



**Board of Directors Meeting
Minutes – Approved**

DATE: Thursday, June 27, 2019	TIME: 11:47 a.m. – 5:20 p.m.
TELECONFERENCE: Toll free dial-in number: 1-877-394-5901 Local dial-in number: 416-548-6023 Conference ID:3476387 Moderator: RPRA	
Chair: Glenda Gies Directors: Tom Wright (Vice Chair), Mary Shenstone (Secretary), Ken Kawall (Treasurer), Joyce Barretto, David Brezer, Saqib Cheema, Andrea Nemtin, Robert Poirier, Rajesh Sharma, Nidhi Tandon Guests: Charles O'Hara, Resource Recovery Policy Branch, MECP John Armiento, Resource Recovery Policy Branch, MECP RPRA: Frank Denton, Noah Gitterman, Wilson Lee, Pat Moran, Sandra Montague, John Pinard, Geoff Rathbone Board Secretariat: Andrea Abraham	

1.0 Call to Order

With a quorum present, the meeting was called to order at 11:47 a.m.

1.1 Adoption of the Agenda

Motion: To adopt the meeting agenda as presented.

It was duly Moved, Seconded and Carried.

1.2 Declaration of Real, Potential or Apparent Conflict of Interest

No conflicts were declared.

2.0 Board In Camera Session

Motion: To move In Camera.

It was duly Moved, Seconded and Carried.



Motion: To move out of In Camera.

It was duly Moved, Seconded and Carried.

3.0 Board Chair Report

The Chair presented her report, which included an overview of discussions with the Minister and his staff.

4.0 CEO Report

The CEO presented his report, which included updates on stakeholder engagement activities, areas that the executive team are currently focusing on, an overview of discussions with the Ministry, and internal staff activities.

5.0 Consent Items

Motion: IT IS RESOLVED:

1. That the Board of Directors approve the following minutes:
 - 5.1 Minutes of May 16, 2019 Board Meeting
 - 5.2 Minutes of May 16, 2019 Annual Meeting of the Board

2. That the Board receive the remaining consent items:
 - 5.3 Business Arising
 - 5.4 Correspondence
 - 5.5 OTS Administrator Report
 - 5.6 Audit and Risk Committee Report Information Item
 - a) Minutes of April 25, 2019 Meeting
 - 5.7 Finance and Technology Committee Report Information Item
 - a) Minutes of March 26, 2019 Meeting
 - b) Minutes of May 2, 2019 Meeting
 - c) 2019 Review Board Remuneration and Board/CEO Expense Claims
 - d) Q1. 2019 Registry Expenditure Report
 - e) Q1. 2019 Quarterly Financial Report
 - f) Review Insurance Renewal
 - 5.8 WDTA Transition and Oversight Committee Report Information Item
 - a) Minutes of April 8, 2019 Meeting

It was duly Moved, Seconded and Carried.



6.0 Board Committee Reports

6.1 Audit and Risk Committee Report

a) Enterprise Risk Management

The Audit and Risk Committee Chair provided an update on the interim ERM report that was presented at the June 13, 2019 Audit and Risk Committee meeting.

6.2 Finance and Technology Committee Report

a) Credit Facility Renegotiation

The Chair of the Finance and Technology Committee presented a summary of recent staff meetings with financial institutions related to future financing needs. The Director of Finance and Administration provided an update on meetings with the Authority's current credit lender, as well as several other financial institutions.

There was a discussion about financing risks, including future financing terms and the uncertain timeline for final regulations for Electrical and Electronic Equipment, Batteries and other hazardous or special materials regulations.

6.3 WDTA Transition and Oversight Committee Report

a) Blue Box Steward Obligation Methodology for 2020

The Chair of the WDTA Transition and Oversight Committee informed the Board that, similar to last year, the Committee met with a delegation from Stewardship Ontario (SO) and a delegation from the Association of Municipalities of Ontario and City of Toronto (AMO/TO).

The Committee Chair noted that for the 2017, 2018 and 2019 Blue Box Steward Obligation the Authority had approved the methodology developed by WDO except for updating the mathematical calculation of the steward cost containment adjustment. The Committee Chair noted that, per the motion approved by the Board in June 2018, staff had invited SO and AMO/TO to collaborate on reviewing the methodology, and SO and AMO/TO chose not to collaborate. The WDTA Transition and Oversight Committee recommends continuing to utilize the 2019 methodology for the 2020 Blue Box Steward Obligation.

The Director of Transition noted that staff would utilize the best data available for each of the steps in the methodology in order to calculate the 2020 Blue Box Steward Obligation.

The Board and staff discussed a future process to explore possible modifications to the methodology.



Motion:

IT IS RESOLVED that Authority staff are authorized to calculate and publish the 2020 Steward Obligation, once the Blue Box Datacall data are verified, using the same methodology that was used to calculate the 2019 Steward Obligation.

IT IS FURTHER RESOLVED that Authority staff use the following steps to determine the Stewardship Ontario's 2020 Steward Obligation:

- a) determine the verified reported 2018 Gross Costs;
- b) add the costs for the InKind advertising utilized by municipalities to support the Blue Box Program Plan;
- c) deduct the cost of non-obligated materials, which can be reasonably characterized and calculated, in the Blue Box system;
- d) deduct the cost to reflect the application of municipal cost containment principles, i.e. cost bands;
- e) deduct the Average Revenue earned over the last three years;
- f) deduct/add the Prior Year Adjustments;
- g) divide the resulting Net Cost by two; and
- h) add the cost to reflect the application of steward cost containment principles, i.e., a contribution by stewards to reflect the increase in costs resulting from changes in the nature of packaging material in the Blue Box stream.

IT IS FURTHER RESOLVED that no contribution will be allocated to the Continuous Improvement Fund;

IT IS FURTHER RESOLVED that Authority staff are directed to publish this decision along with the 2020 Steward Obligation;

IT IS FURTHER RESOLVED that Authority staff are directed to calculate and publish the Municipal Funding Allocation Model, once the data are available, to identify the payout of the 2020 Steward Obligation to individual municipalities;

IT IS FURTHER RESOLVED that Authority staff are directed to continue to engage with the members of MIPC to determine if there is mutual interest in collaborating on additional analysis and potential modifications of aspects of the Steward Obligation methodology and data inputs, and if so, how that analysis should be conducted; and

IT IS FURTHER RESOLVED that in the event that the members of MIPC are not interested in collaborating on additional analysis or potential modifications, then staff will report to the Board on whether and how the Authority should undertake its own review of the aspects of the Steward Obligation methodology and data inputs.

It was duly Moved, Seconded and Carried.



d) Continuous Improvement Fund (CIF) 2019 – 2021 Strategic Plan

The Chair of the WDTA Transition and Oversight Committee presented the Committee's report to the Board on the CIF Strategic Plan, noting that the Committee recommends approval.

The Committee Chair reminded the Board that in approving the previous motion no funds from the 2020 Blue Box Steward Obligation were contributed to CIF for fiscal 2020.

Motion: IT IS RESOLVED that the *CIF Three-Year Strategic Plan (2019 – 2021)* is approved.

It was duly Moved, Seconded and Carried.

f) WEEE Wind up Plan

The Chair of the WDTA Transition and Oversight Committee presented the Committee's report to the Board on the WEEE Wind Up Plan.

The Committee Chair noted that a response to the Authority's report to the Minister on its consultation on use of the OES surplus to benefit consumers, which identified general stakeholder support for extending the WEEE wind up date, has not been received. Pending a response or further direction from the Minister to OES, the Committee recommends that the Board defer consideration of the Wind Up Plan submitted by OES as the Plan is based on a June 30, 2020 wind up date.

The Board discussed the draft Wind Up Plan and possible conditions of approval. The Board discussed the relationship between OES and the Electronic Products Recycling Association, noting the Minister's direction to ensure no conflicts of interest in the implementation of the wind up plan.

7.0 Registrar's Report

The Registrar presented his quarterly report to the Board, highlighting the following items:

- tire producer annual reporting and 2019 fee payment;
- an update on monitoring of Electronics Handling Fees charged by retailers to their customers after the OES steward fee was reduced to zero on February 1, 2019;
- how producers can meet requirements set out in the Tires Regulation to operate tire collection and management systems;
- compliance planning related to tire producers that have not fully met registration requirements or have failed to register.

The Registrar noted the lesson learned from the Tires Registry build to design and build the Registry based on the requirements set out in the final regulation. The Registrar highlighted the delivery risk associated with the June 30, 2020 wind up dates for WEEE and Batteries, as the final Electrical and



Electronic Equipment Regulation and the final Batteries Regulation are not yet available but call for producer registration to begin on January 1, 2020.

8.0 Other Business

No other business items were raised.

9.0 Generative Discussion ~ EEE and Batteries Regulations

John Armiento presented on the Ministry's draft regulations for Electrical and Electronic Equipment and Batteries under the *Resource Recovery and Circular Economy Act, 2016*.

Board members asked questions about various aspects of the draft Regulations.

10.0 In Camera Discussion

Motion: To move In Camera.

It was duly Moved, Seconded and Carried.

Motion: To move out of In Camera.

It was duly Moved, Seconded and Carried.

11.0 Adjournment

The meeting was adjourned at 5:20 p.m.

Glenda Gies

Mary Shenstone



Chair



Corporate Secretary