



**Board of Directors Meeting  
Minutes – Approved**

<b>DATE:</b> Tuesday November 27, 2018	<b>TIME:</b> 10:00am – 12:00pm
<b>LOCATION:</b> 4711 Yonge Street, Suite 408, Toronto Ontario	
<b>Chair:</b> Glenda Gies <b>Directors:</b> Tom Wright (Vice Chair), Joyce Barretto (Secretary), Saqib Cheema, Ken Kawall (Treasurer), David Brezer, Andrea Nemtin, Robert Poirier, Rajesh Sharma, Mary Shenstone, Nidhi Tandon	
<b>Guests:</b> John Armiento, Resource Recovery Policy Branch, MECP	
<b>RPRA:</b> Frank Denton, Noah Gitterman, Sandra Montague, Geoff Rathbone	
<b>Board Secretariat:</b> Andrea Abraham	

**1.0 Call to Order**

With a quorum present, the meeting was called to order at 10:00 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**

None was declared.

**2.0 OES Wind up Plan – Fee Elimination**

The Director of Transition presented to the Board a decision by OES to reduce fees for all 14 EEE material categories to \$0.00, starting February 1, 2019. As a result of a favourable tax court decision, OES has been able to claim Input Tax Credits (ITCs) retroactively to 2010 for HST paid to third parties in operating the WEEE program. To date OES has received \$29.8M in retroactive ITCs. In addition to a previously forecasted reserve of \$44M, OES is now expected to have a reserve of at least \$77.1M at the end of 2018.

The Director of Transition noted that the Minister's wind up letter to OES directed OES to eliminate fees in order to minimize any remaining surplus funds, and, if fee elimination is proposed, to eliminate the fee as soon as feasible. Consistent with this direction, OES has proposed to reduce its steward fees to



zero starting February 1, 2019, which would allow for a 60-day notice period to stewards in advance of the elimination.

The Director of Transition informed the Board that Authority staff reviewed OES's proposal, and assessed the financial risks to OES in eliminating its fees starting February 1, 2019, before the wind up plan is submitted to the Authority for approval. The results of OES's consultation on the proposal to eliminate the fees were also presented to the Board.

The Board asked a number of questions regarding potential financial risks to OES, due diligence conducted by staff, potential stakeholder concerns, and the Board's role in responding to OES's proposal in advance of OES's submission of a wind up plan for approval.

**Motion:**

IT IS RESOLVED that the Board supports OES's decision to assess a fee reduction to \$0.00 for all EEE material categories in the OES program effective February 1, 2019, and to announce the fee reduction to stewards no later than December 3, 2018, in advance of submitting a wind up plan to the Authority for approval, consistent with the intent of the Minister's wind up direction to OES and the Minister's policy direction to the Authority.

**It was duly Moved, Seconded and Carried.**

**3.0 MHSW Wind up Plan – SO Conflict of Interest**

The Director of Transition presented a summary of Stewardship Ontario's proposal to address real, potential, and apparent conflicts of interest (COI) in the preparation and implementation of its wind up plan for the MHSW program. The COI mitigation proposal was developed with input from Authority staff and the Authority's external governance consultant. Components of the COI proposal will be included in the wind up plan, which will be consulted on by Stewardship Ontario and submitted to the Board for approval.

The Board discussed the COI proposal. The Director of Transition explained that Stewardship Ontario would first implement the COI proposal, and then begin to develop the MHSW wind up plan for consultation.

**4.0 Other Business**

No other business.

**5.0 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.**

**6.0 Adjournment**

The meeting was adjourned at 12:04 p.m.

Glenda Gies

Chair

Joyce Barretto

Corporate Secretary

