Waste Connections, Inc.
Form 10-K/A
April 28, 2016

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

FORM 10-K/A
(Amendment No. 1)

(Mark One)

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

For the fiscal year ended December 31, 2015

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 No. 1-31507

WASTE CONNECTIONS, INC.

(Exact name of registrant as specified in its charter)

Delaware	94-3283464
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3 Waterway Square Place, Suite 110 The Woodlands, Texas	77380
(Address of principal executive offices)	(Zip Code)

(832) 442-2200
(Registrant's telephone number, including area code)

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

Common Stock, par value $0.01 per share	New York Stock Exchange
(Title of each class)	(Name of each exchange on which registered)

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

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes **þ** 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 **þ**

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 **þ** No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes **þ** 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. **þ**

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):

þ 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 Exchange Act).

Yes ¨ No **þ**

As of June 30, 2015, the aggregate market value of voting and non-voting common stock held by non-affiliates of the registrant, based on the closing sales price for the registrant's common stock, as reported on the New York Stock Exchange, was $5,778,923,129.

Number of shares of common stock outstanding as of April 14, 2016: 122,717,727

DOCUMENTS INCORPORATED BY REFERENCE

None.

WASTE CONNECTIONS, INC.
ANNUAL REPORT ON FORM 10-K/A
For the Fiscal Year Ended December 31, 2015
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EXPLANATORY NOTE

This Amendment No. 1 on Form 10-K/A (this "Amendment") amends our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, originally filed with the Securities and Exchange Commission ("SEC") on February 9, 2016 (the "Original 10-K"). We are filing this Amendment to amend Part III of the Original 10-K to include the information required by and not included in Part III of the Original 10-K because we no longer intend to file a definitive proxy statement for our annual meeting of stockholders within 120 days of the end of our fiscal year ended December 31, 2015. Part IV is being amended solely to add as exhibits certain new certifications in accordance with Rule 13a-14(a) promulgated by the SEC under the Securities Exchange Act of 1934. Because no financial statements have been included in this Amendment and this Amendment does not contain or amend any disclosure with respect to Items 307 and 308 of Regulation S-K, paragraphs 3, 4 and 5 of the certifications have been omitted.

Except as described above, no other changes have been made to the Original 10-K. The Original 10-K continues to speak as of the date of the Original 10-K, and we have not updated the disclosures contained therein to reflect any events which occurred at a date subsequent to the filing of the Original 10-K other than as expressly indicated in this Amendment. Accordingly, this Amendment should be read in conjunction with the Original 10-K and our other filings made with the SEC on or subsequent to February 9, 2016.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

Executive Officers

For information relating to our executive officers, please see "Executive Officers of the Registrant" in Part I of the Original 10-K.

Directors

The information provided below is biographical information about each of our directors, including other public company board memberships. Age and other information in each director's biography are as of April 28, 2016.

Name, Background and Qualifications	Age	Director Since
Ronald J. Mittelstaedt has served as Chief Executive Officer and a Director of Waste Connections since the company was formed in September 1997, and was elected Chairman in January 1998. Mr. Mittelstaedt was also President of the company from Waste Connections' formation through August 2004. Mr. Mittelstaedt has been a Director of SkyWest, Inc., the holding company for two scheduled passenger airline operations and an aircraft leasing company, since October 2013, where he also is a member of its Compensation Committee. From October 2014 to December 2015, Mr. Mittelstaedt was a Director of Mattress Firm Holding Corp., the holding company for subsidiaries engaged in specialty retailing of mattresses and related products and accessories in the United States. He has more than 27 years of experience in the solid waste industry. He holds a B.A. degree in Business Economics with a finance emphasis from the University of California at Santa Barbara.	52	1997

We believe that Mr. Mittelstaedt's qualifications to serve on our Board of Directors include his extensive experience in the solid waste industry, including as our founder, our Chief Executive Officer and a director since the company was formed in 1997 and our Chairman since 1998.

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Name, Background and Qualifications	Age	Director Since
Robert H. Davis has served as the Managing Partner/President of Rubber Recovery Inc., a private, California-based scrap tire processing and recycling company, since July 2006. Mr. Davis is the conceptual founder and a member of the external advisory board of the Global Waste Research Institute at California Polytechnic State University ("Cal Poly"). He served as President of Waste Systems International, Inc., a turnkey solid waste management systems provider of environmentally acceptable solutions to developing countries outside the U.S., from November 2007 to 2009. From 2007 to 2010, he was a member of the board of effENERGY LLC, an alternative energy company. Prior to acquiring his ownership interest in Rubber Recovery Inc., Mr. Davis was President, Chief Executive Officer and a Director of GreenMan Technologies, Inc., a publicly traded tire shredding and recycling company, from 1997 to 2006. Prior to joining GreenMan, Mr. Davis served as Vice President of Recycling for Browning-Ferris Industries, Inc., from 1990 to 1997. With more than 40 years of experience in the solid waste and recycling industry, Mr. Davis has also held executive positions with Fibres International, Garden State Paper Company and SCS Engineers, Inc. Mr. Davis holds a B.S. degree in Mathematics from Cal Poly, has done graduate work at George Washington University in Solid Waste Management, and has engaged in continuing education at Stanford University Law School in Corporate Governance. In 2009, Mr. Davis was honored as Alumni of the Year for the College of Science/Mathematics at Cal Poly. Since 2008, Mr. Davis has served on the Dean's Executive Advisory Committee for the College of Engineering, and since 2010, he has served on the Dean's Executive Advisory Committee for the College of Science and Mathematics.	73	2001
We believe that Mr. Davis' qualifications to serve on our Board of Directors include his past experience on our Board of Directors, his substantial experience in the solid waste and recycling industries, his considerable involvement in sustainability initiatives, his general experience with environmental matters, his government relations experience and his prior experience as a director of another publicly traded company.		
Edward E. "Ned" Guillet has been an independent human resources consultant since January 2007. From October 2005 until December 2006, he was Senior Vice President, Human Resources for the Gillette Global Business Unit of The Procter & Gamble Company, a position he held subsequent to the merger of Gillette with Procter & Gamble. From July 2001 until September 2005, Mr. Guillet was Senior Vice President and Chief Human Resources Officer and an executive officer of The Gillette Company, a global consumer products company. He joined Gillette in 1974 and held a broad range of leadership positions in its human resources department. Mr. Guillet has been a Director of CCL Industries Inc., a manufacturer of specialty packaging and labeling solutions for the consumer products and healthcare industries, since 2008, where he also serves as the Chairman of the Board of Directors' Human Resources Committee and a member of its Nominating and Governance Committee. Mr. Guillet is a former member of Boston University's Human Resources Policy Institute. He holds a B.A. degree in English Literature and Secondary Education from Boston College.	64	2007

We believe that Mr. Guillet's qualifications to serve on our Board of Directors include his past experience on our Board of Directors, his substantial experience with human resources and personnel development matters, the positions he has held with other publicly traded companies and his experience as a director of another publicly traded company.

Name, Background and Qualifications	Age	Director Since
Michael W. Harlan is currently Chairman of the Board of Directors and Chief Executive Officer of Principle Energy Services, a private-equity backed oilfield service company operating throughout several major oil and gas shale basins across the United States. Principle Energy Service provides engineered noise mitigation solutions for oil and gas drilling, completions and production and currently operates in five states while serving a wide range of customers from small, independent exploration companies to the major oil and gas companies. Mr. Harlan also serves as President of Harlan Capital Advisors, LLC, a private consulting firm focused on advising companies on operational matters, strategic planning, mergers and acquisitions, debt and equity investments, and capital raising initiatives. Prior to forming Harlan Capital Advisors, Mr. Harlan served as President and Chief Executive Officer of U.S. Concrete, Inc. (NASDAQ: USCR), a publicly traded producer of concrete, aggregates and related concrete products to all segments of the construction industry, from May 2007 until August 2011. From April 2003 until May 2007, Mr. Harlan served as Executive Vice President and Chief Operating Officer of U.S. Concrete, Inc. He also served as Chief Financial Officer of U.S. Concrete from May 1999 until November 2004 after founding U.S. Concrete in August 1998. Mr. Harlan also served as a Director of U.S. Concrete from June 2006 until August 2011. U.S. Concrete, Inc. operated under the provisions of Chapter 11 of the United States Bankruptcy Code from April 29, 2010 until confirmation of its plan of reorganization on August 31, 2010. In August 2013, Mr. Harlan joined the Board of Directors of Travis Acquisition, LLC, the parent of Travis Body & Trailer, Inc., a manufacturer of specialized trailers used in the construction, environmental services, agriculture and energy industries in the United States. In June 2015, Mr. Harlan joined the Board of Directors of Yulong Eco-Materials Limited (NASDAQ: YECO), a publicly-held manufacturer of eco-friendly building products in China, where he serves as the Chairman of the Compensation Committee and a member of the Audit Committee. Prior to founding U.S. Concrete, Mr. Harlan held several senior financial positions with public companies, including chief financial officer, treasurer and controller. Mr. Harlan began his career with an international public accounting firm. Mr. Harlan previously served on the Board of Trustees for the RMC Research and Education Foundation, where he is a past Chairman of the Board, the Board of Directors of the National Steering Committee for the Concrete Industry Management Education Program, and the Board of Directors and Executive Committee of the National Ready Mixed Concrete Association. Mr. Harlan also serves on the University of Houston Honors College Advisory Board. Mr. Harlan is a Certified Public Accountant and graduated magna cum laude from the University of Mississippi with a Bachelor of Accounting degree.	55	1998

We believe that Mr. Harlan’s qualifications to serve on our Board of Directors include his past experience on our Board of Directors, his substantial experience in the solid waste industry, his significant experience in accounting and financial matters, including his extensive experience as a certified public accountant, his substantial experience with growth-oriented companies, and his prior experience as a director other publicly traded companies.

Name, Background and Qualifications	Age	Director Since
William J. Razzouk has served as Chairman and a Director of Newgistics, Inc., a provider of intelligent order delivery and returns management solutions for direct retailers and technology companies, since March 2005. From March 2005 to December 2015, Mr. Razzouk also served as the President and Chief Executive Officer of Newgistics, Inc. From August 2000 to December 2002, he was a Managing Director of Paradigm Capital Partners, LLC, a venture capital firm in Memphis, Tennessee focused on meeting the capital and advisory needs of emerging growth companies. From September 1998 to August 2000, he was Chairman of PlanetRx.com, an e-commerce company focused on healthcare and sales of prescription and over-the-counter medicines, health and beauty products and medical supplies. He was also Chief Executive Officer of PlanetRx.com from September 1998 until April 2000. From April 1998 until September 1998, Mr. Razzouk owned a management consulting business and an investment company that focused on identifying strategic acquisitions. From September 1997 until April 1998, he was the President, Chief Operating Officer and a Director of Storage USA, Inc., a then publicly traded (now private) real estate investment trust that owned and operated more than 350 mini storage warehouses. He served as the President and Chief Operating Officer of America Online from February 1996 to June 1996. From 1983 to 1996, Mr. Razzouk held various management positions at Federal Express Corporation, most recently as Executive Vice President, Worldwide Customer Operations, with full worldwide P&L responsibility. Mr. Razzouk previously held management positions at ROLM Corporation, Philips Electronics and Xerox Corporation. He previously was a Director of Fritz Companies, Inc., Sanifill, Inc., Cordis Corp., Storage USA, PlanetRx.com, America Online and La Quinta Motor Inns. Mr. Razzouk holds a Bachelor of Journalism degree from the University of Georgia.	68	1998

We believe that Mr. Razzouk's qualifications to serve on our Board of Directors include his past experience on our Board of Directors, his significant experience in corporate financial matters, his experience in the solid waste industry, his substantial experience with growth-oriented companies, and his prior experience as a director of other publicly traded companies.

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Our Director Nomination Process

Our Board of Directors believes that directors must have the highest personal and professional ethics, integrity and values. They must be committed to representing the long-term interests of our stockholders. They must have an objective perspective, practical wisdom, mature judgment and expertise, skills and knowledge useful to the oversight of our business. Our goal is a Board that represents diverse experiences at policy-making levels in business and other areas relevant to our activities, while encouraging a diversity of backgrounds, including with respect to gender, among our Board members. Directors should be committed to serving on the Board for an extended period of time.

In addition to the foregoing qualities, the Nominating and Corporate Governance Committee will take a number of other factors into account in considering candidates as nominees for the Board of Directors, including the following: (i) whether the candidate is independent within the meaning of our Corporate Governance Guidelines; (ii) relevant business, academic or other experience; (iii) willingness and ability to attend and participate actively in Board and Committee meetings and otherwise to devote the time necessary to serve, taking into consideration the number of other boards on which the candidate serves and the candidate's other business and professional commitments; (iv) potential conflicts of interest; (v) whether the candidate is a party to any adverse legal proceeding; (vi) the candidate's reputation; (vii) specific expertise and qualifications relevant to any Committee that the candidate is being considered for, such as whether a candidate for the Audit Committee meets the applicable financial literacy or audit committee financial expert criteria; (viii) willingness and ability to meet our director's equity ownership guidelines; (ix) willingness to adhere to our Code of Conduct and Ethics; (x) ability to interact positively and constructively with other directors and management; (xi) willingness to participate in a one-day new director orientation session; (xii) willingness to attend educational forums or workshops to enhance understanding of new and evolving governance requirements; and (xiii) the size and composition of the current Board.

When seeking director candidates, the Nominating and Corporate Governance Committee may solicit suggestions from incumbent directors, management, third party advisors, business and personal contacts, and stockholders. The Nominating and Corporate Governance Committee may also engage the services of a search firm. After conducting an initial evaluation, the Nominating and Corporate Governance Committee will make arrangements for candidates it considers suitable to be interviewed by one or more members of the committee. Each candidate will be required to complete a standard directors' and officers' questionnaire, completed by all of the directors annually. The Nominating and Corporate Governance Committee may also ask the candidate to meet with members of our management. If the Nominating and Corporate Governance Committee believes that the candidate would be a valuable addition to the Board of Directors, it will recommend the candidate for nomination to the Board.

The Nominating and Corporate Governance Committee will apply the criteria described above when considering candidates recommended by stockholders as nominees for the Board of Directors. In addition, any of our stockholders may nominate one or more persons for election as a director of the company at an Annual Meeting of Stockholders if the stockholder complies with the notice, information and consent provisions contained in our Fourth Amended and Restated Bylaws. Pursuant to our Bylaws, to be considered for inclusion in our proxy materials, notice of a stockholder's nomination of a person for election to the Board of Directors must be received by the Secretary of Waste Connections in writing at the address listed on the first page of the proxy statement for our Annual Meeting of Stockholders not less than 90 days nor more than 120 days prior to the one-year anniversary of the preceding year's annual meeting; provided, however, that if the date of the annual meeting is more than 30 days before or more than 60 days after such anniversary date, notice by the stockholder to be timely must be received not later than the 90th day prior to such annual meeting or, if later, the 10th day following the day on which public disclosure of the date of such annual meeting was first made. The notice must contain and be accompanied by certain information as specified in our Bylaws, including information about the stockholder providing the notice, the proposed nominees and other information as we may reasonably require. Stockholders making nominations must provide, among other things, information regarding each such stockholder's and their affiliates' holdings of "synthetic equity", derivatives or short positions and other material interests and relationships that could influence nominations and other information that would be required in a proxy statement. Additionally, stockholders nominating director candidates are required to disclose the same information about the director candidate that would be required if the director candidate were submitting a proposal, and the director candidates are required to complete a questionnaire and representation and agreement with respect to their background, any voting commitments or compensation arrangements and their commitment to abide by the company's governance guidelines. Such information must be updated and supplemented so as to be accurate as of the record date of the annual meeting and as of ten business days prior to the annual meeting. We recommend that any stockholder wishing to nominate a director at an annual meeting review a copy of our Bylaws.

Before nominating a sitting director for reelection at an Annual Meeting of Stockholders, the Nominating and Corporate Governance Committee will consider the director's past performance and contribution to the Board of Directors.

Corporate Governance Guidelines, Committee Charters and Code of Conduct and Ethics

As part of our ongoing commitment to good corporate governance, we have adopted Corporate Governance Guidelines and charters for the Committees of the Board of Directors to promote the effective functioning of our Board of Directors and its Committees, to promote the interests of stockholders and to ensure a common set of expectations concerning how the Board of Directors, its Committees and management should perform their respective functions. We have also adopted a Code of Conduct and Ethics that applies to all of our directors, officers and employees. Copies of our Corporate Governance Guidelines and our Code of Conduct and Ethics are available on our website at www.wasteconnections.com. A copy of either may also be obtained, free of charge, by writing to the Secretary of Waste Connections, Inc., 3 Waterway Square Place, Suite 110, The Woodlands, Texas 77380.

Information About our Audit Committee.

The Board of Directors has a separately-designated standing Audit Committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended, or the Exchange Act. The Audit Committee chairman is Mr. Harlan and the other current members are Messrs. Razzouk and Davis. The Audit Committee advises our Board of Directors and management with respect to internal controls, financial systems and procedures, accounting policies and other significant aspects of the company's financial management. Pursuant to its charter, the Audit Committee selects the company's independent registered public accounting firm and oversees the arrangements for, and approves the scope of, the audits to be performed by the independent registered public accounting firm. The Board of Directors has determined that all of the members of the Audit Committee are "financially literate" within the meaning of New York Stock Exchange listing standards. The Board of Directors has also determined that Mr. Harlan is an "audit committee financial expert" as defined under the Securities and Exchange Commission rules.

A current copy of the Audit Committee Charter, which our Board of Directors has adopted, is available on our website at www.wasteconnections.com. A copy of the Audit Committee Charter may also be obtained, free of charge, by writing to the Secretary of Waste Connections, Inc., 3 Waterway Square Place, Suite 110, The Woodlands, Texas 77380.

Compliance with Section 16(a) of the Exchange Act

Based solely upon a review of reports on Forms 3, 4 and 5, and amendments to those reports, furnished to us during and with respect to fiscal year 2015 pursuant to Section 16 of the Exchange Act, and written representations from the executive officers and directors that no other reports were required, we believe that no executive officers, directors or beneficial owners of more than ten percent of a registered class of our equity securities were late in filing such reports during 2015.

ITEM 11. EXECUTIVE COMPENSATION.

Compensation Discussion and Analysis

This Compensation Discussion and Analysis provides a detailed description of our executive compensation philosophy and objectives, the elements of our executive compensation programs, the compensation decisions the Compensation Committee has made under those programs and the factors considered in making those decisions. This section of this Amendment to our Original 10-K focuses on the compensation earned by our named executive officers, or NEOs. For 2015, our NEOs included the following individuals:

- Ronald J. Mittelstaedt, Chief Executive Officer and Chairman of the Board;
- Worthing F. Jackman, Executive Vice President and Chief Financial Officer;
- Steven F. Bouck, President;
- Darrell W. Chambliss, Executive Vice President and Chief Operating Officer; and
- Patrick J. Shea, Senior Vice President, General Counsel and Secretary.

Executive Summary

Waste Connections' executive compensation program is designed to align the interests of senior management with stockholders by tying a significant portion of their compensation to the company's annual operating and financial performance, as well as longer term stockholder returns. We believe that our pay-for-performance philosophy and the design of our executive compensation program strongly support an environment of continuous improvement and stockholder value creation. As illustrated below, our one-year and five-year total stockholder returns ("TSR") significantly outperformed the S&P 500 Index ("S&P 500") and the Dow Jones U.S. Waste & Disposal Services Index ("DJ Waste Index") for the one- and five-year periods ended December 31, 2015.

Fiscal 2015 Performance

FY 2015 was an exceptional year for our solid waste operations. Strong organic growth and an approximate 180 basis points year-over-year margin expansion in solid waste offset a significant portion of the revenue and EBITDA headwinds resulting from the decline in higher margin exploration and production, or E&P, waste activity due to the precipitous drop in crude oil prices. This operating performance, combined with acquisitions completed during the year and our pending combination with Progressive Waste Solutions Ltd. (“Progressive Waste”) announced in early 2016, provides continuing momentum for future growth and stockholder value creation. In addition, we further improved the company’s safety-related incident rate from the previous year, and 2015 was our ninth consecutive year of improvement in incident rates.

We spent approximately $238.8 million for capital expenditures to reinvest in and expand our business and deployed approximately $347.9 million for acquisitions, including an integrated solid waste new market entry in central and northern Illinois. The company’s 29.4% TSR in 2015 significantly exceeded the S&P 500 and the DJ Waste Index, and 2015 was our 12th consecutive year of positive TSR. Compared to the prior year, in 2015 we more than doubled our return of capital to stockholders to $157.2 million through cash dividends and common stock repurchases, and we increased our regular quarterly cash dividend by 11.5% to $0.145 per share.

A more detailed description of the company's fiscal year 2015 performance, including a reconciliation of non-GAAP financial measures and a graphical representation of the TSRs for the S&P 500 and the DJ Waste Index, can be found on pages 37 and 61-63 and page 33, respectively, of our Original 10-K.

Executive Compensation Program Best Practices

Our current executive compensation program includes features which we believe drive performance and excludes features we do not believe serve our stockholders' long-term interests. The table below highlights some of the "Best Practices" featured in our compensation program as well as the "Problematic Pay Practices" which are excluded.

	Included Features (What We Do)		**Excluded Features (What We Don't Do)**
ü	**Pay for Performance –** Our NEOs receive the majority (about 79% for the CEO and about 72% for other NEOs) of their compensation in performance-based compensation—annual cash incentives, performance-based restricted stock units and restricted stock units awarded based on company and individual performance.	x	**No guaranteed base salary increases, minimum bonuses or equity awards** – Our NEO employment agreements do not provide for guaranteed base salary increases, minimum bonuses or equity awards.
ü	**Recoupment Policy** – In November 2015, we adopted a Compensation Recoupment Policy (the "Clawback Policy") to provide that if an accounting restatement occurs, our Board shall seek to require the forfeiture or repayment of certain incentive compensation paid to an executive officer if (i) the executive officer engaged in fraud or intentional misconduct that materially contributed to the need for the restatement or (ii) a clawback is otherwise required by the applicable rules and regulations of the Securities and Exchange Commission or the Company's stock exchange.	x	**No "single trigger" severance payments in employment agreements** – In February 2012, we eliminated provisions in the employment agreements of our CEO and other executive officers who were NEOs at that time that provided severance payments to be made solely upon the occurrence of a change in control event. In December 2015, we amended our CEO's employment agreement so that unvested equity awards held by him are treated with double-trigger change in control provisions similar to the rest of his compensation in the event of a change in control followed by the termination of his employment.
ü	**Use of Peer Group Data and Tally Sheets** – We utilize tally sheets annually when making executive compensation decisions, and periodically review comparative compensation data relative to our comparator group of companies.	x	**No dividends or dividend equivalents on unvested equity awards** – We do not pay ordinary dividends on unvested time-based equity awards. For our performance-based restricted stock units

("PSUs"), dividend equivalents are paid in cash, without interest, only when and to the extent the PSUs are earned.

ü	**Stock Ownership Guidelines** – Our executive officers are expected to hold a multiple of their base salaries in the company's common stock (as described below under "Stock Ownership Guidelines") and non-employee directors are expected to hold a number of shares of the company's common stock having a value of at least $200,000 (which amount increased to $300,000 on January 1, 2016).	x	**No discounting of stock options or re-pricing or buyout of underwater options** – We expressly prohibit the discounting of stock options and the re-pricing or cash buyouts of underwater options.
ü	**Conservatively Manage Use of Equity Grants –** Our annual equity grants have averaged less than 0.50% of outstanding shares over the last five fiscal years.	x	**No Hedging or Pledging of Securities** – Executive officers and directors are prohibited from engaging in transactions designed to hedge against the economic risks associated with an investment in our common stock or pledging our common stock in a margin account.

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Included Features (What We Do)		Excluded Features (What We Don't Do)
ü	**Risk Management –** Our executive officers' compensation program has been designed, and is periodically reviewed, to ensure that it does not encourage inappropriate risk-taking. See "Compensation Risk Assessment" section below for further discussion.	x **No Excise Tax Gross-Ups –** In February 2012, we eliminated provisions in the employment agreements of our CEO and other executive officers who were NEOs at that time that provided for excise tax gross-up rights imposed under IRC Section 4999 as a result of a change in control of the company.

Pay for Performance Compensation Mix

The company's compensation programs are designed to reward executives for achieving strong operational performance and delivering on the company's strategic initiatives, each of which are important to the long-term success of the company. The Compensation Committee believes that a significant portion of the compensation of our NEOs should be aligned with our stockholders' interests and directly linked to measurable performance. To evaluate the proportion of performance-based compensation for our NEOs, the Compensation Committee looks at recurring compensation by examining Total Direct Compensation, or TDC, earned by our NEOs. TDC is calculated by adding base salary, actual cash performance bonuses paid and the grant date fair value of stock awards, each as reported in our Summary Compensation Table. It excludes indirect compensation reported under the "All Other Compensation" column of our Summary Compensation Table.

As illustrated below, At-Risk Compensation, comprised of cash performance bonuses and equity-based compensation, made up approximately 79% of the TDC of our CEO, and 72% of the combined TDC of our other NEOs in 2015.

CEO Pay-at-a-Glance

The following graph shows the relationship of our CEO's TDC compared to our cumulative stockholder return indexed over the last five fiscal years. As illustrated, Waste Connections delivered total stockholder return of 115.7% over this period while the Compensation Committee's decisions and changes to our executive compensation program increased TDC of our CEO by approximately 53%.

On a year-over-year basis, the TDC of our CEO declined 12.3% in 2015 due to a 42.3% decrease in his cash performance bonus. In 2014, the company exceeded all of its financial performance targets, resulting in an overall payment of 170% of target opportunity for that fiscal year. Approximately 50% of the year-over-year increase in our CEO's TDC in 2014 was related to the increase in cash incentives linked to the company's strong financial performance in that year; another 25% of the increase was related to the introductory grant of PSUs. In 2015, below target performance resulting from the decline in higher margin E&P waste activity related to the precipitous drop in crude oil prices drove the year-over-year decline in our CEO's TDC.

Last Year's "Say on Pay"

The company provides its stockholders with an opportunity to cast an annual advisory vote with respect to its NEO compensation as disclosed in the company's annual proxy statement, or "Say on Pay" proposal ("Say on Pay"). At last year's Annual Meeting of Stockholders, more than 74% of the shares that voted approved our NEO compensation program as described in last year's proxy statement. In light of concerns expressed by a proxy advisory firm and based upon our management's engagement with stockholders holding over 65% of our outstanding shares regarding compensation matters, the Compensation Committee, as discussed below, implemented additional changes to the company's compensation program in 2015 and intends to review further changes upon completion of our announced combination with Progressive Waste.

Recent and Anticipated Changes to Further Align Pay with Performance

Consistent with our stockholders' support and the significant stockholder value creation over the years, the Compensation Committee decided to retain the core design of our executive compensation program for fiscal 2015. However, based on observations of our stockholders and proxy advisory firms, the company's management and Compensation Committee, with the input of the full Board of Directors and the Compensation Committee's independent compensation consultant, reviewed our executive compensation programs and made certain revisions to further align pay with performance.

In 2014, the Compensation Committee introduced performance-based restricted stock units ("PSUs") with two new and distinct performance metrics measured over a three-year period as a new component of compensation for the Company's executive officers, including its NEOs. The Compensation Committee also revised our stock ownership guidelines to (i) increase the amount of company stock our CEO and other executive officers must own (as described below under "Stock Ownership Guidelines"), and (ii) broaden the guidelines to include executive officers at all levels.

In early 2015, the Compensation Committee introduced a one-year performance-based condition to the company's annual restricted stock unit ("RSU") grants to its executive officers based on free cash flow generation—a different metric from those used for performance bonuses and PSU grants. Only if the company satisfies the performance targets during the year in which the grant is made will the grants then continue to time-vest over a multi-year schedule. Accordingly, beginning in 2015, all equity grants awarded to our NEOs contain a performance-based threshold the company must meet before grants may vest.

In late 2015, our Board of Directors adopted a Compensation Recoupment Policy. In addition, our CEO's employment agreement was amended to override the single trigger provision in the company's equity incentive award agreements, so unvested equity held by him is subject to the same double-trigger change in control provisions as the rest of his compensation.

The Compensation Committee, following completion of our combination with Progressive Waste, intends to review additional changes to our compensation program, including:

- Increasing the percentage of each executive and non-executive officer's long-term performance-based equity compensation (relative to annual performance-based RSU awards) so that PSUs constitute a higher percentage of total equity compensation, as part of a multi-year plan to increase the prevalence of PSUs;
- Introducing relative TSR as a performance metric to the company's PSU program; and
- Eliminating EBITA CAGR as a performance metric in our PSU program to address any potential concerns of proxy advisory firms that, although different, such a metric might be considered similar to the annual EBITDA target incorporated into our annual cash incentive bonus plan.

Our Compensation Philosophy and Objectives

The Compensation Committee's philosophy with respect to the compensation of the NEOs does not differ materially from its philosophy regarding other executive officers. The Compensation Committee believes that compensation paid to NEOs should closely align with our performance on both a short-term and long-term basis, be linked to specific, measurable results intended to create value for stockholders and assist us in attracting and retaining key executives critical to our long-term success.

In establishing compensation for NEOs, the Compensation Committee's objectives are to:

- Attract and retain individuals with superior leadership ability and managerial talent by providing competitive compensation and rewarding outstanding performance;
- Ensure that NEO compensation is aligned with our corporate strategies, business objectives and the long-term interests of our stockholders;
- Provide an incentive to achieve key strategic and financial performance measures by linking incentive award opportunities to the achievement of performance measures in these areas;
- Create an incentive for sustained growth; and
- Provide a balanced approach to compensation policies and practices, which does not promote excessive risk-taking.

Our overall compensation program is structured to attract and retain highly qualified executive officers by paying them competitively and consistent with our success. We believe that the compensation structure should ensure that a significant portion of pay directly relates to our stock's performance and other factors that directly and indirectly influence stockholder value. Accordingly, our approach to compensation is to provide base salary, an annual performance-based incentive opportunity tied to goals that link NEO compensation to our annual operating and financial performance, and long-term equity grants intended to align NEO compensation with stockholder returns and financial performance over a longer period and to aid in retention. Each year, the Compensation Committee allocates total compensation for NEOs between cash and equity based on comparisons with other companies and the judgment of the Compensation Committee members.

Approach to Compensation; Role of the Compensation Committee

The Compensation Committee has the primary authority for the consideration and determination of the cash and equity compensation we pay to our executive officers. The Compensation Committee also makes recommendations to the Board of Directors concerning cash and equity-based compensation and benefits for non-management directors. To aid the Compensation Committee, the CEO meets with the Compensation Committee and provides recommendations annually to the Compensation Committee regarding the compensation of all executive officers, other than himself. However, the Compensation Committee is not bound to follow the CEO's recommendations. Pursuant to its charter, the Compensation Committee has the authority to engage its own independent advisors to assist it in carrying out its duties. The Compensation Committee holds executive sessions not attended by any members of management or non-independent directors.

The Compensation Committee meets in the first quarter of each fiscal year to review and approve:

- The achievement of financial performance goals for the prior fiscal year and, if applicable, a multi-year period;
- Performance-based compensation, if earned, based on such achievement for the prior fiscal year or multi-year period;
- Annual equity-based compensation grants;
- Financial goals for performance-based awards; and
- The level and mix of NEO compensation for the current fiscal year.

In determining the base salary, performance-based compensation and long-term equity-based compensation levels for the NEOs, the Compensation Committee considers: (i) the compensation structure and practices of a comparator group of companies that it believes are the company's leading competitors in the solid waste industry; (ii) a comparator group of companies, most of which are non-solid waste companies, with comparable financial profiles; and (iii) its own judgment as to an appropriate level of compensation for a company of our size and financial performance. From time to time, the Compensation Committee uses compensation consultants and comparator group analyses from third parties to assess our compensation components. The Compensation Committee believes that achieving the 60^{th} percentile, over time, of market levels of target TDC for our existing NEOs is appropriate given their extensive experience, knowledge and their impact on the long-term success of the company.

For 2015, the Compensation Committee considered a tally sheet that included, for each officer (including the NEOs), current base salary, salary paid in 2014, bonus percentage, cash bonus paid in 2014, RSUs and PSUs granted in 2014, the dollar amount of 401(k) and Nonqualified Deferred Compensation Plan matches in 2014, payments and reimbursements for various expenses that could be considered perquisites, the value of unvested RSUs and PSUs as of the end of the year, and the amount payable to each officer under various severance scenarios, including upon a change in control. In determining the amount of compensation for the NEOs, the Compensation Committee does not take into account amounts realized from prior equity-based compensation grants because the Compensation Committee seeks to provide compensation that takes into account the cost of replacing the NEOs on a market competitive basis and what is equitable based on our performance. We believe that, to some extent, appreciation reflected in the amounts realized from prior equity-based compensation grants confirms the Compensation Committee's success in aligning compensation with our stockholders' interests, thus validating our compensation philosophy.

We provide Mr. Mittelstaedt with greater compensation and benefits than the other NEOs to reflect his importance and value to us as well as the increased level of responsibility and risk faced by him as our CEO and Chairman. Mr. Mittelstaedt's compensation also differs as a direct result of the Compensation Committee's review of the comparator compensation data, and reflects the competitive nature of compensation paid to chief executive officers of companies within the comparator group. The Compensation Committee believes that Mr. Mittelstaedt's competitive compensation package is important to reward, motivate and retain him as a highly valued chief executive whose leadership and strategic vision have helped create significant value for stockholders since our inception.

Role of Independent Compensation Consultant; Comparison Group Compensation Data

The Compensation Committee periodically retains Pearl Meyer, a nationally known compensation consulting firm, to provide it with market data and information regarding market practices and trends, assess the competitiveness of our executive compensation program, compare the performance of the company relative to a comparator group, assist with the development of the Compensation Discussion and Analysis in the proxy statement, and provide analysis on our non-employee director compensation. The Compensation Committee retains Pearl Meyer directly, supervises all work assignments performed by them, and reviews and approves all work invoices received for payment. Pearl Meyer has not performed any other service for the company. As required under Item 407(e)(3) of Regulation S-K, the Compensation Committee annually assesses whether the work of Pearl Meyer raised any conflict of interest. No conflict of interest was determined to exist with respect to Pearl Meyer's services as a compensation consultant during the last fiscal year.

In light of a proxy advisory firm's recommendation against our most recent "say on pay" vote, the Compensation Committee independently retained Pearl Meyer in 2015 to review the composition of the company's comparator group which had last been updated in 2014, and to evaluate the pay versus performance alignment of our CEO's compensation against such group of companies (the "Pearl Meyer 2015 Comparator Group Review"). The Pearl Meyer 2015 Comparator Group Review compared the base salary, target and actual total cash compensation, long term incentive opportunity, and actual and target TDC of our CEO to market levels. The Compensation Committee periodically analyzes the compensation practices of a comparator group to assess the company's competitiveness with the market. In doing so, it takes into account factors such as the relative size and financial performance of those companies and factors that differentiate us from them.

Pearl Meyer reviewed the comparator group that had been selected in 2014 against the most recent comparator peer groups developed by two proxy advisory firms. Pearl Meyer also reviewed the TSR correlation of companies in the three different comparator groups and the alignment of pay versus performance for the three different comparator groups. With input from the Compensation Committee, Pearl Meyer in 2015 maintained the same 14 companies in the comparator group as had been selected in 2014, consisting of the following companies (collectively, the "Company Comparator Group"):

· Cintas Corp.	· MSC Industrial Direct Co., Inc.
· Clean Harbors, Inc.	· Progressive Waste Solutions Ltd.
· Covanta Holding Corp.	· Quanta Services, Inc.
· Fastenal Company	· Rollins Inc.
· Iron Mountain, Inc.	· Stericycle, Inc.
· JB Hunt Transport Services	· United Rentals
· Martin Marietta Materials, Inc.	· Vulcan Materials Company

The list of companies in the Company Comparator Group is determined based on (i) organization size, with financial characteristics such as revenue, free cash flow, capital expenditures, EBITDA or enterprise value similar to those of Waste Connections, and (ii) industry, including companies in the environmental, facilities and diversified support services, distribution and construction industries. Relative to the Company Comparator Group, Waste Connections' revenue, EBITDA and free cash flow for 2014 and enterprise value as of June 30, 2015, is positioned at the 21st percentile, 64th percentile, 71st percentile and 43rd percentile, respectively.

Based on its 2015 review of the company's compensation practices, Pearl Meyer concluded that the company's CEO pay rank is consistent with the Compensation Committee's pay philosophy to target the 60th percentile of the comparator group, and that CEO targeted pay is aligned with performance when compared to any of the three comparator groups.

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Elements of Compensation

The Compensation Committee believes that a significant portion of the compensation of our NEOs should align with our stockholders' interests and be directly linked to performance. While the exact pay mix of our NEOs' total compensation (base salary, performance bonuses, and equity-based compensation) is not specifically determined, the Compensation Committee generally targets performance bonuses and equity-based compensation for our NEOs to constitute between 70% and 80% of Total Direct Compensation assuming target level payouts are achieved; this is consistent with market consensus data provided by Pearl Meyer. The Compensation Committee has complete discretion to determine compensation levels.

Base Salary. Our compensation program includes base salaries to compensate executive officers for services rendered each year. Base salaries provide a secure base of compensation that is not dependent on our performance and is an amount that recognizes the role and responsibility of each executive officer, as well as such executive's experience, performance and contributions. We also believe this element is beneficial in attracting and retaining high-performing and experienced executives.

The Compensation Committee considers base salary increases for certain of our executives annually. Base salary decisions generally reflect the Committee's consideration of our comparator group data and subjective factors including an executive's experience and past performance. For 2015, the Compensation Committee approved the following salary increases:

Name	2014 Base Salary	2015 Base Salary	% Increase
Ronald J. Mittelstaedt	$969,000	$969,000	-
Worthing F. Jackman	$500,000	$512,500	2.5%
Steven F. Bouck	$622,000	$622,000	-
Darrell W. Chambliss	$456,000	$467,400	2.5%
Patrick J. Shea	$352,500	$370,000	5.0%

In determining 2016 base salaries for our NEOs, the Compensation Committee, for the second year in a row, did not increase Mr. Mittelstaedt's base salary and provided a 2.5% increase to the base salaries of the other NEOs, effective February 1, 2016.

Performance Bonuses. Our compensation program includes a performance bonus to reward executive officers based on our performance and the individual executive's contribution to that performance. Under our Management Incentive Compensation Program (the "MICP"), which is administered pursuant to our 2014 Incentive Award Plan, each participant has an opportunity to earn an annual performance bonus based on a targeted percentage of the participant's annual base salary for the year. The objective of the annual performance bonus is to provide participants an incentive to manage the company to achieve financial performance targets based on budgeted revenue. See "Management Incentive Compensation Program" section below for further discussion of the NEOs' performance bonuses.

Equity-Based Compensation. We believe that equity ownership in our company ties executive compensation to the performance of our stock and creates an incentive for sustained growth and employee retention. Equity-based awards and creating superior stockholder returns are valued by our equity award recipients. That sense of the value provided to executives coupled with multi-year vesting periods serves to enhance retention and corporate culture, both of which are instrumental to the future success of the company and the long-term interests of our stockholders.

Since 2007, the Compensation Committee has only granted RSU awards to our NEOs; no stock options have been granted to our NEOs since 2006. The Compensation Committee believes that the use of RSU awards reduces the overall compensation cost to us compared to the cost of granting options at levels intended to convey similar value, yet offers our NEOs a competitive and more stable equity-based c