

CASELLA WASTE SYSTEMS INC

Form DEF 14A

August 23, 2013

Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of

the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

CASELLA WASTE SYSTEMS, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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Table of Contents

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Table of Contents

CASELLA WASTE SYSTEMS, INC.

25 Greens Hill Lane

Rutland, Vermont 05701

NOTICE OF THE 2013 ANNUAL MEETING OF STOCKHOLDERS

To be Held on Wednesday, October 16, 2013

The 2013 Annual Meeting of Stockholders, or Annual Meeting, of Casella Waste Systems, Inc., a Delaware corporation, will be held on Wednesday, October 16, 2013 at 10:00 a.m., Eastern time, at the Killington Grand Hotel, located at 228 East Mountain Road, Killington, Vermont 05751, to consider and act on the following matters:

1. To elect three Class I directors nominated by our Board of Directors, each to serve for a three-year term expiring at the 2016 Annual Meeting of Stockholders;
2. To approve, in an advisory say-on-pay vote, the compensation of our named executive officers, as described in the Compensation Discussion and Analysis, executive compensation tables and accompanying narrative disclosures in this proxy statement;
3. To ratify the appointment of McGladrey LLP, an independent registered public accounting firm, as our independent auditors for the fiscal year ending April 30, 2014;
4. To act on a stockholder proposal to declassify our Board of Directors and provide for the annual election of directors; and
5. To transact such other business as may properly come before the Annual Meeting and any postponement or adjournment thereof.

Stockholders of record of our Class A common stock and our Class B common stock at the close of business on August 22, 2013, the record date for the Annual Meeting, are entitled to notice of, and to vote at, the Annual Meeting or any adjournment thereof. Your vote is important regardless of the number of shares you own. If you are a stockholder of record, please vote in one of the following ways:

Vote over the Internet, by going to the website of our tabulator, Computershare Trust Company, N.A., at www.investorvote.com/CWST and following the instructions for Internet voting shown on the enclosed proxy card;

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Vote by Telephone, by calling 1-800-652-VOTE (8683) and following the recorded instructions; or

Vote by Mail, by completing and signing your enclosed proxy card and mailing it in the enclosed postage prepaid envelope. If you vote over the Internet or by telephone, please do not mail your proxy card.

If your shares are held in street name, that is, held for your account by a bank, broker or other nominee, you will receive instructions from the holder of record that you must follow for your shares to be voted.

We encourage all stockholders to attend the Annual Meeting in person. You may obtain directions to the Annual Meeting by contacting our Investor Relations Department at 1-802-775-0325. Whether or not you plan to attend the Annual Meeting in person, we urge you to take the time to vote your shares.

August 23, 2013

Rutland, Vermont

By order of the Board of Directors,

John W. Casella

Chairman and Chief Executive Officer

Table of Contents

PROXY STATEMENT

Table of Contents

	Page
<u>IMPORTANT INFORMATION ABOUT THE ANNUAL MEETING AND VOTING</u>	2
<u>BOARD OF DIRECTORS</u>	7
<u>CORPORATE GOVERNANCE</u>	11
<u>EXECUTIVE AND DIRECTOR COMPENSATION AND RELATED MATTERS</u>	19
<u>OWNERSHIP OF OUR COMMON STOCK</u>	35
<u>PROPOSAL 1 ELECTION OF DIRECTORS</u>	39
<u>PROPOSAL 2 ADVISORY VOTE ON EXECUTIVE COMPENSATION</u>	40
<u>PROPOSAL 3 RATIFICATION OF THE SELECTION OF INDEPENDENT AUDITORS</u>	41
<u>PROPOSAL 4 STOCKHOLDER PROPOSAL TO DECLASSIFY THE BOARD OF DIRECTORS</u>	42
<u>STOCKHOLDER PROPOSALS FOR THE 2014 ANNUAL MEETING OF STOCKHOLDERS</u>	44
<u>HOUSEHOLDING OF ANNUAL MEETING MATERIALS</u>	45
<u>OTHER MATTERS</u>	45

Table of Contents

CASELLA WASTE SYSTEMS, INC.

25 Greens Hill Lane

Rutland, Vermont 05701

PROXY STATEMENT

for the

2013 ANNUAL MEETING OF STOCKHOLDERS

To be held on Wednesday, October 16, 2013

This proxy statement and the enclosed proxy card are being furnished to you in connection with the solicitation of proxies by our Board of Directors, or Board, for use at the 2013 Annual Meeting of Stockholders, or Annual Meeting, to be held on Wednesday, October 16, 2013 at 10:00 a.m., Eastern time, at the Killington Grand Hotel, located at 228 East Mountain Road, Killington, Vermont 05751, and at any postponement or adjournment thereof.

All proxies will be voted in accordance with the instructions contained in those proxies. If no choice is specified, the proxies will be voted (a) FOR the election of all of the director nominees, (b) FOR the approval of the compensation of our named executive officers, (c) FOR the ratification of the appointment of our independent auditors and (d) AGAINST the stockholder proposal to declassify our Board.

The Notice of the 2013 Annual Meeting of Stockholders, this proxy statement, the accompanying proxy card and our Annual Report to Stockholders for the fiscal year ended April 30, 2013, or 2013 Annual Report, are being mailed to stockholders on or about August 28, 2013.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS

For Annual Meeting to be Held on Wednesday, October 16, 2013

The proxy materials, which include our proxy statement for the Annual Meeting, a proxy card and our 2013 Annual Report, which includes our Annual Report on Form 10-K for the fiscal year ended April 30, 2013, are available for viewing,

printing and downloading at www.casella.com/2013AnnualMeeting.

A copy of our proxy materials will be furnished without charge to any stockholder upon oral or written request to Casella Waste Systems, Inc., Attn: Investor Relations, 25 Greens Hill Lane, Rutland, Vermont 05701, Telephone: 1-802-775-0325.

This proxy statement and our Annual Report on Form 10-K for the fiscal year ended April 30, 2013 are also available on the Securities and Exchange Commission's website at www.sec.gov.

Table of Contents

IMPORTANT INFORMATION ABOUT THE ANNUAL MEETING AND VOTING

Q. Why did I receive these proxy materials? **A.** We are providing these proxy materials to you in connection with the solicitation by our Board of proxies to be voted at the Annual Meeting, to be held at the Killington Grand Hotel, located at 228 East Mountain Road, Killington, Vermont 05751, on Wednesday, October 16, 2013 at 10:00 a.m., Eastern time. As a stockholder of record of Casella Waste Systems, Inc., you are invited to attend the Annual Meeting and you are entitled and requested to vote on the proposals described in this proxy statement.

Q. What is included in the proxy materials? **A.** The proxy materials include our proxy statement for the Annual Meeting, a proxy card and our 2013 Annual Report, which includes our Annual Report on Form 10-K for the fiscal year ended April 30, 2013.

Q. Who can vote at the Annual Meeting? **A.** Our Board fixed August 22, 2013 as the record date for the Annual Meeting. If you were a stockholder of record on the record date, you are entitled to vote (in person or by proxy) all of the shares that you held on that date at the Annual Meeting and at any postponement or adjournment thereof.

On the record date, we had 38,949,366 shares of Class A common stock outstanding (each of which entitles its holder to one vote per share) and 988,200 shares of Class B common stock outstanding (each of which entitles its holder to 10 votes per share). Unless indicated otherwise, in this proxy statement, we refer to our Class A common stock and our Class B common stock together as our common stock. Holders of our common stock do not have cumulative voting rights.

Q. How do I vote? **A. If your shares are registered directly in your name, you may vote:**

- (1) **Over the Internet:** Go to the website of our tabulator, Computershare Trust Company, N.A., at www.investorvote.com/CWST. Use the vote control number printed on your enclosed proxy card to access your account and vote your shares. You must specify how you want your shares voted or your Internet vote cannot be completed and you will receive an error message. Your shares will be voted according to your instructions. You must submit your Internet proxy before 11:59 p.m., Eastern time, on October 15, 2013, the day before the Annual Meeting, for your proxy to be valid and your vote to count.
- (2) **By Telephone:** Call 1-800-652-VOTE (8683), toll free from the United States, Canada and Puerto Rico, and follow the recorded instructions. You must specify how you want your shares voted and confirm your vote at the end of the call or your telephone vote cannot be completed. Your shares will be voted according to your instructions. You must submit your telephonic proxy before 11:59 p.m., Eastern time, on October 15, 2013, the day before the Annual Meeting, for your proxy to be valid and your vote to count.
- (3) **By Mail:** If you received your proxy materials by mail, complete and sign your proxy card and mail it to Computershare Trust Company, N.A. in the postage prepaid envelope we provided. Computershare Trust Company, N.A. must receive the proxy card by October 15, 2013, the day before the Annual Meeting, for your proxy to be valid and your vote to count. Your shares will be voted according to your instructions. If

Table of Contents

you do not specify how you want your shares voted, the persons named as proxies will follow our Board's recommendations and vote your shares:

FOR the election of all three director nominees;

FOR the approval of the compensation of our named executive officers;

FOR the ratification of the appointment of McGladrey LLP as our independent auditors for the fiscal year ending April 30, 2014, which we refer to as fiscal 2014;

AGAINST the stockholder proposal to declassify our Board and provide for the annual election of directors; and

On any other matters properly brought before the Annual Meeting, in accordance with the best judgment of the named proxies.

- (4) **In Person at the Meeting:** If you attend the Annual Meeting, you may deliver your completed proxy card in person or you may vote by completing a ballot, which we will provide to you at the Annual Meeting.

If your shares are held in street name, meaning they are held for your account by a bank, broker or other nominee, you may vote:

- (1) **Over the Internet or by Telephone:** You will receive instructions from your bank, broker or other nominee if they permit Internet or telephone voting. You should follow those instructions.
- (2) **By Mail:** You will receive instructions from your bank, broker or other nominee explaining how you can vote your shares by mail. You should follow those instructions.
- (3) **In Person at the Annual Meeting:** Contact your bank, broker or other nominee who holds your shares to obtain a broker's proxy card and bring it with you to the Annual Meeting. A broker's proxy is *not* the form of proxy enclosed with this proxy statement. **You will not be able to vote shares you hold in street name in person at the Annual Meeting unless you have a proxy from your bank, broker or other nominee issued in your name giving you the right to vote your shares.**

Q. Can I change my vote?

A. If your shares are registered directly in your name, you may revoke your proxy and change your vote at any time before the Annual Meeting. To do so, you must do one of the following:

- (1) Vote over the Internet or by telephone as instructed above. Only your latest Internet or telephone vote is counted. You may not change your vote over the Internet or by telephone after 11:59 p.m., Eastern time, on October 15, 2013.

- (2) Sign a new proxy and submit it as instructed above. Only your latest dated proxy, received by Computershare by October 15, 2013, will be counted.

Table of Contents

- (3) Attend the Annual Meeting, request that your proxy be revoked and vote in person as instructed above. Attending the Annual Meeting will not revoke your Internet vote, telephone vote or proxy, as the case may be, unless you specifically request it.

If your shares are held in street name, you may submit new voting instructions by contacting your bank, broker or other nominee. You may also vote in person at the Annual Meeting if you obtain a broker's proxy as described in the answer above.

Q. Will my shares be voted if I do not return my proxy? **A. If your shares are registered directly in your name**, your shares will not be voted if you do not vote over the Internet, by telephone, by returning your proxy or by ballot at the Annual Meeting.

If your shares are held in street name, your bank, broker or other nominee may under certain circumstances vote your shares if you do not timely return your proxy. Banks, brokers or other nominees can vote their customers' unvoted shares on discretionary matters but cannot vote such shares on non-discretionary matters. If you do not timely return a proxy to your bank, broker or other nominee to vote your shares, your bank, broker or other nominee may, on discretionary matters, either vote your shares or leave your shares unvoted. Your bank, broker or other nominee cannot vote your shares on any non-discretionary matter.

The election of directors (Proposal 1), the advisory say-on-pay vote (Proposal 2) and the stockholder proposal to declassify our Board (Proposal 4) are non-discretionary matters. The ratification of the appointment of our independent auditors (Proposal 3) is a discretionary matter.

We encourage you to provide voting instructions to your bank, broker or other nominee by giving your proxy to them. This ensures that your shares will be voted at the Annual Meeting according to your instructions. You should receive directions from your bank, broker or other nominee about how to submit your proxy to them at the time you receive this proxy statement.

Q. How many shares must be present to hold the Annual Meeting? **A.** The presence, in person or by proxy, of shares representing a majority of the votes entitled to be cast at the Annual Meeting by the holders of our Class A common stock and our Class B common stock, voting together as a class, is necessary to constitute a quorum for the transaction of business at the Annual Meeting. For purposes of determining whether a quorum exists, we count as present any shares that are voted over the Internet, by telephone, by completing and submitting a proxy or that are represented in person at the Annual Meeting. Further, for purposes of establishing a quorum, we will count as present shares that a stockholder holds even if the stockholder votes to abstain or only votes on one of the proposals. In addition, we will count as present shares held in street name by banks, brokers or nominees who indicate on their proxies that they do not have authority to vote those shares on Proposals 1, 2 and 4. If a quorum is not present, we expect to adjourn the Annual Meeting until we obtain a quorum.

Q. What vote is required to approve each matter and how are votes counted? **A. Proposal 1 Election of Class I Directors**

The three nominees for director receiving the highest number of votes FOR election will be elected as directors. This is called a plurality. **Proposal 1 is a non-discretionary matter.** Therefore, if your shares are held by a bank,

Table of Contents

broker or other nominee in street name and you do not vote your shares, your bank, broker or other nominee cannot vote your shares on Proposal 1. Shares held in street name by banks, brokers or nominees who indicate on their proxies that they do not have authority to vote the shares on Proposal 1 will not be counted as votes FOR or WITHHELD from any nominee and will be treated as broker non-votes. Broker non-votes will have no effect on the voting on Proposal 1. With respect to Proposal 1, you may:

vote FOR all nominees;

vote FOR one or more nominee(s) and WITHHOLD your vote from the other nominee(s); or

WITHHOLD your vote from all nominees.

Votes that are withheld will not be included in the vote tally for the election of directors and will not affect the results of the vote.

Proposal 2 Advisory Say-on-Pay Vote on the Compensation of Our Named Executive Officers

To approve Proposal 2, the holders of shares of Class A common stock and Class B common stock, voting together as a class, representing a majority of the votes cast on the matter must vote FOR the proposal. **Proposal 2 is a non-discretionary matter.** Therefore, if your shares are held by a bank, broker or other nominee in street name and you do not vote your shares, your bank, broker or other nominee cannot vote your shares on Proposal 2. Shares held in street name by brokers or nominees who indicate on their proxies that they do not have authority to vote the shares on Proposal 2 will not be counted as votes FOR or AGAINST Proposal 2 and will be treated as broker non-votes. Broker non-votes will have no effect on the voting on Proposal 2. If you vote to ABSTAIN on this Proposal 2, your shares will not be voted FOR or AGAINST the proposal and will not be counted as votes cast or shares withheld on Proposal 2. Voting to ABSTAIN will have no effect on the voting on Proposal 2.

As an advisory vote, this proposal is not binding. The outcome of this advisory vote will not overrule any decision by us or our Board (or any committee thereof). However, our Compensation Committee and our Board value the opinions expressed by our stockholders in their vote on this proposal and will consider the outcome of the vote when making future compensation decisions for our named executive officers.

Proposal 3 Ratification of Appointment of Independent Auditors

To approve Proposal 3, the holders of shares of Class A common stock and Class B common stock, voting together as a class, representing a majority of the votes cast on the matter must vote FOR the proposal. **Proposal 3 is a discretionary matter.** Therefore, if your shares are held by a bank, broker or other nominee in street name and you do not vote your shares, your bank, broker or other nominee may vote your unvoted shares on Proposal 3. If you vote to ABSTAIN on Proposal 3, your shares will not be voted FOR or AGAINST the proposal and will also not be counted as votes cast or shares voting on the proposal. As a result, voting to ABSTAIN will have no effect on the voting on Proposal 3.

Table of Contents

Although stockholder approval of our Audit Committee's appointment of McGladrey LLP as our independent auditors for fiscal 2014 is not required, we believe that it is advisable to give stockholders an opportunity to ratify this appointment. If this proposal is not approved at the Annual Meeting, our audit committee may reconsider its appointment of McGladrey LLP as our independent auditors for fiscal 2014.

Proposal 4 Stockholder Proposal to Declassify Our Board and Provide For the Annual Election of Directors

To approve Proposal 4, the holders of shares of Class A common stock and Class B common stock, voting together as a class, representing a majority of the votes cast on the matter must vote FOR the proposal. **Proposal 4 is a non-discretionary matter.** Therefore, if your shares are held by a bank, broker or other nominee in street name and you do not vote your shares, your broker or other nominee cannot vote your shares on Proposal 4. Shares held in street name by brokers or nominees who indicate on their proxies that they do not have authority to vote the shares on Proposal 4 will not be counted as votes FOR or AGAINST Proposal 4 and will be treated as broker non-votes. Broker non-votes will have no effect on the voting on Proposal 4. If you vote to ABSTAIN on this Proposal 4, your shares will not be voted FOR or AGAINST the proposal and will not be counted as votes cast or shares withheld on Proposal 4. Voting to ABSTAIN will have no effect on the voting on Proposal 4.

As an advisory vote, this proposal is not binding. The outcome of this advisory vote will not overrule any decision by us or our Board (or any committee thereof). However, our Board values the opinions expressed by our stockholders in their vote on this proposal and will consider the outcome of this vote when determining whether to seek to amend our certificate of incorporation and our by-laws to remove the requirement that our Board be classified.

Q. Are there other matters to be voted on at the Annual Meeting?

A. We do not know of any matters that may come before the Annual Meeting other than the four proposals described above. If any other matters are properly presented at the Annual Meeting, the persons named in the accompanying proxy intend to vote, or otherwise act, in accordance with their judgment on the matter.

Q. Where can I find the voting results?

A. We will report the voting results in a Current Report on Form 8-K within four business days following the adjournment of our Annual Meeting.

Q. What are the costs of soliciting these proxies?

A. We will bear the cost of soliciting proxies. In addition to these proxy materials, our directors, officers and employees may solicit proxies by telephone, e-mail, facsimile and in person, without additional compensation. We have also retained Georgeson, Inc. and MacKenzie Partners, Inc. to solicit proxies by mail, courier, telephone and facsimile and to request brokers, custodians and fiduciaries to forward proxy soliciting materials to the owners of stock held in their names. For these services, we have paid aggregate fees of \$31,500.00, plus expenses. We may reimburse brokers or persons holding stock in their names, or in the names of their nominees, for their expenses in sending proxies and proxy material to beneficial owners.

Table of Contents**BOARD OF DIRECTORS****Information Regarding Directors and Director Nominees**

Our certificate of incorporation and our by-laws provide for the classification of our Board into three classes, each having as nearly an equal number of directors as possible. The terms of service of the three classes are staggered so that the term of one class expires each year.

Our Board currently consists of nine directors. Class I consists of James F. Callahan, Jr., Douglas R. Casella and Michael K. Burke, each with a term ending in 2013. Class II consists of Gregory B. Peters, Joseph G. Doody and Emily Nagle Green, each with a term ending in 2014. Class III consists of John W. Casella, John F. Chapple III and James P. McManus, each with a term ending in 2015.

At each annual meeting of stockholders, directors are elected for a full term of three years to continue or succeed those directors whose terms are expiring. Upon the recommendation of the Nominations and Governance Committee, our Board nominated Messrs. Callahan, Douglas Casella and Burke for re-election at the Annual Meeting as Class I directors, each to serve until 2016 or until his successor is elected and qualified.

Director Qualifications

The following table and biographical descriptions provide information as of July 31, 2013 relating to each director and director nominee, including his or her age and period of service as a director of our company; his or her committee memberships; his or her business experience during the past five years, including directorships at other public companies; his or her community activities; and the other experience, qualifications, attributes or skills that led our Board to conclude he or she should serve as a director of Casella Waste Systems, Inc.

Name	Age	Board Tenure, Principal Occupation, Other Business Experience During the Past Five Years and Other Directorships
Class I Director Nominees to be elected at the Annual Meeting (term expiring in 2016) James F. Callahan, Jr. <i>Audit Committee (Chair)</i> <i>Nominations and Governance Committee</i>	69	Mr. Callahan has served as a member of our Board since March 2003. Mr. Callahan served as an audit and business advisory partner of Arthur Andersen LLP, an independent public accounting firm, from 1975 to March 2000. Mr. Callahan has been retired since March 2000. Mr. Callahan has served as a member of various community service-related boards and currently serves on the Board of Trustees of the Massachusetts Department of Developmental Services Hogan Regional Center and is Trustee Emeritus of Bates College. Mr. Callahan holds a B.A. from Bates College and an M.B.A. from the Rutgers University School of Management. We believe Mr. Callahan is qualified to serve on our Board due to his 25 years of experience at Arthur Andersen, the depth and breadth of his financial reporting expertise and his experience with complex financial matters.

Table of Contents

Douglas R. Casella	57	Mr. Casella has served as Vice Chairman of our Board since 1993. Mr. Casella founded Casella Waste Management, Inc., a wholly owned subsidiary of ours, in 1975 and has served as its President since then. Since 1989, Mr. Casella has served as President of Casella Construction, Inc., a company owned by Mr. Casella and John W. Casella, which specializes in general contracting, soil excavation and heavy equipment work and which performs landfill-construction services for us. Mr. Casella is the brother of John W. Casella. We believe Mr. Casella is qualified to serve on our Board due to his extensive experience with operational and asset management matters in the waste management industry.
Michael K. Burke <i>Audit Committee</i>	55	Mr. Burke has served as a member of our Board since February 2008. Since January 2012, Mr. Burke has served as Senior Vice President and Chief Financial Officer of Landauer, Inc., a publicly traded global provider of devices, consumable medical products and technical/analytical services. Prior to Landauer, Mr. Burke served as Senior Vice President and Chief Financial Officer of Albany International Corp., a publicly-traded global advanced textiles and materials processing company, from July 2009 to September 2010. Mr. Burke served as the Executive Vice President and Chief Financial Officer of Intermagnetics General Corporation, a publicly traded medical device company, from December 2001 until its sale to Royal Philips Electronics in November 2006. Before joining Intermagnetics, Mr. Burke served as Executive Vice President and Chief Financial Officer of HbT, Inc., a manufacturer of hydrogen generators and processors. Prior to joining HbT in May 2000, Mr. Burke served as a Managing Director within the U.S. Investment Banking Department of CIBC Oppenheimer Corp. Mr. Burke holds a B.A. in Economics from Lake Forest College and a Graduate Certificate in Mergers and Acquisitions from The Wharton School. We believe Mr. Burke is qualified to serve on our Board due to his leadership and financial experience, particularly as a chief financial officer of publicly-traded companies, and broad functional skill set.
Class II Directors (terms expiring in 2014)		
Joseph G. Doody <i>Compensation Committee</i>	60	Mr. Doody has served as a member of our Board since 2004. Mr. Doody has served as President, North American Commercial of Staples, Inc., an office products company, since 1998. From 1974 to 1998, Mr. Doody held several managerial positions with the Eastman Kodak Company, an imaging technology company, including General Manager and Vice President, North America, Office Imaging. Mr. Doody has served on the Board of Directors of Paychex, Inc., a leading provider of payroll, human resource, and benefits outsourcing solutions, since October 2010. Mr. Doody holds a B.S. in Economics from State University of New York at Brockport and an M.B.A. from the University of Rochester. We believe Mr. Doody is qualified to serve on our Board due to his significant leadership experience and experience managing a large operating division of a multinational company.

Table of Contents

Emily Nagle Green	55	Ms. Nagle Green has served as a member of our Board since July 2012. Since January 2012, Ms. Nagle Green has served as President and Chief Executive Officer of Smart Lunches, Inc., an online delivery service providing fresh meals to children. From November 2005 to June 2011, Ms. Nagle Green served as Chief Executive Officer and a member of the Board of Directors of Yankee Group, a technology research firm, and from June 2011 to January 2012, Ms. Nagle Green served as Chairman of the Board of Directors of Yankee Group. Prior to joining Yankee Group, Ms. Nagle Green served as President and Chief Executive Officer of Cambridge Energy Research, an energy research and consulting firm, from 2003 to 2004. From 1995 to 2003, Ms. Nagle Green served in several leadership positions with Forrester Research, a provider of information technology and consulting services. Ms. Nagle Green holds a B.S.L.L. from Georgetown University and an M.S. in Engineering and Computer Graphics from the University of Pennsylvania. We believe Ms. Nagle Green is qualified to serve on our Board due to her substantial executive senior management experience as well as over 25 years of experience in identifying and leveraging technology trends.
<i>Compensation Committee</i>		
Gregory B. Peters	67	
<i>Lead Director</i>		
<i>Audit Committee</i>		Mr. Peters has served as a member of our Board since 1993. Mr. Peters has served as managing general partner of Lake Champlain Capital Management, LLC, a venture capital firm, since April 2001. From April 1988 to March 2001, Mr. Peters served as managing general partner of Vermont Venture Capital Partners, L.P., a venture capital company. Mr. Peters also previously served as general partner of North Atlantic Capital Partners, L.P., a venture capital company. Mr. Peters holds a B.A. from Harvard College and an M.B.A. from Harvard Business School. We believe Mr. Peters is qualified to serve on our Board due to his significant experience as a professional investor and extensive experience in areas of corporate governance.
<i>Nominations and Governance Committee (Chair)</i>		
<i>Compensation Committee</i>		
<i>Stock Plan Subcommittee</i>		
Class III Directors (terms expiring in 2015)		
John W. Casella	62	Mr. Casella has served as Chairman of our Board since July 2001 and as our Chief Executive Officer since 1993. Mr. Casella served as our President from 1993 to July 2001 and as Chairman of our Board from 1993 to December 1999. In addition, Mr. Casella has served as Chairman of the Board of Directors of Casella Waste Management, Inc., our wholly owned subsidiary, since 1977. Mr. Casella is also an executive officer and director of Casella Construction, Inc., a company owned by Mr. Casella and Douglas R. Casella. Mr. Casella has been a member of numerous industry-related state and local boards and commissions including the Board of Directors of the Associated Industries of Vermont, The Association of Vermont Recyclers, the Vermont State Chamber of Commerce and the Rutland Industrial Development Corporation. Mr. Casella has also served on various state task forces, serving in an advisory capacity to the Governors of Vermont, New Hampshire and New York on solid waste issues. Mr. Casella
<i>Chairman</i>		

Table of Contents

holds an A.S. in Business Management from Bryant & Stratton University and a B.S. in Business Education from Castleton State College. Mr. Casella is the brother of Douglas R. Casella, a member of our Board. We believe Mr. Casella is qualified to serve on our Board due to his insight and expertise in the waste management industry, coupled with his extensive business and leadership experience.

John F. Chapple III

72 Mr. Chapple has served as a member of our Board since 1994. Mr. Chapple served as President and owner of Catamount Waste Services, Inc., a central Vermont hauling and landfill operation, which we purchased in May 1994, from August 1989 to July 1994. Mr. Chapple has been retired since 1995. We believe Mr. Chapple is qualified to serve on our Board due to his substantial industry expertise, extensive landfill operating knowledge, leadership experience and long tenure on our Board.

Compensation Committee

James P. McManus

50 Mr. McManus has served as a member of our Board since August 2005. Since July 2007, Mr. McManus has served as President and Chief Executive Officer of The Hinckley Company, a yacht manufacturer. From 2003 through June 2007, Mr. McManus served as President and Chief Executive Officer of Zoots Corporation, an operator of dry cleaning stores. From 1994 until 2003 Mr. McManus held several management positions with Aramark Corporation, a food services and facility management company, including as President of its Business Services Group. Mr. McManus holds a B.A. from Yale University and an M.B.A. from Harvard Business School. We believe Mr. McManus is qualified to serve on our Board due to his extensive experience as a senior executive and director of publicly-traded and private corporations.

Compensation Committee (Chair)

Stock Plan Subcommittee

See Certain Relationships and Related Person Transactions and Beneficial Ownership of Voting Stock for additional information concerning members of our Board, including those who are nominees for election as directors.

The holders of Class A common stock, voting separately as a class, are entitled to elect one director, who is referred to as the Class A Director. Mr. Peters, a Class II director who serves as our Lead Director and is a member of the Compensation Committee, Audit Committee, Nominations and Governance Committee and Stock Plan Subcommittee, serves as the Class A Director.

The employment agreement by and between us and Mr. John Casella provides that Mr. Casella shall be elected as a member of our Board. We have agreed to use our best efforts to ensure that Mr. Casella is elected as a director.

Table of Contents

CORPORATE GOVERNANCE

General

We believe that good corporate governance is important to ensure that our company is managed for the long-term benefit of our stockholders. This section describes key corporate governance policies and practices that we have adopted.

We have adopted a code of business conduct and ethics, which applies to all of our directors, officers and employees, corporate governance guidelines and charters for the Audit Committee, Compensation Committee and Nominations and Governance Committee. Complete copies of our code of business conduct and business ethics, corporate governance guidelines and committee charters, which are described below, are available on the Investor Relations section of our website, www.casella.com. Alternatively, you can request a copy of any of these documents by writing to Casella Waste Systems, Inc., Attn: Corporate Secretary, 25 Greens Hill Lane, Rutland, Vermont 05701.

Corporate Governance Guidelines

Our Board has adopted corporate governance guidelines to assist in the exercise of its duties and responsibilities and to serve the best interests of Casella Waste Systems, Inc. and its stockholders. These guidelines, which provide a framework for the conduct of our Board's business, provide, among other matters, that:

our Board's principal responsibility is to oversee the management of Casella Waste Systems, Inc.;

a majority of the members of our Board shall be independent directors;

the independent directors shall meet regularly in executive session;

directors shall have full and free access to management and, as necessary and appropriate, independent advisors;

new directors are expected to participate in an orientation program and all directors are expected to participate in continuing director education on an ongoing basis; and

at least annually, our Board and its committees will conduct a self-evaluation to determine whether they are functioning effectively.

Stock Ownership Guidelines

Our Board believes that each non-employee director should acquire and hold shares of our stock in an amount that is meaningful and appropriate to such director. Accordingly, our Board adopted stock ownership guidelines that require each non-employee director to attain a share ownership level of our Class A common stock equal to four times the annual cash fees paid to non-employee directors for service on our Board, which does not include fees paid to non-employee directors based on meeting attendance or service as a committee chair or Lead Director. Each non-employee director is required to attain such ownership levels by the third annual meeting of stockholders following the first annual meeting of stockholders at which such non-employee director is elected to our Board.

Board Determination of Independence

Under the applicable rules of the NASDAQ Stock Market, a director will only qualify as an independent director if, in the opinion of our Board, that person does not have a relationship which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Our Board

Table of Contents

determined that none of Ms. Nagle Green or Messrs. Burke, Callahan, Chapple, Doody, McManus and Peters has a relationship which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is an independent director as defined under Rule 5605(a)(2) of the NASDAQ Marketplace Rules.

Director Nominations Process

The Nominations and Governance Committee acts under a written charter that we have posted on the Corporate Governance page of the Investor Relations section of our website, www.casella.com. The process followed by the Nominations and Governance Committee to identify and evaluate director candidates includes requests to Board members and others for recommendations, meetings from time to time to evaluate biographical information and background material relating to potential candidates and interviews of selected candidates by members of the Nominations and Governance Committee and our Board.

Criteria and Diversity

Although our Board does not have a formal diversity policy, in considering whether to recommend any particular candidate for inclusion in our Board's slate of recommended director nominees, the Nominations and Governance Committee applies the criteria set forth in our corporate governance guidelines. These criteria include the candidate's integrity, business acumen, knowledge of our business and industry, experience, diligence, absence of conflicts of interest and the ability to act in the interests of all stockholders. The Nominations and Governance Committee does not assign specific weights to particular criteria and no particular criterion is a prerequisite for each prospective nominee. We believe that the backgrounds and qualifications of our directors, considered as a group, should provide a composite mix of experience, knowledge and abilities that will allow our Board to fulfill its responsibilities to our stockholders.

The director biographies appearing above indicate each nominee's experience, qualifications, attributes and skills that led our Board to conclude that he or she should continue to serve as a member of our Board. Our Board believes that each of the nominees has substantial achievement in his or her professional pursuits, and possesses the background, talents and experience that our Board desires and that will contribute to the best interests of Casella Waste Systems, Inc. and to long-term stockholder value.

Stockholder Nominations

Stockholders may recommend individuals to the Nominations and Governance Committee for consideration as potential director candidates by submitting their names, together with appropriate biographical information and background materials to: Nominations and Governance Committee, c/o Corporate Secretary, Casella Waste Systems, Inc., 25 Greens Hill Lane, Rutland, Vermont 05701. The Nominations and Governance Committee has no obligation to consider individuals recommended by stockholders for nomination by the Committee as potential director candidates. However, assuming that appropriate biographical and background material has been provided on a timely basis, we expect that individuals recommended by stockholders would be so considered and evaluated by the Nominations and Governance Committee by following substantially the same process, and applying substantially the same criteria, as it follows for candidates identified by others.

Stockholders also have the right under our by-laws to directly nominate director candidates, without any action or recommendation on the part of the Nominations and Governance Committee or our Board, by following the procedures set forth under Stockholder Proposals for the 2014 Annual Meeting of Stockholders. If our Board determines to nominate a stockholder-recommended candidate and recommends his or her election, then his or her name will be included in our proxy statement and proxy card for the next annual meeting of stockholders. Otherwise, candidates nominated by stockholders in accordance with the procedures set forth in the by-laws will not be included in our proxy statement and proxy card for the next annual meeting.

Table of Contents

Board Meetings and Attendance

Our Board met 12 times during the fiscal year ended April 30, 2013, which we refer to as fiscal 2013, either in person or by teleconference. During fiscal 2013, each director attended at least 75% of the meetings of our Board and at least 75% of the meetings of the committees of our Board on which he or she then served.

Director Attendance at Annual Meeting of Stockholders

We encourage, but have no policy with respect to, attendance of directors at the annual meeting of stockholders. Messrs. Callahan, John Casella, Douglas Casella and Peters attended the 2012 Annual Meeting of Stockholders.

Board Leadership Structure

Mr. John Casella serves as Chairman of our Board and Chief Executive Officer. Our Board believes that combining the Chairman and Chief Executive Officer positions fosters clear accountability, effective decision-making and alignment of corporate strategy and is the appropriate leadership structure for us at this time. Additionally, our Board believes this leadership structure is particularly appropriate for our company given Mr. Casella's long history with our company and his extensive knowledge of and experience with our business and industry. As our founder and our Chief Executive Officer since 1993, Mr. John Casella has been an integral part of the leadership of our Board, and his strategic vision has helped to guide our growth and performance.

In 2003, our Board established the position of Lead Director. Mr. Peters was elected Lead Director by the independent members of our Board in 2003 and he has served in that role ever since. The responsibilities of the Lead Director are included in our Corporate Governance Guidelines, which are posted on the Corporate Governance page of the Investor Relations section of our website, www.casella.com. The Lead Director chairs meetings of our independent directors, meets with any director who is not adequately performing his or her duties as a member of our Board or any committee and facilitates communications between the Chairman of our Board and other directors. The Lead Director also works with the Chairman of our Board in preparing agendas for each meeting of our Board and consults with the Chairman of our Board on matters relating to corporate governance and board performance.

Our Board believes that its leadership structure is appropriate because it strikes an effective balance between strategy development, independent leadership and management oversight in the Board process.

Board Committees

Our Board has established three standing committees—Audit, Compensation and Nominations and Governance—each of which operates under a charter that was approved by our Board. In addition, the Compensation Committee designated two of its members to serve on the Stock Plan Subcommittee.

Table of Contents

Our Board determined that all of the members of each of its three committees are independent as defined under the rules of NASDAQ, including, in the case of all members of the Audit Committee, the independence requirements contemplated by Rule 10A-3 under the Securities Exchange Act of 1934, as amended, or the Exchange Act. Our non-employee directors serve on the committees of our Board as follows:

	Audit Committee	Compensation Committee	Nominations and Governance Committee
Michael K. Burke			
James F. Callahan			
John F. Chapple III			
Joseph G. Doody			
James P. McManus			
Emily Nagle Green			
Gregory B. Peters**			

** Lead Independent Director
 Chairperson
 Member

Audit Committee

The Audit Committee's responsibilities include:

appointing, evaluating, retaining and, if necessary, terminating an independent registered public accounting firm to serve as our independent auditors;

reviewing and discussing with management and our independent auditors our annual and quarterly financial statements and related disclosures and the internal controls over our financial reporting;

overseeing our compliance with legal and regulatory requirements;

taking appropriate actions, or recommending that our Board take appropriate action, to oversee the qualifications and independence of our independent auditors, including the consideration of independence when preapproving audit and non-audit services;

monitoring the performance of our internal audit function and our independent auditors, including conducting an annual evaluation of the performance of our auditors;

overseeing our risk management policies;

reviewing and approving or ratifying any related person transactions; and