

WASHINGTON MATERIALS MANAGEMENT AND FINANCING AUTHORITY

Minutes Regular Meeting of the Board of Directors September 18th, 2014

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, September 18th, 2014 at the offices of Vann Ness Feldman PC, 719 Second Avenue, Suite 1150, Seattle, WA 98104.

Directors Present:

Gregg Chason, P & F USA, Inc.
Mary Jacques, Lenovo
Ken Lowe, VIZIO
Ken Turner, Hewlett Packard
Chipper Hervieux, Ecology
Mark Dabek, RE-PC
Beth Johnson, Dell
Erik Stromquist, CTL

Also Present Were:

John Friedrick, WMMFA Executive Director
Craig Lorch, Total Reclaim

Directors Absent:

Susan St. Germain, Dept. of Community, Trade & Economic Development
Dan Phillips, 4th Dimension Computers and Technology
Meggan Ehret, Thomson, Inc.
Dinah Rhee, Samsung
John Yeider, Apple

1. Call to order – *Gregg Chason*

The meeting was called to order at 9:33 am by Gregg Chason

NOTE: The executive director advised the board that they were working off of a revised/approved agenda that was revised September 15th due to a member manufacturer that was scheduled to present (former item # 4) deciding not to participate.

2. Approve minutes of the: August 14th, 2014 regular meeting of the Board (Board vote) - *Gregg Chason*

Gregg Chason (WMMFA Secretary) asked board members to review the minutes of the last board meeting on August 14th and requested discussion on any potential discrepancies or omissions. There were no changes or edits requested or discussed. On a motion by Mary Jacques, seconded by Ken Lowe the minutes of the August 14th 2014 board meeting were approved unanimously as provided with no changes.

3. **Report on August and YTD 2014 financial results** – *John Friedrich*
 - A. Pounds by CEP totals - trends
 - B. Pounds by technology type
 - C. Financial reports
 - D. Unpaid past due manufacturer's invoices

The Executive Director had provided the board with documents that disclosed the authority's expenses and financial position for August and YTD. The Executive Director commented that August was similar to June and July in terms of overall total expense and cost per pound and that there was nothing unusual to report. After a discussion about the trend in pounds by product type (CRT vs. IT equipment) YTD and the impact of the weather YTD on volumes, John Friedrich advised the board that he thought total pounds volume for 2014 would likely be less than 2013 by a couple percentage points but that it wasn't a certainty. The Executive Director referenced two past due members that Ecology had begun enforcement action on. The Director expressed confidence that the majority of past due invoices would be collected soon.

4. **Update on E-Cycle WA product expansion efforts and potential outcomes** – *John Friedrich - discussion*

John Friedrich advised the board that the department of Ecology had turned in a written request to the Governor's office a week or so ago requesting approval to move forward in pursuit of adding additional "covered electronic products" to the E-Cycle program. The products proposed to be added included computer keyboards and mice, external hard drives, printers, video game consoles, VCRs, DVRs, and DVD players and recorders. There was a discussion among board members that the written definition of peripheral devices was too "open ended" potentially allowing even more devices to be added that may or may not be orphaned (no financially responsible member available). It was discussed that if the proposed changes were to result in an additional cost to most members the WMMFA may want to take a position in opposition to the changes as the program already carries the expense of many pounds of orphaned devices. It was also pointed out that several other states had added peripheral devices and that Washington State was somewhat behind and that some citizens had been increasingly pushing for the program to accept more electronic items. The Executive Director provided general information and expressed an opinion that the financial impact to current and new members would likely increase due to handling and administrative costs brought about by adding additional products. The director explained that more information on the market share/weight of proposed devices and the actual volume of those devices that would return would be necessary to better estimate each member's cost. The executive director also questioned the logic and effectiveness of bringing these products in under the umbrella of the E-Cycle program based on experience thus far with other products added to the program through new technologies (e-readers and tablets) that are thus far not returning for recycling. It was discussed that some of the proposed products, such as video game consoles, should have been included from the start. After much discussion about the potential benefits to citizens of the state, the potential costs to members, and the environmental impact of the change from current handling of the proposed new covered products vs. the current handling of the proposed items via other means the chairperson suggested that the board and management of the WMMFA track the progress of the Ecology proposal and consider formulating an official position on this proposal by the WMMFA at a later date.
5. **Matters to discuss at future meetings**

Progress of the proposal or bill for the addition of covered items to the E-Cycle program
New program collection and processing measurement: units vs. pounds

Adjourn meeting

The meeting was adjourned at 11:01 am