

WASHINGTON MATERIALS MANAGEMENT AND FINANCING AUTHORITY

Minutes Regular Meeting of the Board of Directors November 20th, 2008

The Board of Directors (“Board”) of the Washington Materials Management and Financing Authority (the “Authority”) held a regular meeting at 9:37 a.m. pacific time on Thursday, November 20th, 2008 at the offices of Van Ness Feldman in Seattle, Washington.

Directors Present:

Mary Jacques, Lenovo
Nick Ammann, Apple Computers
Mike Watson, Dell Computers
Meggan Ehret, Thomson, Inc.
Tala El-Husseini, PC Systems & Services, Inc.
David Thompson, Panasonic Corporation
Mark Dabek, RE-PC
Miles Kuntz, Dept of Ecology
Mike Moss, Samsung Electronics

Also Present Were:

John Friedrick, WMMFA Executive Director
Stephanie Scott, WMMFA Executive Assistant
John Yader, Apple Computers

Directors Absent:

Stacey Ward, Wal-Mart
Susan St. Germain, Dept of Community, Trade, & Economic Development
John Swiderski, Deer Park Computers Sales and Service
Jay Shepard, Washington Dept. of Ecology
Erik Stromquist, CTL Corp.

1. **Call to Order.**

Mike Watson called the meeting to order at 9:37 a.m.

2. **Approval of Minutes of Regular Meetings held 10/16/08.**

Discussion: The Board reviewed the Minutes of the Regular Meeting held on October 16, 2008. On a motion by Mike Watson to approve the minutes of the meeting.

Voted to approve the Minutes of the Regular Meeting held October 16th, 2008

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

3. Report on current financial position of the WMMFA

a. October & Cumulative P & L:

Discussion: John Friedrich had emailed a current Balance Sheet, Profit and Loss Statement, and 2008 YTD expense variance report to the Board Members for review. John asked for questions from the Board and explained major expense items..

b. Audit Agency and schedule:

Discussion: John Friedrich discussed with the Board that he had contacted (3) accounting firms and outline the services needed by a third party CPA's office to conduct a full yearly audit and quarterly audits of WMMFA's books. John explained to potential firms that their audience would be the Board Members. After selecting a CPA to perform these tasks, he had discovered they were no longer in business. He then resent an outline to (8) more CPA firms to hire a third party agency to perform audits. John will bring the information to the next Board Meeting held Dec 18th, 2008.

c. WMMFA expense report policy:

Discussion: John Friedrich will write a policy for vote to detail reimbursement of expenses. The suggested adopted policy mandates that any expense report turned in would be reviewed and a copy would be sent to the Treasurer. John will write such policy, submit to the Board Members for vote at the next Board Meeting held Dec 18th, 2009.

4. Legal counsel discussion: 2009

Discussion: John Friedrich informed the Board that the contract for legal counsel with Van Ness Felding expires at the end of the year 2008. John recommended renewal of such contract instead of searching for a new legal firm. The office of Van Ness Felding has met the Authority's standards for legal counsel to date. It would not be cost effective to try to get a new firm up to speed on the Recycling Program. On a motion by Mary Jacques to approve renewal of legal contract.

Voted to approve the renewal of the contract with the current legal counsel.

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

5. Flex Plan Update

Discussion: John Friedrich reviewed with the Board the applications that were received. (2) applications received to date. During the meeting (1) of the flex plan applicants, Samsung, withdrew their application. There was discussion on the State Plans verses an Individual Plan and the financial burden it proposes. The use of out of state processors require sampling at the

location chosen by the flex plan participant. The application for flex membership by Apple, Inc. is pending based on their selection of a processor that is approved by the state plan, but may not actually be based on other factors. The status of Apples' application as a flex member will be addressed at the next Board Meeting.

6. Octobers Manufacturer's Invoice determination summary and finalization:

Discussion: John Friedrich updated the Board on Octobers Invoices, informed them of the calls, and questions that were received by WMMFA office since the Invoices were mailed out. John answered questions for a few Manufacturers about Market Share being determined by weight. He feels confident the calculations for Octobers invoices were correct and true. WMMFA received a small percentage of requested information from the Manufacturers disclosing their Market Share.

7. General Operating Plan (revised) for adoption by resolution of the Board:

Discussion: John Friedrich requested discussion and vote to adopt the revised General Operating Plan based on amendments from suggestions received at the public hearing held in October, 2008. The Board members decided they needed more time to review the revisions and postponed a vote until the next Board meeting scheduled for Dec 18th, 2009.

8. Standard Plan Change Request Sec. B-3-3 Penalty clause for Manufacturers:

Discussion: John Friedrich discussed with the Board removing the clause in the Standard Plan that charges a 10% penalty for any Manufacturer who does not reflect Market Share data as compliance from Manufacturers was small. On a motion from Mary Jacques to remove the penalty for Manufacturers.

Voted to suspend the penalty for Manufacturers for not providing Market Share Data.

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

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

Discussion: John Friedrich discussed with the Board that WMMFA has (3) final Collection sites to locate per the law. Transporters, and Processors are registered with DOE. John asked for questions from the Board. No questions were asked.

10. 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 the printed material and plans to mail out tubes of printed materials to Collectors in 1 to 2 weeks. John

described 10 interviews held with newspapers, or radio stations around the state . Interest is expected to pick up nearer the kick off date.

11. Update on Return Share Sampling for 2009, cost estimates and time lines-

Discussion: John Friedrich has met with the Dept of Ecology and a statistic firm to go over sampling. It is predicted that 12,000-13,000 branded devices will be needed annually to determine the Return Share values for 2009. The sampling would take 10 to 15 days per quarter at the Processors, and up to 6 people to perform the sampling. John indicated he expected the cost per day to be between \$1,200 & \$1,500 per day. John indicated he would provide actual details by the next Board Meeting.

12. Matters to address in future meetings:

Discussion: Flex Plan applications status, expense report policy, return share sampling

13. Meeting Adjourned at 10:18am by Mike Watson