

## Exhibit A

- (2) The Executive Director may authorize new Agreements if the estimated project costs, excluding any grant or other recovery funding but including any advanced work to implement the terms of the agreement and past remediation expenditures, are less than \$350,000.
  - (a) *An estimate or range of estimated costs for the overall future environmental remediation associated with the agreement and future anticipated Agreements will be reviewed at the time of the request for authorization.*
- (3) Commission authorization is required for Agreements where the estimated project costs to implement the terms of the Agreement, excluding any grant or other recovery funding but including any advanced work and past remediation expenditures, exceed \$350,000.
  - (a) *An estimate or range of estimated costs for the overall future environmental remediation associated with the Agreement and future anticipated Agreements will be reviewed at the time of the request for authorization.*
- (4) Project spending associated with Agreements shall be subject to the requirements set forth in Section IV.B.(2) pertaining to Projects.

### **E. Policies and Procedures**

The Executive Director is authorized to adopt any administrative policies and procedures necessary to implement the delegations contained in this Master Policy Directive.

### **F. Non-Discrimination and Equal Opportunity**

It is the basic policy of the Port to provide equal opportunity to the users of all Port services and facilities and all contracting entities. Specifically, the Port will not tolerate discrimination against persons on grounds of age, race, color, national origin/ancestry, ethnicity, religion, disability, use of protected sick or family medical leave, pregnancy, sex/gender, sexual orientation, whistleblower status, marital status, workers' compensation use, gender expression or identity, political beliefs, military or veteran status, or any other protected status, as guaranteed by local, state, and federal laws. The equal opportunity principles described in this policy shall apply to the Port's employees, customers, consultants, contractors, and vendors to the extent possible and as required by law. This policy is to be implemented by the Executive Director as specifically set forth in Port policies, equal employment opportunity and small business, women, minority, and disadvantaged business participation in Port contracts. The Executive Director shall annually report to the Commission on the implementation of this policy.

## **VII. POLICIES GOVERNING THE USE AND SALE OF MITIGATION CREDITS**

### **A. Scope**

The Port of Tacoma currently has one (1) certified Mitigation Bank (Upper Clear Creek Mitigation Bank) and two (2) Advance Mitigation Sites (Place of Circling Waters and Lower Wapato Creek Habitat Project). The policies in this section govern the sale of Mitigation Bank credits to third parties and the use of Advance Mitigation Site credits for Port and/or Alliance projects.

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### B. Use of Mitigation Credits

- (1) The preferred use of Mitigation Bank and Advance Mitigation credits is to provide a source of mitigation for unavoidable impacts of current and future Port and Alliance development and/or redevelopment Projects.
- (2) The Port Commission will only consider authorizing the sale of Mitigation Bank credits to third parties as provided for in Section C below if such credits are determined to be surplus to the Port's needs pursuant to RCW 53.08.090 within a ten (10)-year planning horizon.

### C. Sale of Mitigation Bank Credits

- (1) Sale to Third Parties
  - (a) *Mitigation Bank credits will only be sold to third parties upon Commission approval of a resolution which both declares the credits to be surplus to the Port's needs pursuant to RCW 53.08.090 and authorizes the sale.*
  - (b) *The Commission may only approve a resolution authorizing the sale of surplus Mitigation Bank credits to third parties where the proposed sale meets all of the following criteria:*
    - (i) *The credits to be purchased are being used for a public or private project which directly supports the Port's mission and goals as expressed in the Port's current Strategic Plan. These types of projects include, but may not be limited to, cargo, logistics, and transportation.*
    - (ii) *The proposed credits will be sold at fair market value, or at the Port's anticipated replacement cost, whichever is greater. Fair market value shall be established through an appraisal or equivalent analysis considering the market demand for credits within the relevant mitigation bank service area and within the nearby region, as of the time of the sale. The anticipated replacement cost is the anticipated cost to replace mitigation credits in the future calculated based on net present value of past projects and/or cost estimates for future projects with appropriate contingency.*
    - (iii) *The sale must have a minimum value of \$350,000 regardless of the number of credits sold.*
    - (iv) *The Executive Director has reviewed the proposed sale for compliance with these requirements and recommended approval to the Commission.*
- (2) Sale to the Alliance. Subject to Commission approval, Mitigation Bank credits may be sold to the Alliance on the terms and conditions provided for in Article 3.2(f)(iii) of the Second Amended Alliance Charter for "Future Mitigation Sites".

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### D. Use of Advance Mitigation Site Credits

- (1) Use for Port Projects. Use of Advance Mitigation Site credits for Port Projects is subject to Commission approval. Commission approval for the use of Advance Mitigation Site credits may be provided in conjunction with a Project Authorization or through a separate Commission action.
- (2) Use for Alliance Projects. The Port may offer the Alliance the opportunity to use Advance Mitigation Site credits on the terms and conditions provided for in Article 3.2(f)(iii) of the Second Amended Alliance Charter for “Future Mitigation Sites”. Use of Advance Mitigation Site credits by the Alliance is subject to Commission approval.