



January 18, 2007

Ms. Betty Voights, Executive Director
Capital Area Council of Governments
2512 IH 35 South, Suite 200
Austin, TX 78704

Re: BFI Waste Systems of North America, Inc.
Sunset Farms Landfill Application for Vertical Expansion Permit Amendment
Permit No. MSW 1447A

Dear Ms. Voights:

BFI Waste Systems of North America, Inc./Allied Waste Services (BFI) has evaluated your letter dated August 23, 2006 to the Texas Commission on Environmental Quality (TCEQ) concerning your review of our application for the proposed permit amendment. Your letter stated the following:

"The CAPCOG Executive Committee has made the determination that the proposed expansion of the facility will conditionally conform if BFI Waste Systems of North America, Inc. agrees to the following six conditions set forth in the attached comments by Travis County:

- All waste handling, including both disposal and operation of a transfer station, ends at BFI's Sunset Farms Landfill by November 1, 2015.
- New landfills may be located in the Desired Development Zone if they include adequate buffer zones and other safeguards to avoid incompatible land use.
- CAPCOG opposes any landfill application by BFI Sunset Farms for a permit to operate as a waste disposal site and/or transfer station after November 1, 2015.
- CAPCOG continues to strongly encourage BFI Waste Systems of North America, Inc. to locate and permit a Greenfield site in another location and relocate from its current site in northeast Travis County as soon as possible thereafter.
- CAPCOG strongly encourages BFI Sunset Farms to commit to take the same quantity of waste that it has taken during recent years, including factoring in annual increase.

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- CAPCOG strongly encourages BFI Sunset Farms to commit to bring no waste into Travis County from out of Texas."

BFI hereby agrees that it will comply with all of the above stated six conditions subject to it's understanding that, based upon this agreement, CAPCOG will maintain its determination that the proposed expansion of the Sunset Farms Landfill is in conformance with the CAPCOG Regional Solid Waste Management Plan. BFI's agreement is also subject to the final issuance of the proposed permit expansion amendment by the TCEQ.

Sincerely,

BFI Waste Systems of North America, Inc./Allied Waste Services



Brad Dugas
South Central Texas District Manager

cc: Mr. Richard Carmichael, TCEQ
Mr. Paul Gosselink, Atty., Lloyd Gosselink
Mr. Ray Shull, P.E., Associated Consulting Engineers