

EXHIBIT I
**PORT'S NON-DISCRIMINATION AND
SMALL LOCAL BUSINESS UTILIZATION AND PREVAILING WAGE POLICY**

A. Local Business. Buyer shall use good faith efforts to hire the following percentages of Business Enterprises from the Local Impact Area:

- i. Contractors: 25%; and
- ii. Consultants: 35%

If LIA Business Enterprises are not ready, willing and able to perform the required services, Buyer may hire Business Enterprises from the Local Business Area to meet the above-mentioned percentages; provided, however, such LBA Business Enterprises will only be credited at 50% of their contract value. Buyer will work with a representative from Seller's Social Responsibility Division, Contract Compliance Department to devise a system of reporting and monitoring that will adequately ensure Buyer's use of good faith efforts to meet the above-mentioned percentages for LIA business participation.

1. Definitions:

- a. The term "Commercially Useful Function" shall mean that the business is directly responsible for providing the materials, equipment, supplies or services to Buyer, its contractors or subcontractors as required by solicitation, request for quotes, bids or proposals. Businesses acting as a passive conduit rather than contributing a value added or actual portion of the work will not be considered as performing a "commercially useful function".
- b. The term "Good Faith Efforts" includes but is not limited to the following affirmative action steps:
 - 1. Active solicitation of LIA/LBA Business Enterprise bids;
 - 2. Documented contacts with LIA/LBA Business Enterprise associations and related entities;
 - 3. Provision of assistance to LIA/LBA Business Enterprise in such matters as bid preparation and obtaining bonds and insurance;
 - 4. Encouragement of contractors and consultants to utilize LIA/LBA Business Enterprise subcontractors and subconsultants;
 - 5. Advertising for bids from LIA/LBA Business Enterprise contractors or suppliers in the Daily Construction Service, Daily Pacific Builder, and with trade associations, newspapers, radio stations and other media located in or serving the Local Impact Area or Local Business Area; and
 - 6. Utilizing LIA/LBA Business Enterprise contractor, subcontractor or supplier lists available from Seller, State of California, federal government or elsewhere.

- c. The term “LIA Business Enterprise” or “LBA Business Enterprise” shall mean an economically independent and continuing business performing a commercially useful function for profit which is located within the Local Impact Area/Local Business Area, respectively, as shown by the following:
 - 1. The business must be located at affixed commercial or residential address which constitutes a business location and where administrative, clerical, professional or productive work is being continuously performed, relative to its commercial contacts, and not a temporary or movable office, a post office box or telephone answering services; and
 - 2. The location of the business must also have been within the Local Impact Area/Local Business Area for at least one year prior to the bid or proposal due date; and
 - 3. The business must have a valid business license or tax certificate from its respective city dated at least one year prior to the bid or proposal due date; and
 - 4. The business must have proof of past contracts citing the Local Impact Area/Local Business Area business address; and
 - 5. The LIA/LBA Business Enterprise shall be considered bona fide if the business’ ownership interests are real and continuing and not created merely for the purpose of meeting the objectives of the this provision.
- d. The term “Local Business Area” shall mean Alameda and Contra Costa Counties.
- e. The term “Local Impact Area” shall mean the cities of Oakland, Alameda, Emeryville and San Leandro.

B. Prevailing Wage Provisions. Buyer shall require all of its contractors and subcontractors to pay all of their workers employed in the initial construction (not to include maintenance or rehabilitation) of any Project improvements (whether or not such