



**Minutes**  
**Regular Meeting of the Board of Directors**  
**Thursday, November 17th, 2016 - 9:30 am PST**

The Board of Directors (“Board”) of the Washington Materials Management and Financing Authority (the “Authority”) held a regular meeting at 9:32 a.m. pacific time on Thursday, November 17th, 2016 at the offices of Van Ness Feldman PC, 719 Second Avenue, Suite 1150, Seattle, WA 98104

**Conference call number: 1-563-999-2090 Access code: 755212 #**

Directors Present:

Gregg Chason, P & F USA, Inc.  
Mary Jacques, Lenovo  
Ken Lowe, VIZIO  
Eric Gilbert, Acer America  
Beth Johnson, Dell  
Dan Phillips, 4th Dimension Computers and Technology  
Chipper Hervieux, Department of Ecology  
John Yeider, Apple  
Jane Kang, LG

Also Present Were:

John Friedrick, WMMFA Executive Director  
Scott Barker, 3R Technology  
Craig Lorch, Total Reclaim

Directors Absent:

Susan St. Germain, Dept. of Community, Trade & Economic Development  
Yadira Terrones, HP  
Mark Dabek, RE-PC  
Dinah Rhee, Samsung

1. **Call to order – Gregg Chason**

The meeting was called to order by Gregg Chason at 9:32AM PST

2. **Approve minutes of the: September 29th 2016 regular meeting of the Board (Board vote) - Gregg Chason**

Gregg Chason asked those board members in attendance if they had a chance to review the draft minutes of the September 29<sup>th</sup> regular meeting of the board. There were no suggested edit or changes to the minutes. On a motion by Dan Phillips and seconded by Ken Lowe the minutes of the September 29<sup>th</sup> , 2016 regular meeting of the board were approved unanimously.

3. **Report on year to date 2016 operational and financial results and discussion – John Friedrich, et al.**

- Pounds by CEP totals
- Financial reports
- Cost and volume trends
- Unpaid past due manufacturer's invoices to date

Executive Director, John Friedrich described the year to date financial and operational results of the WMMFA as pertaining to E-Cycle WA. John reported that volume for 2016 was down by 12% from the previous YTD and stated that processors were still faced with expensive options for CRT glass disposition. John discussed the relationships between WMMFA pounds collected and units collected as the volume and types of CEP's collected since plan startup in 2009 have changed. Cost per pound 2016 vs. 2015 and other comparisons were provided. The board was provided an accounts receivable aging report by the executive director and identified some of the larger manufacturers that were past due and provided the reasons for them. John commented that several listed had caught up in the last few days and that he was confident we would collect almost all of the outstanding balances very soon.

4. **2017 Q1 proposed budget with annual projections (Board vote) Volume and Budget Projections– John Friedrich**

The executive director presented the Q1 2017 budget and explained the reasoning behind some of his projections. He stated that negotiations with processors for 2017 rates were under way and that there were both positive indicators such as, handling and downstream capacity efficiencies, and negative indicators, such as CRT glass handling and disposition costs that would impact WMMFA cost. Therefore, as John explained, the Q1 budget was a bit of a guesstimate as there was still a lot of un-certainty surrounding processing rates. The executive director said that there were 2 new processors, one of which was operating now, in Tacoma, WA and one that had assumed the operations of the former IMS electronics recycling facility in Vancouver, Washington. After the general presentation of the Q1 2017 budget on a motion by Mary Jacques, seconded by Gregg Chason, the Q1 2017 budget was approved unanimously.

5. **Discussion of legal counsel for 2017 (Board vote) John Friedrich and Board Member**

John provided a brief history of the WMMFA's legal counsel, Van Ness Feldman – Marlys Palumbo, importance to the direction and support of WMMFA management, board, and e-cycle Washington program. After a brief discussion of the history and benefits to E-Cycle WA and the WMMFA by utilizing the services of Van Ness Feldman on a motion by Mary Jacques, seconded by Ken Lowe, the board voted unanimously to approve retaining Van Ness Feldman as legal counsel for 2017.

6. **Discussion of accounting firm(s) and type of audit/review for 2016 financial statements (Board vote)**

*John Friedrich to present for Board discussion*

The executive director presented the board with an accounting audit/review matrix of all the options available to the board for review of the WMMFA's financial statements for 2016. The board, at previous meetings, had discussed the reasonableness and cost/benefit of adopting a 3-year full audit to review cycle for the organization. Although not official, the general consensus via discussion at prior meetings, and this meeting,

was that a cycle of a full audit every 3 years would provide the public and our members reasonable assurance as to the validity and accountability of the WMMFA financial statements. There was a brief discussion of the options pertaining review versus Audit. On a motion to select a full audit option for the 2016 WMMFA financial statements by Gregg Chason, seconded by Ken Lowe, the board unanimously approved the full audit option for the 2016 financial statements.

7. **Annual review of Flex Plan and Flex Member approval (Board Vote)** *John Friedrich and Board Members*  
The executive director presented the rules and terms of the WMMFA flex plan to the board. John stated that Apple was the only participating Flex plan member with the WMMFA. John explained that the Flex plan was an option under the approved standard plan that allowed participating members to collect, transport, and process, up to 25% of their volume goals by share for monetary credit with the WMMFA. There was a brief discussion about some of the specifics about the standard plan. The board representative from Apple requested clarification about the flex plan vs. non-flex plan participation. The executive director provided clarification. After discussion, on a motion by Mary Jacques, seconded by Beth Johnson, Apple was approved as a Flex plan participant for 2017.
  
8. **WMMFA Management KPIs' performance to goal 2016** – *John Friedrich*  
The executive director presented the board with a document that tracked objective and subjective results year to date on several performance indicators for management. John explained that the document was grounded in both public and private objectives of the WMMFA as mandated by law and the WMMFA mission statement. John explained that the document was provided as an annual compilation of quantitative and qualitative measurements that reflect executive director performance. John reminded board members that the KPI matrix was just a guide for the board members to evaluate executive performance and that actual executive performance evaluation was at the discretion of the board.
  
9. **WMMFA elected from within Board positions – nominees** (Board vote on nominees at January 2016 meeting) *Discussion TBD based on nominees available*  
The executive director explained that the current officers holding the positions of Chairperson, Vice Chairperson, Secretary, Treasurer, and Member at large were running unopposed, at this point, and that elections for these positions would be held at the January 2017 regular meeting of the board.

Matters to discuss at future meetings: None referenced

Adjourned meeting at 9:59 AM