10.19+	Form of Non-Employee Director Restricted Stock Grant under the 2004 WCA Waste Corporation Incentive Plan (incorporated by reference to Exhibit 10.21 to the registrant's Form 10-K (File No. 000-50808) filed with the SEC on March 24, 2005).

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- 10.20 Form of Resale Restriction Agreement, dated as of December 21, 2005, between WCA Waste Corporation and each of Tom J. Fatjo, Jr., Jerome M. Kruzka, Charles A. Casalnova, Tom J. Fatjo, III, Richard E. Bean, Ballard O. Castleman and Roger A. Ramsey individually (incorporated by reference to Exhibit 10.1 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on December 22, 2005).
- 10.21 Solid Waste Disposal Agreement, dated as of October 3, 2005, by any between Waste Corporation of America, LLC and WCA Waste Corporation (incorporated by reference to Exhibit 10.1 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on October 6, 2005).
- 10.22 Amended and Restated 2004 WCA Waste Corporation Incentive Plan, effective as of June 1, 2005 (incorporated by reference to Exhibit 10.1 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on June 1, 2005).
- 10.23 Reimbursement Agreement, dated as of August 30, 2002, by and among WCA Waste Systems, Inc., Waste Corporation of Texas, L.P., and Wells Fargo Bank Texas, National Association (incorporated by reference to Exhibit 10.10 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on May 13, 2005).
- 10.24 First Amendment to Reimbursement Agreement, dated as of April 28, 2005, by and among WCA Waste Systems, Inc., Waste Corporation of Texas, L.P., and Wells Fargo Bank National Association (successor by merger to Wells Fargo Bank Texas, National Association) (incorporated by reference to Exhibit 10.11 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on May 13, 2005).
- 10.25 Revolving Credit Agreement, dated as of July 5, 2006, by and among WCA Waste Corporation, Comerica Bank and the Lenders named therein (incorporated by reference to Exhibit 10.1 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on July 5, 2006).
- 10.26 Interest Rate Swap Agreement, dated July 11, 2006, between WCA Waste Corporation and Comerica Bank (incorporated by reference to Exhibit 10.3 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on August 8, 2006).
- 10.27 Securities Purchase Agreement, dated as of February 10, 2006, by and among WCA Waste Corporation, Transit Waste, LLC, WCA Management Company, L.P., and Waste Corporation of America, LLC (incorporated by reference to Exhibit 10.29 to the registrant's Form in-K (File No. 000-50808) filed with the SEC on March 16, 2006).
- 10.28 Preferred Stock Purchase Agreement, dated as of June 12, 2006, by and between WCA Waste Corporation and Ares Corporate Opportunities Fund II, L.P. (incorporated by reference to Exhibit 10.1 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on June 16, 2006).
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- 10.30 Registration Rights Agreement, dated as of July 5, 2006, by and among WCA Waste Corporation, the Guarantors named therein and Credit Suisse Securities (USA) LLC (incorporated by reference to Exhibit 10.3 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on July 5, 2006).
- 10.31 Stockholder's Agreement, dated July 27, 2006, among WCA Waste Corporation and Ares Corporate Opportunity Fund II, L.P. (incorporated by reference to Exhibit 10.5 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on August 8, 2006).

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10.32	Registration Rights Agreement, dated July 27, 2006, among WCA Waste Corporation and Ares Corporate Opportunities Fund II, L.P. (incorporated by reference to Exhibit 10.6 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on August 8, 2006).
10.33	Management Rights Letter, dated July 27, 2006, between WCA Waste Corporation and Ares Corporate Opportunities Fund II, L.P. (incorporated by reference to Exhibit 10.7 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on August 8, 2006).
10.34	Second Amended and Restated 2004 WCA Waste Corporation Incentive Plan, effective as of September 15, 2006 (incorporated by reference to Exhibit 10.1 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on September 15, 2006).
10.35	Form of Stock Option Agreement under the Second Amended and Restated 2004 WCA Waste Corporation Incentive Plan (incorporated by reference to Exhibit 10.37 to the registrant's Form 10-K (File No. 000-50808) filed with the SEC on March 14, 2007).
10.36	Form of Executive Officer Restricted Stock Grant under the Second Amended and Restated 2004 WCA Waste Corporation Incentive Plan (incorporated by reference to Exhibit 10.38 to the registrant's Form 10-K (File No. 000-50808) filed with the SEC on March 14, 2007).
10.37	Form of Non Employee Director Restricted Stock Grant under the Second Amended and Restated 2004 WCA Waste Corporation Incentive Plan (incorporated by reference to Exhibit 10.39 to the registrant's Form 10-K (File No. 000-50808) filed with the SEC on March 14, 2007).
10.38	Form of Restricted Stock Grant under the Second Amended and Restated 2004 WCA Waste Corporation Incentive Plan (incorporated by reference to Exhibit 10.40 to the registrant's Form 10-K (File No. 000-50808) filed with the SEC on March 14, 2007).
10.39†**	Equity Interest Purchase Agreement, dated February 21, 2007, by and among WCA of Oklahoma, LLC, Roy Yokley, Troy Yokley, American Waste, Inc., N.E. Land Fill, Inc., Pauls Valley Landfill, Inc. and Sooner Waste, L.L.C.
10.40†**	Equity Interest and Asset Purchase and Sale Agreement, dated June 29, 2007, among WCA Waste Corporation, WCA Texas Management General, Inc., WCA Management Limited, Inc., WCA of Florida, LLC, Southwest Dumpster, Inc., Waste Services, Inc., Waste Services of Florida, Inc., WS General Partner, LLC and Waste Services Limited Partner, LLC.
12.1*	Statement regarding computation of ratio of earnings to fixed charges for the twelve months ended December 31, 2007.
14.1	WCA Waste Corporation Code of Business Conduct and Ethics (incorporated by reference to Exhibit 14.1 to the registrant's Form 10-K (File No. 000-50808) filed with the SEC on March 24, 2005).
21.1*	List of Subsidiaries of WCA Waste Corporation.
23.1*	Consent of Independent Registered Public Accounting Firm KPMG LLP.
31.1*	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer.
31.2*	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer.
32.1*	Section 1350 Certification of Chief Executive Officer.
32.2*	Section 1350 Certification of Chief Financial Officer.

+ Management contract or compensatory plan, contract or arrangement.

* Filed herewith.

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† Confidential treatment has been requested with respect to certain information contained in this agreement.

** Pursuant to Item 601(b)(2) of Regulation S-K, the Company agrees to furnish supplementally a copy of any omitted exhibit or schedule to the Commission upon request.

The registrant hereby undertakes, pursuant to Regulation S-K, Item 601(b), paragraph (4)(iii)(A), to furnish to the Securities and Exchange Commission upon request all constituent instruments defining the rights of holders of long-term debt of the registrant and its consolidated subsidiaries not filed herewith for the reason that the total amount of securities authorized under any of such instruments does not exceed 10% of the registrant's total consolidated assets.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

WCA WASTE CORPORATION

By: /s/ TOM J. FATJO, JR.
Tom J. Fatjo, Jr.
Chief Executive Officer

Date: March 5, 2008

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Name</u>	<u>Title</u>	<u>Date</u>
<u>/s/ TOM J. FATJO, JR.</u> Tom J. Fatjo, Jr.	Chairman of the Board of Directors and Chief Executive Officer (Principal Executive Officer)	March 5, 2008
<u>/s/ JEROME M. KRUSZKA</u> Jerome M. Kruszka	President, Chief Operating Officer and Director	March 5, 2008
<u>/s/ CHARLES A. CASALINOVA</u> Charles A. Casalinova	Senior Vice President and Chief Financial Officer (Principal Financial Officer)	March 5, 2008
<u>/s/ KEVIN D. MITCHELL</u> Kevin D. Mitchell	Vice President and Controller (Principal Accounting Officer)	March 5, 2008
<u>/s/ RICHARD E. BEAN</u> Richard E. Bean	Director	March 5, 2008
<u>/s/ BALLARD O. CASTLEMAN</u> Ballard O. Castleman	Director	March 5, 2008
<u>/s/ PRESTON MOORE, JR.</u> Preston Moore Jr.	Director	March 5, 2008
<u>/s/ ROGER A. RAMSEY</u> Roger A. Ramsey	Director	March 5, 2008
<u>/s/ ANTONY P. RESSLER</u> Antony P. Ressler	Director	March 5, 2008
<u>/s/ JEFFREY S. SEROTA</u> Jeffrey S. Serota	Director	March 5, 2008
<u>/s/ JOHN V. SINGLETON</u> Honorable John V. Singleton	Director	March 5, 2008

EXHIBIT INDEX

Exhibit No.	Description
2.1**	Reorganization Agreement, dated May 10, 2004, by and among Waste Corporation of America, Inc., WCA Waste Corporation, WCA Holdings Corporation and WCA Merger Corporation (incorporated by reference to Exhibit 2.1 to Amendment No. 2 to the registrant's Registration Statement on Form S-1 (File No. 333-113416) filed with the SEC on May 14, 2004).
2.2	Agreement and Plan of Merger, dated May 10, 2004, between WCA Waste Corporation, Waste Corporation of America, Inc. and WCA Merger Corporation (incorporated by reference to Exhibit 2.2 to Amendment No. 2 to the registrant's Registration Statement on Form S-1 (File No. 333-113416) filed with the SEC on May 14, 2004).
2.3	Agreement and Plan of Merger, dated as of May 20, 2004, between WCA Waste Corporation and WCA Merger II Corporation (incorporated by reference to Exhibit 2.3 to Amendment No. 5 to the registrant's Registration Statement on Form S-4 (File No. 333-114901) filed with the SEC on June 21, 2004).
2.4†**	Membership Interest Purchase Agreement, dated effective January 14, 2005, between WCA of North Carolina, L.P., MRR Southern, LLC, Material Recovery, LLC, Material Reclamation, LLC, MRR of High Point, LLC, MRR Wake Transfer Station, LLC, WCA Waste Corporation, F. Norbert Hector, Jr., D.H. Griffin, Paul M. Givens, Edward I. Weisiger, Jr. and David Griffin, Jr. (incorporated by reference to Exhibit 2.4 to the registrant's Form 10-K (File No. 000-50808) filed with the SEC on March 24, 2005).
2.5†	Closing and Asset Purchase Agreement, dated as of October 2, 2005, by and among WCA of Florida, Inc., Meyer & Gabbert Excavating Contractors, Inc., Leonard G. Meyer, Jr. and James F. Gabbert (incorporated by reference to Exhibit 2.1 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on October 6, 2005).
2.6	Agreement and Plan of Merger, dated as of September 30, 2005, by and among WCA Waste Corporation, WCA of Central Florida, Inc., WCA Management Company, L.P., Waste Corporation of America, LLC and Waste Corporation of Central Florida, Inc. (incorporated by reference to Exhibit 2.2 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on October 6, 2005).
2.7	First Amendment to Membership Interest Purchase Agreement, dated as of March 30, 2005, by and among WCA of North Carolina, L.P., MRR Southern, LLC, WCA Waste Corporation and WCA of Wake County, L.P. (incorporated by reference to Exhibit 2.2 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on May 13, 2005).
3.1	Second Amended and Restated Certificate of Incorporation of WCA Waste Corporation (incorporated by reference to Exhibit 3.1 to the registrant's Form 10-K (File No. 000-50808) filed with the SEC on December 22, 2005).
3.2	Second Amended and Restated Bylaws of WCA Waste Corporation (incorporated by reference to Exhibit 3.1 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on June 20, 2007).
4.1	Specimen of Common Stock Certificate (incorporated by reference to Exhibit 4.1 to Amendment No. 2 to the registrant's Registration Statement on Form S-1 (File No. 333-113416) filed with the SEC on May 14, 2004).
4.2	Trust Indenture between Gulf Coast Waste Disposal Authority and U.S. Bank National Association, as Trustee, dated as of August 1, 2002 (incorporated by reference to Exhibit 4.2 to Amendment No. 4 to the registrant's Registration Statement on Form S-1 (File No. 333-113416) filed with the SEC on June 17, 2004).
4.3	Form of Environmental Facilities Revenue Bond (included in Exhibit 4.2 above).
4.4	Indenture, dated as of July 5, 2006, by and among WCA Waste Corporation, the Guarantors named therein and The Bank of New York Trust Company, N.A. (incorporated by reference to Exhibit 4.1 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on July 5, 2006).
4.5	Form of 9.25% Senior Note due 2014 (included as Exhibit A to Exhibit 4.4 above).
4.6	Certificate of Designation of Series A Convertible Pay-in-Kind Preferred Stock (incorporated by reference to Exhibit 4.7 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on August 8, 2006).
4.7	Specimen of Series A Convertible Pay-in-Kind Preferred Stock Certificate (incorporated by reference to Exhibit 4.8 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on August 8, 2006).
10.1	Administrative Services Agreement, dated May 20, 2004, between WCA Waste Corporation, WCA Management Company, L.P., Waste Corporation of America, LLC, Transit Waste, LLC, Waste Corporation of Central Florida, Inc. and Waste Corporation of Florida, Inc. (incorporated by reference to Exhibit 10.2 to Amendment No. 3 to the registrant's Registration Statement on Form S-1 (File No. 333-113416) filed with the SEC on June 1, 2004).
10.2+	Amended and Restated Employment Agreement, effective as of January 1, 2007, between WCA Management Company, L.P., WCA Waste Corporation and Tom J. Fatjo, Jr. (incorporated by reference to Exhibit 10.2 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on January 9, 2007).
10.3+	Amended and Restated Employment Agreement, effective as of January 1, 2007, between WCA Management Company, L.P., WCA Waste Corporation and Jerome Kruzka (incorporated by reference to Exhibit 10.3 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on January 9, 2007).
10.4+	Amended and Restated Employment Agreement, effective as of January 1, 2007, between WCA Management Company, L.P., WCA Waste Corporation and Charles Casalnova (incorporated by reference to Exhibit 10.4 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on January 9, 2007).
10.5+	Amended and Restated Employment Agreement, effective as of January 1, 2007, between WCA Management Company, L.P., WCA Waste Corporation and Tom J. Fatjo, III (incorporated by reference to Exhibit 10.5 to the registrant's Form 8-K (File No. 000-50808) filed with the SEC on January 9, 2007).
10.6	Capital Contribution Commitment Agreement, dated May 10, 2004, between WCA Waste Corporation and Waste Corporation of America, Inc. (incorporated by reference to Exhibit 10.12 to Amendment No. 2 to the registrant's

- Registration Statement on Form S-1 (File No. 333-113416) filed with the SEC on May 14, 2004).
- 10.7 Tax Disaffiliation Agreement, dated as of May 20, 2004, by and between WCA Waste Corporation and Waste Corporation of America, LLC (incorporated by reference to Exhibit 10.13 to Amendment No. 3 to the registrant's Registration Statement on Form S-1 (File No. 333-113416) filed with the SEC on June 1, 2004).
- 10.8 Registration Rights Agreement, dated June 15, 2004, by and among WCA Waste Corporation, EFO Co-Investment Partners and WCA Partners, L.P. (incorporated by reference to Exhibit 10.14 to Amendment No. 4 to the registrant's Registration Statement on Form S-1 (File No. 333-113416) filed with the SEC on June 17, 2004).
- 10.9† Out Purchase and Sale of Assets Agreement, dated as of September 3, 2004, by and between WCA of Alabama, L.L.C., Bluewater Diving, LLC, Frank Hollis and Van Mulvehill (incorporated by reference to Exhibit 10.1 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on November 10, 2004).
- 10.10† Purchase and Sale of Assets Agreement, dated as of September 3, 2004, by and between WCA of Alabama, L.L.C., BRC, LLC, Frank Hollis and Van Mulvehill (incorporated by reference to Exhibit 10.2 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on November 10, 2004).
- 10.11† Purchase and Sale of Assets Agreement, dated as of September 3, 2004, by and between WCA of Alabama, L.L.C., Blount Recycling, LLC, Frank Hollis and Van Mulvehill (incorporated by reference to Exhibit 10.3 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on November 10, 2004).
- 10.12+ Form of WCA Waste Corporation Stock Option Agreement under the 2004 WCA Waste Corporation Incentive Plan (incorporated by reference to Exhibit 10.4 to the registrant's Form 10-Q (File No. 000-50808) filed with the SEC on November 10, 2004).
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EXHIBIT 12.1

Ratio of Earnings to Fixed Charges

	Year Ended December 31,				
	2003	2004	2005	2006	2007
	(Dollars in Thousands)				
Income (Loss) from Continuing Operations	\$ 2,661	\$ (4,364)	\$ 3,468	\$ 3,020	\$ 2,922
Plus: Income Taxes	1,753	(2,476)	2,248	2,313	2,343
Fixed Charges	5,494	4,761	10,841	17,340	18,753
Earnings Available for Fixed Charges	9,908	(2,079)	16,557	22,673	24,018
Fixed Charges:					
Interest Expense	5,225	4,454	10,438	16,934	18,331
Estimate Portion of Rental Expense Equivalent to Interest	269	307	403	406	422
Total Fixed Charges	5,494	4,761	10,841	17,340	18,753
Ratio of Earnings to Fixed Charges	1.8	-0.4	1.5	1.3	1.3

Calculation of Rental Expense Equivalent to Interest

Rental Expense	806	921	1,209	1,217	1,265
Estimated % Equivalent to Interest	33.3%	33.3%	33.3%	33.3%	33.3%
Estimate Portion of Rental Expense Equivalent to Interest	269	307	403	406	422

EXHIBIT 21.1

SUBSIDIARIES OF WCA WASTE CORPORATION

SUBSIDIARY	JURISDICTION OF INCORPORATION OR ORGANIZATION
American Waste, LLC	Oklahoma
Burnt Poplar Transfer, LLC	Delaware
Eagle Ridge Landfill, LLC	Ohio
Fort Bend Regional Landfill, LP	Texas
Material Recovery, LLC	North Carolina
Material Reclamation, LLC	North Carolina
N.E. Land Fill, LLC (1)	Oklahoma
Pauls Valley Landfill, LLC	Oklahoma
Ruffino Hills Transfer Station, LP	Texas
Sooner Waste, LLC	Oklahoma
Texas Environmental Waste Services, LLC	Texas
Transit Waste, LLC (2)	New Mexico
Translift, Inc. (3)	Arkansas
Waste Corporation of Texas, LP (4)	Delaware
Waste Corporation of Arkansas, Inc. (5)	Delaware
Waste Corporation of Kansas, Inc. (6)	Delaware
Waste Corporation of Missouri, Inc. (7)	Delaware
Waste Corporation of Tennessee, Inc. (8)	Delaware
WCA Capital, Inc.	Delaware
WCA Holdings Corporation (9)	Delaware
WCA Management Company, LP	Delaware
WCA Management General, Inc.	Delaware
WCA Management Limited, Inc.	Delaware
WCA of Alabama, LLC (10)	Delaware
WCA of Central Florida, Inc. (11)	Delaware
WCA of Florida, LLC (12)	Delaware
WCA of High Point, LLC	North Carolina
WCA of North Carolina, LLC	Delaware
WCA of Oklahoma, LLC	Delaware
WCA of St. Lucie, LLC	Delaware
WCA Shiloh Landfill, LLC (13)	Delaware
WCA Texas Management General, Inc.	Delaware
WCA Wake Transfer Station, LLC	North Carolina
WCA Waste Systems, Inc.	Delaware

(1) N. E. Land Fill, LLC conducts business as NE Landfill and Northeast Landfill.

(2) Transit Waste, LLC conducts business as Waste Corporation of Colorado and New Mexico and Bondad Landfill.

(3) Translift, Inc. conducts business as Little Rock Hauling.

Source: WCA WASTE CORP, 10-K, March 05, 2008

- (4) Waste Corporation of Texas, LP conducts business under the names SLOTI Landfill, Greenbelt Landfill, Urban Landfill, Olshan Landfill, Tall Pines Landfill, Darrell Dickey Landfill, Applerock Landfill, Houston Hauling, WCA Houston Residential, Texas Environmental Waste Services, and TEW.
- (5) Waste Corporation of Arkansas, Inc. conducts business under the names Union County Landfill, South Arkansas Hauling, Jonesboro Hauling, Wynne Hauling, Wynne Transfer Station, and Rolling Meadows Landfill.
- (6) Waste Corporation of Kansas, Inc. conducts business under the name Oak Grove Landfill.
- (7) Waste Corporation of Missouri, Inc. conducts business under the names Waste Corporation of Springfield, Waste Corporation of Joplin, Waste Corporation of the Ozarks, Waste Corporation of Rolla, Will-Co Disposal, Supreme Disposal, Black Oak Landfill, Central Missouri Landfill, Ashley Disposal, Rural Disposal, El Dorado Transfer Station, Springfield Transfer Station, Ozarks Transfer Station, Chillicothe Transfer Station and Neosho Transfer Station.
- (8) Waste Corporation of Tennessee, Inc. conducts business under the names Volunteer Waste and Yarnell Landfill.
- (9) WCA Holdings Corporation conducts business in Texas as Waste Corp. Holdings.
- (10) WCA of Alabama, LLC conducts business under the names Fines Landfill, Waste Corporation of Alabama, Blount Landfill, Huntsville Transfer Station, WCA Hauling, and Midfield Recycling.
- (11) WCA of Central Florida, Inc. conducts business as Fort Meade Landfill.
- (12) WCA of Florida, Inc. conducts business as KTR, 63rd Street Transfer, and Fruitville Road Transfer.
- (13) WCA Shiloh Landfill, LLC conducts business under the names Waste Corporation of South Carolina, Shiloh Landfill and Shiloh Hauling.

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
WCA Waste Corporation:

We consent to the incorporation by reference in the registration statement (No. 333-130623) on Form S-3 and registration statements (No. 333-131875 and No. 333-139809) on Form S-8 of WCA Waste Corporation of our reports dated March 5, 2008, with respect to the consolidated balance sheets of WCA Waste Corporation as of December 31, 2007 and 2006, and the related consolidated statements of operations, stockholders' equity, comprehensive income and cash flows for each of the years in the three-year period ended December 31, 2007, and the effectiveness of internal control over financial reporting as of December 31, 2007 which reports appear in the December 31, 2007 annual report on Form 10-K of WCA Waste Corporation.

Our report contains an explanatory paragraph that states the Company adopted the provisions of FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes", effective January 1, 2007 and Statement of Financial Accounting Standards No. 123 (revised 2004), "Share-Based Payment", effective January 1, 2006.

/s/ KPMG LLP

Houston, Texas
March 5, 2008

Exhibit 31.1

CERTIFICATION

I, Tom J. Fatjo, Jr., certify that:

1. I have reviewed this 2007 Annual Report on Form 10-K of WCA Waste Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 5, 2008

By: /s/ Tom J. Fatjo, Jr.
Tom J. Fatjo, Jr.
Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Charles A. Casalinova, certify that:

1. I have reviewed this 2007 Annual Report on Form 10-K of WCA Waste Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 5, 2008

By: /s/ Charles A. Casalinova
Charles A. Casalinova
Chief Financial Officer

Exhibit 32.1

**Certification Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of WCA Waste Corporation (the "Company") on Form 10-K for the period ended December 31, 2007, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Tom J. Fatjo, Jr., Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Tom J. Fatjo, Jr.

Tom J. Fatjo, Jr.
Chief Executive Officer
March 5, 2008

The foregoing certification shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

Exhibit 32.2

**Certification Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of WCA Waste Corporation (the "Company") on Form 10-K for the period ended December 31, 2007, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Charles A. Casalinova, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Charles A. Casalinova

Charles A. Casalinova
Chief Financial Officer
March 5, 2008

The foregoing certification shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

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Exhibit 10



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WCA Waste Corporation Announces Third Quarter 2008 Results

Revenue Increased 9% to a Record Quarterly Level of \$52.8 Million

HOUSTON, Oct 29, 2008 (GlobeNewswire via COMTEX News Network) -- WCA Waste Corporation (Nasdaq:WCAA) announced today financial results for the third quarter ended September 30, 2008. For the quarter ended September 30, 2008, revenue increased 9.0% to \$52.8 million compared to the \$48.4 million for the same period last year. Operating income for the quarter was \$7.0 million, as compared to \$8.1 million for the comparable quarter last year. The margin decline is principally a result of increased fuel expense reducing margins by 3.1% of revenue. Including the negative impact of the interest rate swap, net income available to common stockholders was \$(0.3) million, or \$(0.02) per share, for the three months ended September 30, 2008. Adjusted for the impact of the interest rate swap, net income available to common stockholders was \$0.3 million, or \$0.02 per share, for the three months ended September 30, 2008 (please refer to the attached schedule).

For the nine months ended September 30, 2008, revenue increased 14.1% to \$154.4 million compared to the \$135.2 million for the same period last year. Operating income was \$18.6 million for the nine months ended September 30, 2008 compared to \$20.8 million for the nine months ended September 30, 2007. The margin decline is principally a result of increased fuel expense reducing margins by 3.2% of revenue. Under our previously disclosed stock repurchase program, the Company has purchased 891,347 shares of its common stock during 2008, through October 28, 2008.

Tom Fatjo, Chairman of WCA Waste Corporation, stated "the 9% revenue growth WCA experienced led to record quarterly revenue of \$52.8 million. Factored in the revenue growth was an increase in pricing of 4%, fuel surcharge of 4%, acquisition contribution of 5.8% and a decline in volume of 4.8%."

WCA Waste Corporation is an integrated company engaged in the transportation, processing and disposal of non-hazardous solid waste. The Company's operations currently consist of 24 landfills, 24 transfer stations/material recovery facilities and 26 collection operations located throughout Alabama, Arkansas, Colorado, Florida, Kansas, Missouri, New Mexico, North Carolina, Oklahoma, South Carolina, Tennessee and Texas. The Company's common stock is traded on the NASDAQ Global Market System under the symbol "WCAA."

The WCA Waste Corporation logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=1736>

RISK FACTORS AND CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

This press release and other communications, such as conference calls, presentations, statements in public filings, other press releases, include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities and Exchange Act of 1934. Forward-looking statements generally include discussions and descriptions other than historical information. These statements can generally be identified as such because the context of the statement will include words such as "may," "will," "should," "outlook," "project," "intend," "seek," "plan," "believe," "anticipate," "expect," "estimate," "potential," "continue," or "opportunity," the negatives of these words, or similar words or expressions. Similarly, statements that describe our plans, objectives, goals, expectations or intentions and other statements that are not historical facts are forward-looking statements. For example, descriptions of strategy are forward looking statements, including descriptions of our acquisition strategy and the benefits of any acquisition or potential acquisition.

In other presentations and reports, we may provide "run-rate" estimates with respect to us and also separately with respect to one or more acquired businesses. Statements concerning "run-rates" are forward-looking statements, are not audited or based on GAAP and are made based on estimations from information provided to us by the acquired companies and from other sources and estimates developed by us. We determine the period over which to calculate a "run-rate" based on factors we deem to be reasonable. In computing revenue "run-rates" as of the end of any given period we generally annualize the average of monthly revenues of the companies that we acquired for the period prior to acquisition (which is the "run-rate" for the acquired businesses). Actual revenues may or may not equal the estimated "run-rate." For entities that were previously owned by us, we calculate "run-rate" based on the period that we originally owned these entities.

In addition, we provide estimates in this press release and in other presentations and reports as to the factors that impacted revenue growth. Such estimates represent our best judgment as to the revenue growth attributable from operations acquired during period described versus revenue growth attributable to other factors on a consolidated basis. For this purpose we develop estimates based comparisons of operating results for different periods, information from acquired companies, records concerning pricing in various markets and records concerning volumes at different periods, among other information. We note that, over time, acquired operations become integrated with our other operations so that revenues cannot be directly traced or sourced to any given acquisition. Customer additions and turnover, combinations of and adjustments to routes, alterations in safety and quality standards, sales and marketing for the integrated operation, and a variety of other factors influence revenues and other operating results for the combined operations.

The forward-looking statements made herein are only made as of the date of this press release and we undertake no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances. We caution that forward-looking statements are not guarantees, are based upon the current beliefs and expectations of WCA's management, and are subject to known and unknown risks and uncertainties. Since our business, operations and strategies are subject to a number of risks, uncertainties and other factors, actual results may differ materially from those described in the forward-looking statements.

As to acquisitions and acquisition strategies, on which our future financial performance will significantly depend, risks and uncertainties include, without limitation: we may be unable to identify, complete or integrate future acquisitions successfully; we compete for acquisition candidates with other purchasers, some of which have greater financial resources and may be able to offer more favorable terms; revenue and other synergies from acquisitions may not be fully realized or may take longer to realize than expected; we may not be able to improve internalization rates by directing waste volumes from acquired businesses to our landfills for regulatory, business or other reasons; businesses that we acquire may have unknown liabilities and require unforeseen capital expenditures; changes or disruptions associated with making acquisitions may make it more difficult to maintain relationships with customers of the acquired businesses; in connection with financing acquisitions, we may incur additional indebtedness, or may issue additional shares of our common stock which would dilute the ownership percentage of existing stockholders; rapid growth may strain our management, operational, financial and other resources; revenue and other synergies from acquisitions may not be fully realized or may take longer to realize than expected; and we may not be able to improve internalization rates by directing waste volumes from acquired businesses to our landfills for regulatory, business or other reasons.

Moreover, our results will be subject to a number of operational and other risks, including the following: we may not be successful in expanding the permitted capacity of our current or future landfills; our business is capital intensive, requiring ongoing cash outlays that may strain or consume our available capital; increases in the costs of disposal, labor and fuel could reduce operating margins; increases in costs of insurance or failure to maintain full coverage could reduce operating income; we may be unable to obtain financial assurances necessary for our operations; we are subject to environmental and safety laws, which restrict our operations and increase our costs, and may impose significant unforeseen liabilities; we compete with large companies and municipalities with greater financial and operational resources, and we also compete with alternatives to landfill disposal; covenants in our credit facilities and the instruments governing our other indebtedness may limit our ability to grow our business and make capital expenditures; changes in interest rates may affect our results of operations; a downturn in U.S. economic conditions or the economic conditions in our markets may have an adverse impact on our business and results of operations; and our success depends on key members of our senior management, the loss of any of whom could disrupt our customer and business relationships and our operations.

We describe these and other risks in greater detail in the sections entitled "Business-Risk Factors" and "-Cautionary Statement About Forward-Looking Statements" included in our Form 10-K for the year ended December 31, 2007, to which we refer you for additional information.

WCA Waste Corporation
Condensed Consolidated Statement of Operations
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
Revenue	\$52,782	\$48,421	\$154,365	\$135,248
Expenses:				
Cost of services	36,060	30,636	106,694	87,170
Depreciation and amortization	6,738	6,515	20,138	17,800
General and administrative	3,019	3,163	8,962	9,438
	45,817	40,314	135,794	114,408
Operating income	6,965	8,107	18,571	20,840
Other income (expense):				
Interest expense, net	(4,642)	(4,384)	(13,785)	(12,350)
Impact of interest rate swap	(962)	(2,941)	(1,869)	(1,348)
Other	127	71	(105)	348
	(5,477)	(7,254)	(15,759)	(13,350)
Income before income taxes	1,488	853	2,812	7,490
Income tax provision	(768)	(343)	(1,568)	(3,052)
Net income	720	510	1,244	4,438
Accrued payment-in-kind dividend on preferred stock	(1,025)	(977)	(3,041)	(2,892)
Net income (loss) available to common stockholders	\$ (305)	\$ (467)	\$ (1,797)	\$ 1,546
	=====	=====	=====	=====
PER SHARE DATA (Basic and diluted):				
Net income (loss) available to common stockholders				
-- Basic	\$ (0.02)	\$ (0.03)	\$ (0.11)	\$ 0.09
	=====	=====	=====	=====
-- Diluted	\$ (0.02)	\$ (0.03)	\$ (0.11)	\$ 0.09
	=====	=====	=====	=====
WEIGHTED AVERAGE SHARES OUTSTANDING (Basic)	16,248	16,470	16,425	16,450
	-----	-----	-----	-----
WEIGHTED AVERAGE SHARES OUTSTANDING (Diluted)	16,248	16,470	16,425	16,490
	-----	-----	-----	-----

Non-GAAP Financial Measures

Our management evaluates our performance based on non-GAAP measures, of which the primary performance measure is EBITDA. EBITDA consists of earnings (net income or loss) available to common stockholders before preferred stock dividend, interest expense (including write-off of deferred financing costs and debt discount), impact of interest rate swap agreements, income tax expense, depreciation and amortization, and loss on disposition of note receivable from Waste Services in May 2008. We also use these same measures when evaluating potential acquisition candidates.

We believe EBITDA is useful to an investor in evaluating our operating performance because:

- * it is widely used by investors in our industry to measure a company's operating performance without regard to items such as interest expense, depreciation and amortization, which can vary substantially from company to company depending upon accounting methods and book value of assets, financing methods, capital structure and the method by which assets were acquired;
- * it helps investors more meaningfully evaluate and compare the results of our operations from period to period by removing the impact of our capital structure (primarily interest charges from our outstanding debt and the impact of our interest rate swap agreements and payment-in-kind dividend) and asset base (primarily depreciation and amortization of our landfills and vehicles) from our operating results; and
- * it helps investors identify items that are within our operational control. Depreciation charges, while a component of operating income, are fixed at the time of the asset purchase in accordance with the depreciable lives of the related asset and as such are not a directly controllable period operating charge.

Our management uses EBITDA:

- * as a measure of operating performance because it assists us in comparing our performance on a consistent basis as it removes the impact of our capital structure and asset base from our operating results;
- * as one method to estimate a purchase price (often expressed as a multiple of EBITDA) for solid waste companies we intend to acquire. The appropriate EBITDA multiple will vary from acquisition to acquisition depending on factors such as the size of the operation, the type of operation, the anticipated growth in the market, the strategic location of the operation in its market as well as other considerations;
- * in presentations to our board of directors to enable them to have the same consistent measurement basis of operating performance used by management;
- * as a measure for planning and forecasting overall expectations and for evaluating actual results against such expectations;
- * in evaluations of field operations since it represents operational performance and takes into account financial measures within the control of the field operating units;
- * as a component of incentive cash bonuses paid to our executive officers and other employees;
- * to assess compliance with financial ratios and covenants included in our credit agreements; and
- * in communications with investors, lenders, and others concerning our financial performance.

The following presents a reconciliation of net income (loss) available to common stockholders to our total EBITDA (in thousands):

Three Months Ended	Nine Months Ended
September 30,	September 30,

	2008	2007	2008	2007
Net income (loss) available to common stockholders	\$ (305)	\$ (467)	\$(1,797)	\$ 1,546
Accrued payment-in-kind dividend on preferred stock	1,025	977	3,041	2,892
Depreciation and amortization	6,738	6,515	20,138	17,800
Interest expense, net	4,642	4,384	13,785	12,350
Impact of interest rate swap	962	2,941	1,869	1,348
Loss on disposition of note receivable	--	--	326	--
Income tax provision	768	343	1,568	3,052
Total EBITDA	\$13,830	\$14,693	\$38,930	\$38,988
As a percentage of revenue	26.2%	30.3%	25.2%	28.8%

The following table presents a reconciliation of net income (loss) available to common stockholders to adjusted net income (loss) available to common stockholders to exclude impact of interest rate swap agreements and loss on disposition of note receivable from Waste Services in May 2008 (in thousands, except per share amounts). Management believes that this non-GAAP measure is useful to an investor because the excluded items are not representative of our on-going operational performance. Per share information of the adjusted net income (loss) available to common stockholders is also shown below:

Adjusted net income (loss) available to common stockholders to exclude impact of interest rate swap agreements, loss on disposition of note receivable	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007

Net income (loss) available to common stockholders	\$ (305)	\$ (467)	\$(1,797)	\$ 1,546
Impact of interest rate swap, net of tax	621	1,842	1,155	854
Loss on disposition of note receivable, net of tax	--	--	194	--
Adjusted net income (loss) available to common stockholders	\$ 316	\$ 1,375	\$ (448)	\$ 2,400

PER SHARE DATA (Basic and diluted):

Net income (loss) available to common stockholders	\$ (0.02)	\$ (0.03)	\$ (0.11)	\$ 0.10
Impact of interest rate swap, net of tax	0.04	0.11	0.07	0.05
Loss on disposition of note receivable, net of tax	--	--	0.01	--

Adjusted net income (loss) available to common stockholders to exclude impact of interest rate swap agreements, loss on disposition of note receivable:

-- Basic	\$ 0.02	\$ 0.08	\$ (0.03)	\$ 0.15
	=====	=====	=====	=====
-- Diluted	\$ 0.02	\$ 0.08	\$ (0.03)	\$ 0.15
	=====	=====	=====	=====
WEIGHTED AVERAGE SHARES OUTSTANDING (Basic)	16,248	16,470	16,425	16,450
	-----	-----	-----	-----
WEIGHTED AVERAGE SHARES OUTSTANDING (Diluted)	16,399	16,597	16,425	16,533
	-----	-----	-----	-----

These non-GAAP measures may not be comparable to similarly titled measures employed by other companies and are not measures of performance calculated in accordance with GAAP. They should not be considered in isolation or as substitutes for operating income, net income or loss, cash flows provided by operating, investing and financing activities, or other income or cash flow statement data prepared in accordance with GAAP.

Supplemental Disclosures

(Dollars in millions unless otherwise indicated)

	Nine Months Ended September 30, 2008		Nine Months Ended September 30, 2007	
	-----		-----	
Revenue Breakdown:				
Collection	\$ 96.8	51.6%	\$ 82.7	50.0%
Disposal	55.7	29.7%	52.2	31.6%
Transfer	23.4	12.5%	23.4	14.1%
Other	11.7	6.2%	7.1	4.3%
	-----	-----	-----	-----
Total	187.6	100.0%	165.4	100.0%
Intercompany eliminations	(33.2)		(30.2)	
	-----		-----	
Total reported revenue	\$154.4		\$135.2	
	=====		=====	

Internalization of Disposal:

Nine months ended September
30, 2008 73.3%

	Three Months Ended September 30, 2008 vs. 2007		Nine Months Ended September 30, 2008 vs. 2007	
	-----		-----	
Revenue Growth:				
Volume	\$ (2.3)	-4.8% (a)	\$ (3.3)	-2.5% (a)
Price	1.9	4.0% (a)	5.3	3.9% (a)
Fuel surcharge	2.0	4.0% (a)	4.4	3.3% (a)
Acquisitions	2.8	5.8% (a)	12.7	9.4% (a)
	-----	-----	-----	-----
Total revenue growth	\$ 4.4	9.0%	\$19.1	14.1%
	=====		=====	

(a) Percentages are calculated based on dollar amounts rounded in thousands.

	Sept. 30, 2008 -----
Debt-to-Capitalization:	
Long-term debt including current maturities	\$193.8
Total equity including preferred stock	170.1 -----
Total capitalization	\$363.9 =====
Debt-to-total capitalization	53.3%
Net Debt-to-Capitalization:	
Long-term debt including current maturities	\$193.8
Cash on hand	(1.9) -----
Net debt	191.9
Total equity including preferred stock	170.1 -----
Total capitalization	\$362.0 =====
Net debt-to-total capitalization	53.0%

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SOURCE: WCA Waste Corporation

WCA Waste Corporation
Tommy Fatjo
713-292-2400

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Advanced Web Site Publishing

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• **Safety &**

Environmental

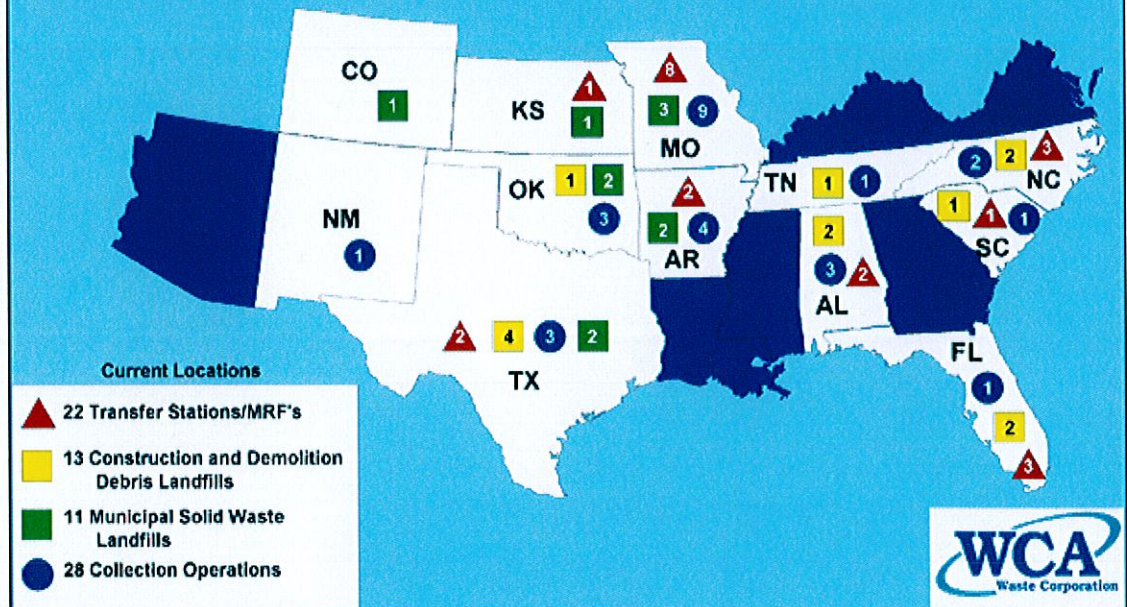
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Locations

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WCA WASTE CORPORATION OPERATIONS



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Exhibit 12

PLANNING AND ZONING COMMISSION RECOMMENDATION

On March 24, 2009, a public hearing was held before the Planning and Zoning Commission regarding the request described below. All members of the Commission were present except for Mr. Jay Wagner, Ms. Kathleen Carter, and Ms. Marilyn DeBerry.

City of High Point

Street Abandonment Case 09-06

A request by the Technical Review Committee to abandon an unimproved portion of right-of-way known as Eugene Avenue, lying north of Sinclair Avenue, between Clifton Street and Old Thomasville Road.

Mr. Schroeder presented this request and recommended approval of the case as outlined in the staff report.

No one spoke in favor or in opposition.

The Planning & Zoning Commission recommended ***approval***, by a vote of 5-0, of Street Abandonment Case 09-06, with the retention of an easement for the existing stormwater pipe, as recommended by staff.

**CITY OF HIGH POINT
PLANNING AND DEVELOPMENT DEPARTMENT**

**STAFF REPORT
STREET ABANDONMENT CASE 09-06
March 24, 2009**

Request	
Applicant: City of High Point Technical Review Committee	Proposal: Abandonment of an unimproved portion of right-of-way known as Eugene Avenue, lying north of Sinclair Avenue, between Clifton Street and Old Thomasville Road.

Adjacent Streets		
Name:	Classification:	R/W and Pavement Width:
Eugene Avenue	Local Street	40ft. R/W & 28 ft. Curb & Gutter
Clifton Street	Local Street	40ft. R/W & 28 ft. Curb & Gutter

Adjacent Property Zoning and Current Land Use		
North:	Residential Multi-Family (RM-8)	Single-Family Residence
South:	Residential Multi-Family (RM-8)	Single-Family Residence
East:	Residential Multi-Family (RM-8)	Right-of-Way
West:	Heavy Industrial (HI)	Manufacturing (Miles Talbott Furniture)

Analysis

The Eugene Avenue right-of-way considered for abandonment contains approximately 0.167 acres in area (approximately 40 feet wide by 182 feet in length). The right-of-way is not necessary to provide access to the abutting lots. The lots to the north and south have existing access to Clifton Street. The unimproved right-of-way contains several mature oak trees and the topography falls approximately 12 feet towards the west. The right-of-way contains a stormwater pipe carrying runoff from the improved streets and discharges the drainage to the west on to property owned by Miles Talbott Furniture. A 20-foot public drainage easement will need to be retained over the existing pipe.

Findings

The TRC reviewed this request on December 17, 2008 and identified no issues that would prevent its abandonment. The retention of an easement is necessary for the existing stormwater pipe.

The abandonment of the public's interest and conveyance of the right-of-way to the abutting property owners as regulated will not deny the abutting property owners reasonable access to their property.

Recommendation

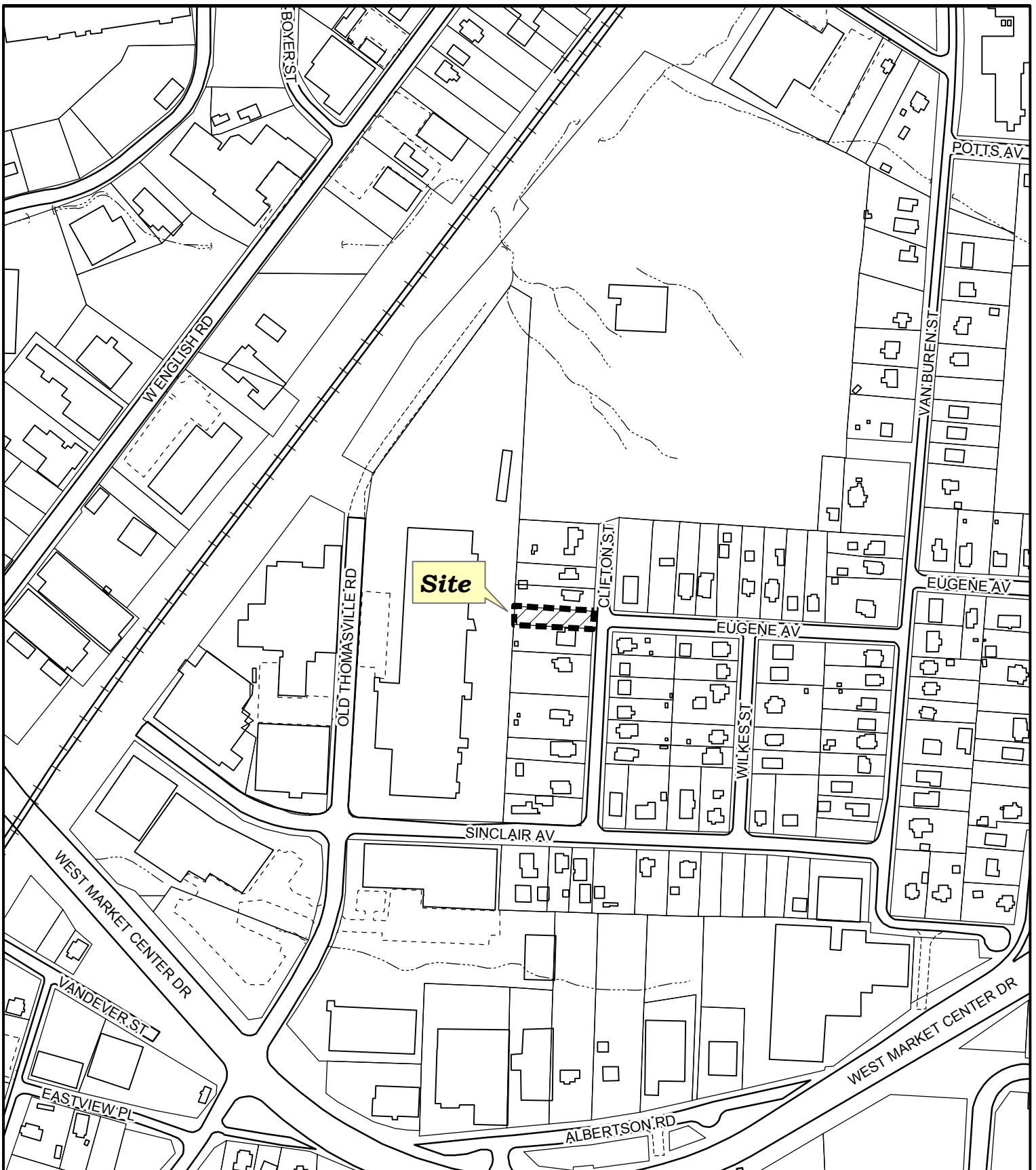
The Planning and Development Department recommends approval of the requested street right-of-way abandonment with the retention of a 20 foot public drainage easement based on preliminary findings that it is not contrary to the public interest, and that no property in the vicinity of the street abandonment would be deprived of reasonable means of ingress or egress.

Report Preparation

This report was prepared by Planning and Development Department staff member Mark Schroeder AICP, and reviewed by Bob Robbins AICP and Lee Burnette AICP.

Attachments:

- Street level photograph
- Aerial photo



STREET ABANDONMENT REQUEST SA09-06

Applicant: City of High Point
Area: 0.18 acres



Location of proposed street abandonment

Planning & Development
Department

City of High Point

Date: February 24, 2009



Scale: 1"=300'
y:/ba-pz/2009/pz/sa09-06.mxd

Attachments:



Eugene Avenue looking west across Clifton Street



Aerial looking west across Clifton Street