

WASHINGTON MATERIALS MANAGEMENT AND FINANCING AUTHORITY

Minutes Regular Meeting of the Board of Directors February 19th, 2009

The Board of Directors (“Board”) of the Washington Materials Management and Financing Authority (the “Authority”) held a regular meeting at 9:38 a.m. pacific time on Thursday, February 19th, 2009 at the offices of Van Ness Feldman in Seattle, Washington.

Directors Present:

Mary Jacques, Lenovo
Nick Ammann, Apple Computers
Jay Shepard, Washington Dept. of Ecology
Meggan Ehret, Thomson, Inc.
David Thompson, Panasonic Corporation
Erik Stromquist, CTL Corp.

Also Present Were:

John Friedrich, WMMFA Executive Director
Stephanie Scott, WMMFA Executive Assistant
Craig Lorch, Total Reclaim
Jason Linnell, NCER

Directors Absent:

John Swiderski, Deer Park Computers Sales and Service
Stacey Ward, Wal-Mart
Mike Moss, Samsung Electronics
Susan St. Germain, Dept of Community, Trade, & Economic Development
Mike Watson, Dell Computers
Mark Dabeck, RE-PC
Tala El-Husseini, PC Systems & Services, Inc.

1. Call to Order.

Mary Jacques called the meeting to order at 9:38 a.m.

2. Approval of Minutes of Regular Meeting held January 15th, 2009:

Discussion: There was not a quorum of directors present. The vote was postponed to the next scheduled meeting: March 26th, 2009

3. Report on January 2009 operating and financial position:

A. January 2009 Operating and Financial positions:

Discussion: John Friedrich had emailed a current January 2009 operational and administrative expense summary to the Board Members prior to this meeting. Collected pounds in January were 20-30% greater than estimated although volume had slowed in the last few days. No determination on 3rd quarter invoice amounts to manufacturers will be made until late March in order that more complete and up to date actual history may be used to extrapolate future financing needs.

B. Financial Auditor (Moss Adams update):

Discussion: John Friedrich discussed with the Board engagement forms from the auditor. It is unknown if a full audit for the year 2008 is necessary since operations did not start until Jan, 2009. WMMFA is discussing the possibility of an operational evaluation at this time, for 2008 operations, in order to save on accounting expenses over a full audit. John Friedrich stated he would keep the Board informed of the outcome and allow the board to vote on the type of audit(s) they may want to approve for 2008.

C. WMMFA expense report revised-presentation and discussion:

Discussion: John Swiderski (prior meeting) recommended a revision to the proposed WMMFA expense policy to have a copy of expense reports sent to (3) members: 2 Board Members (Treasurer, Chairman) and the Executive Director (John Friedrich) for filing and review. After the set up and review of this new policy no vote was recorded. There was not a quorum present. This will be deferred to the next scheduled Board Meeting, March 26th, 2009.

D. Member Manufacturers payment to date:

To date 98% has been collected from the 1st quarter invoices. Half of the remaining balance due is from 4 manufacturers, 1 of which has declared bankruptcy. The past due accounts have been turned over to the DOE for collection (approx 2 weeks ago). John reminded the board that uncollected amounts may be carried forward and will be shared by members in future invoices per the Authority's financing policy.

E. 2nd quarter 2009 invoicing schedule and share determination:

The due date for the 2nd quarter invoices is March 1st, 2009. Statements of Account were mailed out Tuesday February 17th, 2009 to manufacturers that were current but had not yet paid. Statements are a reminder that the due date is approaching. John said there was a typo on the agenda as it meant to reference 3rd quarter 2009 invoicing schedule. Determination of 3rd quarter manufacturer invoices will be made near the end of March.

4. Directors & Officers indemnity insurance discussion:

Legal counsel drafted a document for approval for the Directors and Officers to execute a written agreement between the Authority and the Director. John Friedrich asked Board Members for feedback until the next meeting or a special meeting to vote on the adoption of the agreement by the Authority as written evidence of indemnity insurance to the Director(s). The vote to adopt the policy was postponed to the next meeting, or a special meeting could be called to approve the document. If no recommendations are received from Board members for edits to the document John Friedrich will manage circulation of the agreement to Board members for signing pending approval by the Board.

5. Return share sampling update:

Discussion: WMMFA is given 24 hour notice when a sampling event is going to take place. A 3rd party observer is present at the event. All CEP's are Bar-coded, as unloaded at the processor's dock and then scanned. The scanning software selects the items to be weighed and brand name recorded to remove any bias. There will be a total of 30 to 40 sampling days in 2009 to reflect 2010 return share data for 2010 invoices.

6. March 2009 Board Meeting date change:

Discussion: The original scheduled Board Meeting March 19th, 2009 has been moved to March 26th, 2009 - one week later. It was discussed the possibility of changing the monthly Board meetings, to quarterly meetings. John Friedrich asked the Board members present to consider this request for future discussion.

7. Proposed PSHB 1522 Repair and reuse of electronics products:

Discussion: This bill would allow refurbishment or "minor repair" to computers. Although it is not totally clear John Friedrich advised that this proposal could add administrative and/or operational expense increase to WMMFA member manufacturers. Several questions and observations concerning the proposed bill were forwarded to the Bill sponsor. John emphasized to the board that he was not a legislative spokesman for any member manufacturer but that he was concerned about the potential impact on implementation and operations under the current law and Standard Plan,

8. Director participation or lack thereof:

Discussion: This agenda item was postponed pending input from John Swiderski - Chairperson.

9. Matters to discuss at future meetings:

Revised expense report policy adoption, D & O Insurance adoption of written agreement, and revised Board meeting dates (quarterly vs. monthly).

10. Meeting adjourned at: 10:08am