

**Fourth Amendment to the Franchise Agreement between the County of San Mateo
and BFI Waste Systems of North America, Inc. for Solid Waste, Recyclable Materials,
and Plant Material Collection Services**

This **FOURTH AMENDMENT** to the Franchise Agreement between the County of San Mateo, for County Service Area No. 8, and BFI Waste Systems of North America, Inc. for Solid Waste, Recyclable Materials, and Plant Material Collection Services dated February 8, 2000, and effective as of January 1, 2000 ("Franchise Agreement") is made by and between BFI Waste Systems of North America, Inc. ("BFI") and the County of San Mateo ("County").

RECITALS

WHEREAS, the County (for County Service Area No. 8) and BFI entered into the Agreement; and

WHEREAS, the parties contemplated that the Agreement should be extended from December 31, 2006 to December 31, 2009, conditioned on the County's affirmative evaluation of the BFI's performance in certain areas; and

WHEREAS, the County has found that BFI's performance has been reviewed and determined to be satisfactory; and

WHEREAS, the Agreement contemplated that the County may wish to extend the term of the Agreement beyond the December 31, 2009 termination date of the initial contract extension, for a period of one to seven years in increments of at least 12 months; and

WHEREAS, the County has determined that the benefits offered by BFI in exchange for granting its request for an extension of the term of the Agreement for four years to December 31, 2010, are in the best interest of County Service Area No. 8.

NOW THEREFORE, the parties hereto agree to amend the Agreement as follows:

1. The term of the Agreement shall be extended from December 31, 2006 to December 31, 2009, in accordance with Section 2.04 of the Agreement, in recognition of the BFI's satisfactory performance with certain exceptions, namely: not having achieved the diversion program guarantees described in Section 4.05.1 of the Agreement and the County has agreed to waive BFI's failure to perform to the above standard established in the Agreement.
2. The term of the Agreement shall be extended an additional 12 months, from December 31, 2009 to December 31, 2010, through the exercise of the County's right under Section 2.05 of the Agreement. Any extension of the Agreement thereafter shall be at the sole discretion of the County.

3. This agreement shall be effective on the date on which the last of the following agreements is executed.
- a. An amendment to the franchise agreement of each of the member agencies of the South Bayside Waste Management Authority and BFI for solid waste, recyclable materials and plant material collection services extending the term of those agreements to December 31, 2010; and
 - b. A fifteen-year agreement between the South Bayside Waste Management Authority and Browning-Ferris Industries of California, Inc. for Solid Waste Disposal Services at most-favored disposal rates and with payments by BFI to the Authority.
4. In all other respects the Agreement shall remain the same.

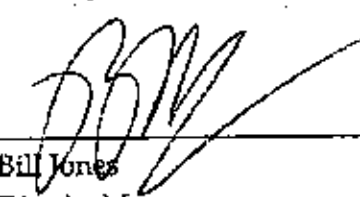
IN WITNESS WHEREOF, the parties hereto have executed this Fourth Amendment to the Agreement on the date indicated below.

Dated: _____

"BFI"

BFI Waste Systems of North America, Inc.

By: _____


Bill Jones
District Manager

"County"

County of San Mateo

By: _____

Richard S. Gordon, President
Board of Supervisors

Attest:

By: _____

John Maltbie
Clerk of the Board