

# WASHINGTON MATERIALS MANAGEMENT AND FINANCING AUTHORITY

## Minutes Regular Meeting of the Board of Directors October 16th, 2008

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, October 16th, 2008 at the offices of Van Ness Feldman in Seattle, Washington.

### Directors Present:

John Swiderski, Deer Park Computers Sales and Service  
Mary Jacques, Lenovo  
Nick Ammann, Apple Computers  
Jay Shepard, Washington Dept. of Ecology  
Mike Watson, Dell Computers Late: joined after item 4 on agenda  
Meggan Ehret, Thomson, Inc. Late: joined after item 4 on agenda  
Tala El-Husseini, PC Systems & Services, Inc.  
David Thompson, Panasonic Corporation  
Erik Stromquist, CTL Corp.  
Mark Dubcek, RE-PC Late: joined after item 4 on agenda

### Also Present Were:

John Friedrick, WMMFA Executive Director  
Stephanie Scott, WMMFA Executive Assistant

### Directors Absent:

Stacey Ward, Wal-Mart  
Mike Moss, Samsung Electronics  
Susan St. Germain, Dept of Community, Trade, & Economic Development

### **1. Call to Order.**

John Swiderski called the meeting to order at 9:38 a.m.

### **2. Approval of Minutes of Regular Meetings held July 17th, 2008, August 21st, 2008, and a Special Meeting held September 12th, 2008.**

Discussion: The Board reviewed the Minutes of the Regular Meeting(s) held on July 17th, and August 21st, as well as the Special Meeting held September 12, 2008. On a motion by John Swiderski to approve the minutes of the meeting minutes:

**Voted to approve the Minutes of the Regular Meeting(s) and the Special Meeting: July 17th, August 21st, and September 12th, 2008.**

The recorded vote was unanimous (6-0) and the motion carried.

**3. Report on current financial position of the WMMFA**

Discussion: John Friedrich had emailed a current Balance Sheet and Income Statement to the Board Members. The collection percentage on April's Invoices was 96%. Manufacturers with outstanding balances were reported to Ecology per the Standard Plan requirements. The WMMFA is under budget thus far. John Friedrich informed the Board of quotes he is awaiting from third party CPA's to perform periodical audits, and oversight.

**4. 1st & 2nd Quarter 2009 Administrative and Operational budget discussion, edits, approval:**

Discussion: John Friedrich asked for questions, and approval of the budget proposed to the Board for Quarters 1 and 2 in 2009. John discussed with the Board it is estimated a third of anticipated volumes will be received within Quarter 1 of 2009. John informed the Board that reserves for the 1<sup>st</sup> quarter for operations were set at 30% of anticipated expenses due to the uncertainty of volumes at start up. On a motion by Mary Jacques to approve the 1<sup>st</sup> and 2<sup>nd</sup> Quarter budget as presented:

**Voted to approve the Administrative and Operational budget for the 1st and 2nd quarter, 2009.**

The recorded vote was unanimous (6-0) and the motion carried.

**5. Octobers Manufacturer's Invoice determination summary and finalization:**

Discussion: John Friedrich discussed with the Board that a clarifying letter will be sent to all Manufacturers for Octobers Invoices explaining Market Share determination. Market shares were determined based on average weights of the products. 10 sample product weights of each of 10 identified CEP's were researched and an average weight was taken from this data. Unit sales data was obtained from NPD and converted to weight using the sample weights per CEP. A copy of the proposed invoice determination methodology insert was provided to Board Members.

**6. Discussion of General Operating Plan & responses to testimony from the October 3rd General Operating Plan hearing held in Seattle, WA**

Discussion: A public hearing was held on October 3rd in Seattle, WA. The summary from the hearing was emailed to Board Members. The response, as approved, with minor changes based on input from the Executive Director, and counsel, will be added to our website, and sent to each respondent. Board approval for this process and the response summary was requested. On a motion duly made (Watson) and seconded (Jacques), is was:

**Voted to approve the General Operating Plan response**

The recorded vote was unanimous (9-0) and the motion carried.

**7. Flex Plan Update: Review of applications received, discussion on handling-General Board Membeship**

Discussion: John Friedrich discussed with the Board that there were no applications to date. The application, requirements, terms and conditions of the flex plan are posted on WMMFA's website. The deadline for the application is set for: November 1st, 2008. A flex plan member would also need approval from the Board before operating as a Flex participant.

**8. Current status of operations network for services to begin January, 2009**

Discussion: John Friedrich discussed with the Board that WMMFA has 175 Collection sites under agreement, 3 processors registered with ecology and approved by the Authority, and, approximately 6 Transporters in various stages of registration with agreements pending.

**9. Current status of public outreach campaign communicating services to begin January, 2009.**

Discussion: John Friedrich discussed with the Board the amount of Public Outreach materials that will be distributed before the opening of the program Jan, 2009. WMMFA has developed 3 marketing pieces. The materials will be sent to Collectors prior to the start- up date. The collector then will hang, post, or hand out the information to the consumer. Printable Materials are also available through WMMFA's website. John described the 3 interviews held with newspapers around the state so far and indicated that interest in the plan dropped off after the announcement of nationwide financial crisis were announced. Interest is expected to pick up nearer the kick off date.

**10. Discussion of kick off follow up event:**

Discussion: John Friedrich discussed with the Board the plan for reaching the rural communities. Possible hanging and handing out informative flyers with a date for Collection in a rural community to encourage drop-offs. John Swiderski suggested that a marketing push might better be focused within the 1<sup>st</sup> quarter so that we may have some operational experience behind us at that time.

**11. Matters to address in future meetings:**

John Swiderski suggested more participation from Manufacturers to attend either by conference call or in person the scheduled Board Meetings. John Swiderski is planning to write an email explaining the importance of attending set meetings.

**12. Meeting Adjourned at 10:24am by John Swiderski**