



**Regular Meeting of the Board of Directors  
Thursday, July 21, 2022 - 9:30 am PST**

**Conference call number: (857) 357-0254 Access code: 755212#**

**MINUTES**

Board Members Present:

Gregg Chason, Funai Corp. Inc.  
Jenni Chun, Samsung  
Joyce Kwan, HP  
Eric Gilbert, Acer America  
Kim Fox, Lenovo  
Melissa Mallory, Dell  
Kristyn Rankin, Apple  
Mark Dabek, RE-PC  
Madeline Smith, LG  
Joyce Thune for Caitlin Sanchez, VIZIO  
Cintia Gates, Microsoft  
Al Salvi, Dept. of Ecology

Also Present Were:

Peter Thermos, Executive Director, WMMFA

Board Members Absent:

Radi Simeonova, Department of Commerce

1. Call to order – *Joyce Kwan*

Joyce Kwan called the meeting to order at 9:32 am.

2. Approve minutes of the May 19, 2022, regular meeting of the Board - **(Board vote)** – *Joyce Kwan*

Joyce addressed the board regarding the minutes of the January board meeting, asking if there was a motion to approve the minutes which were provided in the July 21, 2022, board meeting reference documents. On a motion by Madeline Smith, seconded by Gregg Chason, the minutes of the May meeting were approved unanimously.

3. Report on June operational and financial results – *Peter Thermos*

- A. Pounds by CEP totals
- B. Financial reports
- C. Unpaid past due manufacturer's invoices to date

#### D. Restitution account balance and future expenditures

The Director referred to the board reference documents that provided YTD June pound and financial information and stated that the collected weight for June was about 1.3 million pounds which was 4% above projected pounds.

Thermos continued, stating that actual expenses were approximately \$443K which was about 71% above the budgeted amount for June. This was a result of reductions in the budget designed to reduce financial reserves, which were at \$371K at the end of June. The cost per pound for June was \$0.343. The cost per pound in May had been unusually high due to invoices received in the calendar month but cost per pound in June had the impact of returning YTD cost pound back to the normal range.

(Members past-due receivables and restitution funds were not discussed as there had been no material change to past-due invoices since the previous board meeting and there was no use of restitution funds in June.)

#### 4. Q4 2022 budget and annual projections (**Board vote**) – *Peter Thermos*

Thermos asked board member to turn to page 10 of the board reference documents, the annual budget. On that document, the green-shaded column, “Q4 – proposed”, showed the budget for the fourth quarter of 2022. Thermos stated that, previous reductions to the 2022 budget in quarters 1-2 had succeeded in reducing financial reserves and planned reductions for Q3 would likely reduce it further. For this reason, he recommended keeping the current budget for Q4 2022, which had been set last November. The Director continued stating that if the July and early August data showed financial reserves rising, a reduction to the Q4 2022 budget would be considered. He recommended that the Q4 budget be approved at the current level or lower. Chairman Gregg Chason asked what the reserve level was expected to be going into the fourth quarter. Thermos responded that he expected it to be in the area of \$150K but could be higher or lower depending on collection levels. With no other questions or comments, Thermos asked for a vote to approve the budget at current levels or lower. Gregg Chason made the motion which was seconded by Mark Dabek. The Q4 budget was approved at current or lower levels unanimously.

#### 5. Moss Adams Financial Compilation (complete) – *Peter Thermos*

The Director stated that the annual financial compilation had been completed by accounting firm Moss Adams and had been provided to the board in email with other reference documents for the meeting. The financial audit primarily converts WMMFA accounting from a cash basis to an accrual basis. There were no issues identified or management recommendations from Moss Adams associated with the 2021 financial compilation.

#### 6. Government Satisfaction Survey (Ecology) – *Peter Thermos*

Thermos asked board members to turn to page 11 of the meeting reference documents for a short summary of the annual Government Satisfaction Survey. This required survey is conducted by WA Ecology and the respondents are local government personnel in Washington State. The 2021 survey had 29 respondents. Traditionally, WMMFA contacts all respondents by phone to ask for additional feedback and Thermos stated that he had called all 29 although had not reached them all due to summer schedules. Feedback about the program is generally positive, although respondents usually ask for additional collection sites and outreach. The 2021 survey followed the same pattern in this regard and the types of feedback had been summarized for the board in the board meeting reference documents.

This year, comments included some analysis on a waste characterization study that had been completed in the 2020-2021 time frame. This study sampled materials as they entered landfills in an attempt to quantify materials entering WA landfills. A King County policy manager had noted that, based on sampling in the study, E-Cycle Washington was only capturing about 30% of CEPs with the balance going to landfill. Based on this, the survey respondent called for new strategies to increase the quantity of CEPs being recycled by the program. Thermos stated that an off-setting factor to the Waste Characterization results was that the study was conducted when the E-Cycle collection network, and recycling behaviors broadly, were disrupted by the pandemic. Even with this in

mind, Thermos noted that Ecology was also using the study to support their request that outreach spending and activity be raised in 2023 to increase program awareness. Gregg Chason asked when the last time a waste characterization study had been performed. Al Salvi indicated that they are done roughly every 5 years, and it may have been last done 6-7 years ago. Gregg Chason asked if a disposal ban on CEPs was part of the e-waste law. Al Salvi responded that there was not. Thermos added that some transfer stations do not accept CEPs as a policy but it is more difficult to reject CEPs in rural areas with fewer collection sites. Al Salvi added that some transfer stations might allow drop off of CEPs by residents but may not allow businesses, especially with larger loads, to drop CEPs at the landfill. Melissa Mallory asked if transfer stations charged fees to drop off CEPs and Thermos responded “yes”. Melissa asked if transfer stations report CEPs being dropped off and Al Salvi replied “no”.

7. Earth Eye Trackers update – *Peter Thermos*
  - E. Meeting with Ecology and Metro Metals regarding export
  - F. 2022-2023 tracker program

Thermos recapped a situation discussed in the last board meeting in which a monitor had been shipped to the UAE, a non-OECD country, which is prohibited in the E-Cycle Standard Plan. Thermos stated that he gathered information about the incident and reported the situation to Ecology. A meeting was held to discuss the issue with Ecology, WMMFA and Metro Metals. An environmental consultant also attended the meeting at the request of Metro Metals. According to Metro Metals, the downstream vendor shipped the monitor overseas even though all monitors sent to them were supposed to be broken down for recycling. There was also an issue with the 2021 environmental audit for Metro. The audit stated included a statement about vendors that could be used for reuse, even though Metro reported to WMMFA that no materials were made available for reuse. Metro stated that the statement about reuse was a requirement of their R2 certification, but materials were not being sold for reuse. To resolve the matter, Metro agreed to an additional environmental (desk) audit to be completed as soon as possible and is now underway. Metro would still complete an on-site environmental audit for 2022. Metro also stated that they had stopped using that downstream vendor and would not send them materials in the future.

The GPS tracker program has been continued for another year. Over the next several weeks, 20 GPS trackers in CEPs will be anonymously dropped off at collection sites chosen by WMMFA.

8. Outreach – *Peter Thermos* Report on June operational and financial results – *Peter Thermos*
  - G. 2022 – fall campaign
  - H. 2023 Ecology Request

Thermos asked members to turn to page 12 of the meeting reference documents to discuss outreach. The Director stated that Ecology has indicated that WMMFA outreach is insufficient and has asked for increased spending and outreach activities starting in 2023. As evidence of the need for expanded outreach, Ecology points out the drop in annually collected pounds from over 40 million to 15 million and feedback from local governments that program awareness is low. This year, Ecology has also pointed to the recent waste characterization study indicating that significant amounts of CEPs are entering WA landfills. The reduction in pounds collected has been explained in the past by the lighter weight of modern CEPs. Thermos stated that he was in discussions about outreach with Ecology and that he thought we would need to add additional outreach in 2023. Outreach funding levels indicated that the average annual spending on outreach was \$41K per year over the 13 completed years of the program. Thermos stated that he expected outreach spending to be increased in 2023 but didn't expect that they would exceed \$100K. He also stated that if an agreement on outreach spending could not be reached, Ecology could require when the program plan is updated at the end of 2023. For this reason, Thermos believes it is in the best interest of the program to reach an agreement with Ecology on outreach spending and activities.

Melissa Mallory asked what outreach activities were occurring in 2022. Thermos stated that we have been using audio spots on podcasts and Internet radio stations, and billboards in small markets. This year we have added a collection site locator which will serve as a landing page for Internet ads. We will skip the small market

billboards this year but may return to them in future years. Gregg Chason asked that we return to the outreach discussion in the September board meeting.

9. Annual in-person (virtual) board meeting (September) – *Peter Thermos*

The Director reminded the board that the September board meeting would not be in-person but would be a virtual meeting with video and that a link would be sent to board members. The meeting will be held on September 15, 2022.

10. Matters to discuss at future meetings – *Peter Thermos*

- a. State Accountability Audit
- b. Outreach
- c. Earth Eye Trackers

The Director stated that the State Accountability Audit is underway and expected it to be completed in the coming weeks.

An outreach meeting is being planned by the Director. The meeting will be attended by local government communications staff and others with background in product stewardship. This meeting was suggested by Ecology to get input regarding strategy and tactics for 2023 outreach. An update will be provided at the next board meeting.

Thermos referenced comments made earlier in the meeting about the GPS tracker program being renewed for another year. Updates on the trackers will be given at future board meetings.

Adjourn meeting – the meeting was adjourned at 10:11 am