

WASHINGTON MATERIALS MANAGEMENT AND FINANCING AUTHORITY

Minutes Regular Meeting of the Board of Directors November 17, 2011

The Board of Directors (“Board”) of the Washington Materials Management and Financing Authority (the “Authority”) held a regular meeting at 9:30 a.m. pacific time on Thursday, November 17, 2011 at the offices of Van Ness Feldman in Seattle, Washington.

Directors Present:

Gregg Chason, P & F USA, Inc.
Erik Stromquist, CTL
Mary Jacques, Lenovo
Dan Phillips, 4th Dimension Computers and Technology
Mark Dabek, RE-PC
Meggan Ehret, Thomson, Inc

Also Present Were:

John Friedrick, WMMFA Executive Director
Craig Lorch, Total Reclaim
Christine Haun, Department of Ecology

Directors Absent:

Nick Ammann, Apple
Mike Watson, Dell
Mike Moss, Samsung
Ken Lowe, VIZIO
Susan St. Germain, Dept. of Community, Trade & Economic Development
Chipper Hervieux, Department of Ecology (Christine attended)

NOTE: A quorum (6 of 10 members minimum) was not present at 9:33 am. The agenda items were discussed with those present, out of order, awaiting additional members to join the meeting.

1. Call to Order.

Gregg Chason called the meeting to order at 9:33am

3. Report on January - October 2011 financial results

John Friedrich advised that pounds and expenses YTD were up approximately 7% with most of the increase taking place in the 3rd and 4th quarters to date. Additional collectors, successful outreach, and mild weather in the NW were cited as reasons for the pounds and expense increase. Cost per pound was approximately the same 2010 to 2011 YTD.

7. Market share determination update / discussion of 2012 manufacturer's invoices

The Executive Director presented a summary of the 2012 market share determination process and discussed the pros and cons of current share determination and advised the board that approximately 50% more manufacturers reported market share to the authority than in 2010. The Director commented that he felt more confidence with the process this year (for 2012) than in prior years due to more information from manufacturers and the addition of IDC data for e-readers and tablets. Discussion of market share determination for 2013 will be held in future regular meetings of the Board prior to 2013 invoicing of manufacturers.

8. WMMFA outside affiliations

The Executive Director advised the Board that over time he has participated in discussions and provided publically available information to many other environmental, recycling, and local entities about the recycle WA program and the WMMFA. There are organizations that provide communication and cooperative opportunities among state recycle plans and with manufacturers. The policy the WMMFA has followed to date is to not join trade associations or other groups without Board discussion and approval. It was generally agreed that because the WMMFA was compliance organization, not a manufacturer, that membership in organizations that may or may not be in alignment with all of our members objectives that we should avoid "membership" with associations and groups where a clear benefit to our members was not evident.

9. 2011 Audit and/or review options

John reminded the Board that we have several options for audit and/or review of 2011 reported operational and financial results as well as internal controls. John advised the Board that information about options available would be provided prior to the next regularly scheduled board meeting in order that it be discussed.

10. Matters to discuss at future meetings

- **WMMFA Board of Directors - elections to be held at regular Board meeting January 19th, 2012**
- **Market share determination 2013**

These items were not discussed but the Executive Director advise the Board that information on these topics would be provided to the Board prior to the next Board meeting.

NOTE: At 9:51 AM Meggan Ehret joined the meeting and a Quorum was then present. The Executive Director provided a summary of items discussed thus far and as a quorum was present addressed the remaining items on the agenda:

4. 2012 Q1 proposed budget and annual projections

The Director referred to the document *proposed and projected budget summary* provided to all Board members as an agenda attachment. Discussions as to volume and expense projections 2011 versus 2012 were held among Board members and the Executive Director. After the discussions:

On a motion by Gregg Chason, seconded by Mary Jacques, the 1st quarter budget for 2012 was approved unanimously by the six Board members present.

5. Annual approval of Flex Plan, Flex plan members (1)

After a review of Flex plan member qualifications and requirements:

On a motion by Mary Jacques, seconded by Meggan Ehret the Flex plan member Apple was approved as a Flex plan member participant for 2012.

6. Legal counsel for 2012

The Executive Director reviewed the legal issues addressed in 2012 and the performance of current counsel in 2011.

On a motion by Meggan Ehret, seconded by Mark Dabek, Van Ness Feldman was approved as legal counsel for 2012.

2. Approve minutes of the: July 21, 2011 regular meeting of the Board

On a motion by Mary Jacques, seconded by Gregg Chason, the minutes of the July 21, 2011 regular meeting of the Board were approved unanimously.

The meeting was adjourned at 10:06 am