

WASTE MANAGEMENT INC

Form 4

May 31, 2006

FORM 4
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
CALDWELL BARRY H

(Last) (First) (Middle)

1001 FANNIN, SUITE 40001001
FANNIN, SUIT

(Street)

HOUSTON, TX 77001

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
WASTE MANAGEMENT INC
[WMI]

3. Date of Earliest Transaction
(Month/Day/Year)
05/30/2006

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
__X__ Officer (give title ____ Other (specify
below) below)
Senior Vice President

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
			Code	V	Amount	(A) or (D)	Price	
Common Stock	05/30/2006		M		50,000	A	\$ 21.05	70,337.7135 D
Common Stock	05/30/2006		M		6,000	A	\$ 19.61	76,337.7135 D
Common Stock	05/30/2006		F		4,022	D	\$ 35.53	72,315.7135 D
Common Stock	05/30/2006		S		600	D	\$ 35.77	71,715.7135 D
Common Stock	05/30/2006		S		1,900	D	\$ 35.76	69,815.7135 D

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Common Stock	05/30/2006	S	11,800	D	\$ 35.75	58,015.7135	D
Common Stock	05/30/2006	S	7,300	D	\$ 35.74	50,715.7135	D
Common Stock	05/30/2006	S	6,100	D	\$ 35.73	44,615.7135	D
Common Stock	05/30/2006	S	2,137	D	\$ 35.72	42,478.7135	D
Common Stock	05/30/2006	S	2,000	D	\$ 35.71	40,478.7135	D
Common Stock	05/30/2006	S	5,700	D	\$ 35.7	34,778.7135	D
Common Stock	05/30/2006	S	500	D	\$ 35.69	34,278.7135	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Stock Option (right to buy) ⁽¹⁾	\$ 21.05	05/30/2006		M	50,000	10/08/2003 10/08/2012	Common Stock 50,000
Stock Option (right to buy) ⁽²⁾	\$ 19.61	05/30/2006		M	6,000	03/06/2004 03/06/2013	Common Stock 6,000
Stock Option (right to buy) ⁽³⁾	\$ 35.92	05/30/2006		A	3,311	11/30/2006 03/06/2013	Common Stock 3,311

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CALDWELL BARRY H 1001 FANNIN, SUITE 40001001 FANNIN, SUIT HOUSTON, TX 77001			Senior Vice President	

Signatures

Linda J. Smith,
attorney-in-fact 05/31/2006

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Stock option granted pursuant to Waste Management, Inc. 1993 Stock Incentive Plan. The stock option originally vested in 25% annual increments commencing on the first anniversary of the date of grant. The Compensation Committee of the Board of Directors accelerated the vesting of the Company's outstanding options effective December 28, 2005.

Stock option granted pursuant to Waste Management, Inc. 2000 Stock Incentive Plan. The stock option originally vested in 25% annual increments commencing on the first anniversary of the date of grant. The Compensation Committee of the Board of Directors accelerated the vesting of the Company's outstanding options effective December 28, 2005.

(3) Stock option granted pursuant to Waste Management, Inc. 2004 Stock Incentive Plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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