



Texas Land Conservation Conference

George Kelly, Chief Markets Officer

Presentation Agenda

- Introduction to RES
- US: Regulatory offsets ('mitigation'): wetlands & streams
- Critical elements





RES Company Snapshot

Overview

- RES is the premier provider of ecological and water resource solutions in the US
- RES founded in 2007
 - In 2014, RES acquired EBX, founded in 1998
 - In 2016, RES acquired Angler Environmental, founded in 1999
- 40,400 acres of restored and protected wetlands
- 180+ miles of streams restored and conserved
- 225 mitigation sites, completed or in process
- 20,000 acres of custom, turnkey mitigation solutions
- Over 350 stormwater management facilities designed and constructed
- 600 commercial, municipal and residential stormwater management facilities maintained
- 240 tons of water quality nutrient reductions
- 400 erosion and sediment control inspections at active construction sites across eight states
- 3,700 acres of endangered species habitat restoration and preservation
- 10,000,000 restorative trees planted across all operating regions
- Over <u>1,750</u> federal and state permits received using RES-supplied compensatory mitigation solutions.

Mission

Resource Environmental Solutions (RES) delivers comprehensive ecological restoration and water resource solutions that help project developers obtain required permits and stay in compliance when projects impact wetlands, streams and habitats

We help clients manage risk from operations in environmentally sensitive areas by providing proactive project impact analyses, streamlining permitting processes, and limiting liability and regulatory exposure





Ecological Restoration & Water Resource Solutions

Solution Delivery

Wetland and Stream Offsets Species
Habitat and
Mitigation

Impervious
Acre/
Reduction
Nutrient and
Buffer Credits



Stormwater

Monitoring and

Maintenance



Ecological Construction

Compliance Inspection





Success History

Zero project site failures

Zero site violations or infractions

Achieved all success criteria, performance monitoring and reporting requirements

78.9% tree survivability



Evolution of the Wetland / Stream Market

- Market driven by Clean Water Act goal of "no overall net loss" of wetland acres and functions announced in 1989. Applies to streams as well.
- From 1989 to 1995, mitigation process was ad hoc. Federal Guidance was issued in 1995, which promoted increased mitigation through private sector.
- Three forms of implementation: 1) permittee-responsible mitigation; 2) mitigation banks; 3) payment to in-lieu funds. Last two mechanisms are referred to as third-party mitigation, since responsibility and liability for completion is transferred to a party other than permittee.
- New regulations effective June 9, 2008, seeks to promote one standard for mitigation. "Preference" for mitigation banking. 12 uniform components.



Critical Wetland/Stream Market Elements

- Clear policy goals and strict enforcement -"no net loss"
- Evolution to uniform mitigation standards (although regional variation allowed for technical approach)
- Rigorous certification process of mitigation process
- Mitigation easily understandable by impactors (Compensation ratio 1-2 times impact)
- Permanency of land protection
- Transfer of liability to mitigation project sponsor if a bank







