

Minutes
Annual Meeting
NERC Board of Directors
November 4, 2010
Approved January 18, 2011

Hotel Northampton, Northampton, Massachusetts

Present:

Board Members:, Sarah Kite, Rhode Island, President; Robert Isner, Connecticut; Greg Cooper, Massachusetts; Donald Maurer, New Hampshire; Brenda Grober, New York; Peter Pettit, New York; Carey Hengstenberg, Vermont

Guests: Nadwa Ali, New Jersey; Sam Morris, Maine; Julia Butzler, Vermont

Staff: Lynn Rubinstein, Executive Director and Secretary to the Board; Mary Ann Remolador, Assistant Director; Athena Lee Bradley, Projects Manager; Moon Morgan, Office Manager.

Recorder: Moon Morgan

Meeting Called to Order at 1:00 p.m. by the President of the Board.

I. Quorum and Bylaws Committee

Ms. Kite noted that NERC's bylaws require a minimum of seven states for a quorum. Board members from only six states are in attendance.

Ms. Rubinstein said that she will send four items via email to all Board members for a vote:

- Appointment of the Board
- Approval of the Annual Report
- Approval of the August Board of Directors meeting minutes
- Approval of the Treasurer's Report.

Ms. Kite suggested that a committee be formed to review the bylaws. Mr. Pettit said the bylaws of the Toxics in Packaging Clearinghouse may provide a useful framework. Ms. Kite said she would follow up with individual Board members to establish the committee.

II. Annual Meeting

Ms. Rubinstein said this meeting is the Annual Meeting of the NERC Board of Directors, at which state appointments to the Board are voted upon. She will coordinate that vote via email following the meeting.

III. Treasurer's Report – Vote Required

Mr. Maurer referred to the Treasurer's Report for the period July 1, 2010 to September 30, 2010 (Attachment A), which showed revenue of \$184,084 and expenses of \$113,747, a net of just over \$70,000 for the first quarter of the fiscal year.

He congratulated staff for keeping costs down and noted that revenues from state dues appear to be down. Ms. Rubinstein said all states that are going to pay have done so except Delaware, Massachusetts, and New York. Delaware's payment is expected, she said, and the status of Massachusetts and New York are unknown as of the meeting date.

Ms. Rubinstein explained that \$60,000 of the quarter's \$70,000 net can be seen in the unbudgeted revenue line item for sponsorship payments supporting the State Electronics Challenge (SEC). She said she is anticipating additional sponsorship payments in the coming quarter and that the SEC will be available nationally in January.

Mr. Pettit asked how NERC plans to use these unanticipated funds. Ms. Rubinstein said staff is developing a work plan including tasks and a timeline that combines related EPA grant budgets and time commitments for the expansion of the SEC activities. Once the work plan is completed, NERC will determine whether it is necessary to hire additional staff, possibly outside the region.

Mr. Maurer shared the news that he plans to retire from his state position on April 30, 2011, and the Board should prepare to select another Treasurer.

Ms. Rubinstein said she will facilitate an email vote to accept the Treasurer's Report.

IV. Election of Vice President - Discussion

Ms. Kite said that NERC's activities in electronics and organics have momentum and that this represents a pivotal point for NERC. With the retirement of former President Jeff Schmitt and the movement of Ms. Kite from Vice President to President, the Executive Committee is short by one member. She asked Board members to consider being on the Executive Committee at a time when the committee can be useful in helping NERC broaden its appeal, scope, and public visibility.

In response to a question about how state representatives who are not officially designated Board members can be more involved, Ms. Kite said the work of the Bylaws Committee may address that. Mr. Pettit suggested that the Committee may also consider a variety of membership options with varying levels of pricing and benefits.

V. Minutes from Summer Board Meeting Call – Vote Required

Ms. Rubinstein said she received no edits to the draft minutes that had been distributed before the meeting.

Following up on a reference in the staff reports section of the minutes, Mr. Pettit asked if a topic had been chosen for Ms. Rubinstein's presentation at the annual convention of the Institute of Scrap Recycling Industries (ISRI) in 2011. Ms. Rubinstein said the topic

is still open for discussion. She had proposed that the theme be what states have done to promote recycling business development. Board discussion introduced two additional topics: How Product Stewardship is Changing the Face of Recycling, and Supply-side or Demand-side: What Drives the Industry? Following up on a reference to NERC's administration of the Electronic Recycling Coordination Clearinghouse (ERCC) in the Treasurer's Report section of the minutes, Ms. Grober asked for more specifics on NERC's role in this project. Ms. Rubinstein explained that ERCC had been established by the National Center for Electronics Recycling and the Northeast Recycling Council at the original suggestion of Garth Hickle of Minnesota. More than twenty state and private sector (affiliate) members have joined, including two states in the past month.

She said NERC provides administrative support to ERCC, managing the project's funds, sending and tracking invoices, and tracking membership status. NERC also participates in conference calls of members. The National Center for Electronics Recycling is under contract to NERC and bills NERC quarterly for its costs. There is a quarterly administrative fee paid to NERC for its services.

Ms. Grober also asked for an update on NERC activity that might have resulted from the paper recycling summit sponsored by The Northeast Waste Management Officials' Association (NEWMOA), which was mentioned in the staff reports section of the minutes. Ms. Rubinstein said that NEWMOA is on the advisory committee of a NERC grant from EPA to increase paper recycling by businesses in the Northeast. In this role, NEWMOA will help identify businesses to work with as well as end markets

Ms. Grober commended NERC for the growth in its collaborative projects.

Ms. Rubinstein said she will facilitate an email vote on minutes of the August 2 meeting of the Board.

VI. Discussion of NERC's Strategic Position and Collaborative Opportunities

Ms. Kite explained that this agenda item grew out of the expression of Board members that they would like to see more active collaborative projects with themes more common to multiple state needs and priorities.

Ms. Grober said the New York State Recycling Markets Database could use information from other states because the effectiveness of the database depends on the quantity and quality of the listings provided. As markets do not stop at state borders, the more listings in the Northeast, the better it serves New York and the region.

Mr. Cooper suggested that there may be a way to include state surplus property listings in the regional Reuse Marketplace Website.

Ensuing discussion included the suggestion that states be offered different dues levels, depending on the projects they want to be involved in. Mr. Cooper suggested that the

next step would be to frame a membership fee structure that identifies regional services to be provided by NERC.

VII. Annual Report

Ms. Rubinstein said that the final version of the Annual Report for Fiscal Year 2010 had been distributed to Board members in advance of the meeting, following Board review of several drafts. No questions were raised about the report at the meeting. Ms. Rubinstein said she would facilitate an email vote to accept the Report.

VIII. Overview of Project Selection Process

Ms. Rubinstein distributed a handout titled How Decisions Are Made Regarding Potential Grant Projects (Attachment B).

Mr. Petit asked how the decision process for potential projects by the Toxics in Packaging Clearinghouse differs from NERC's process. Ms. Rubinstein said she shares grant solicitations with TPCH administrator Patricia Dillon and that Ms. Dillon brings her own ideas to Ms. Rubinstein. In addition, Ms. Dillon shares ideas with the TPCH Board of Directors.

IX. Other

Mr. Cooper asked how NERC decides travel priorities and whether the states are paying for a NERC employee's time while the employee is at any given event.

Ms. Rubinstein said that almost all non-grant funded travel was eliminated from NERC budgets about two years ago, reducing the line item from about \$15,000 to about \$1,000. Decisions to use what remains in that line item depend on the value of the initiative for NERC in relation to potential funding, collaboration, and recognition. The most recent decision to use that line item to attend the national Resource Recycling conference was done in consultation with the Board President.

Mr. Cooper suggested that Ms. Rubinstein continue to confer with either the President or the Executive Committee on the use of non-grant-funded travel.

X. Adjourn

The meeting adjourned at 4:20 p.m.

Attachment A

Treasurer's Report – November 4, 2010 Period Reported: July 1 – September 30, 2010

Revenue	Budget	July 1 – Sept. 30, 2010	% of Budget
Conference Sponsorship	\$7,500	\$4,500	60%
Other Sponsorship (SEC)	\$0	\$60,000	-
Grants/Consulting	\$415,713	\$74,567.77	18%
Interest	\$2,500	\$680.88	27%
Membership Dues	\$80,000	\$30,500.00	38%
Membership, Advisory	\$25,000	\$6,000.00	24%
Registrations	\$15,000	\$6,300.00	42%
State Travel Accounts	\$3,000	\$1,500.00	50%
Reimbursed Expenses	\$0	\$35	-
Total Revenue	\$548,713	\$184,084	34%
Expenses			
Administrative Fee	\$21,173	\$0	0%
Advertising	\$100	\$0	0%
Bank Service Charges	\$1,350	\$227	17%
Contract Labor	\$66,850	\$10,120	15%
Equipment Purchase	\$2,575	\$184	7%
Equipment Repairs	\$1,500	\$1,140	76%
Gifts Given	\$400	\$0	0%
Insurance	\$3,050	\$2,528	83%
Internet	\$2,933	\$711	24%
Member Travel	\$1,500	\$1,650	110%
Office Supplies	\$6,585	\$201	3%
Payroll	\$340,000	\$77,683	23%
Postage	\$465	\$119	26%
Printing (copying)	\$3,400	\$813	24%
Professional Services	\$5,000	\$3,020	60%
Program - Meeting Expenses	\$12,600	\$2,256	18%
Registrations	\$500	\$645	129%
Rent	\$15,000	\$3,689	25%
Subscriptions	\$150	\$0	0%
Telephone	\$4,595	\$902	20%
Travel	\$25,360	\$7,858	31%
Moved to Reserves	\$33,627	\$0	0%
Total Expenses	\$548,713	\$113,747	21%
Net		\$70,377	

NERC Reserves: \$294,306

Attachment B

How Decisions Are Made Regarding Potential Grant Projects

1. Lynn and Mary Ann review strategic plan, Board priorities for current and previous year, ideas offered by Board members at Board Meetings and in other discussions regarding projects, and prior operating plan survey responses, to identify potential projects.
2. Lynn makes initial decision – upon receipt of a solicitation or review of foundation areas of focus – whether there is a potential match between NERC goals and priorities, staff expertise and capacity, the funding source’s requirements, and likelihood of success.
3. Staff is asked to develop potential projects that meet these requirements.
4. Depending on the leeway available for submitting a proposal, Board Members may be surveyed for their ideas.
5. Once a decision is made to likely proceed, the intended project lead (determined by Lynn in consultation with staff) is asked to prepare a brief description of the project for distribution to Board members in the state(s) in which the project is eligible for implementation.
6. Board members are contacted regarding the funding opportunity and proposed project concept and asked if they want their state to participate (be included in the proposal). Only if one or more states respond “yes” is the proposal pursued.
7. If the full Executive Committee did not already receive the above mentioned information, then all members are sent the inquiry.
8. Ultimately, whether to proceed is a decision made by Lynn based on balancing a number of criteria, including but not limited to:
 - Board priorities
 - Organization priorities
 - Upcoming projected cash needs to fund staff and maintain the organization
 - Balance between effort to submit the proposal, likelihood of success, and return on effort
 - Whether a match is required and the potential for indirect payments