



Board of County Commissioners

State of Florida

March 20, 2018

Honorable Don Gaetz, Chairman
Triumph Gulf Coast, Inc.
Attn: Susan Skelton, Executive Director
P.O. Box 12007
Tallahassee, FL 32317

RE: Okaloosa County Project Application-Bob Sikes Water & Sewer Disposal Expansion

Dear Mr. President:

Please find the enclosed application for the above project. This project has been approved by the Board of County Commissioners (Board) for official submission to Triumph Gulf Coast, Inc. and is hereby presented for your consideration.

The Board appreciates your service and commitment to the statutory mission of Triumph, and your thoughtful project deliberations as our long-term partner in providing economic recovery, diversification and enhancement of the eight disproportionately affected counties.

Recognizing Triumph's goal to leverage available funds for transformational projects within impacted communities, the County is providing this project submission as the follow-up for the initial pre-application previously approved. Having carefully evaluated the benefits to the local economy and already having expended \$658,774 in County funds, the Triumph match of \$1,500,000 requested will finish out the project to completion.

Thank you in advance for your consideration of the above-mentioned project. Should you have any questions or need further information, please contact Jane Evans, Grants and Restore Manager at (850)651-7521 or jevans@co.okaloosa.fl.us.

Sincerely,



Commissioner Graham W. Fountain
Chairman



**TRIUMPH GULF COAST, INC.
FUNDING PROPOSAL**

**BOB SIKES WATER RECLAMATION FACILITY
EFFLUENT DISPOSAL EXPANSION**

(Reference: #38 Pre-application)

**Application submitted by
Okaloosa County Board of County Commissioners**

March 2018

Applicant Information

1. Name of Entity/Organization: Okaloosa County Board of County Commissioners

2. Background of Applicant Individual/Entity/Organization:

Okaloosa became the 52nd county in Florida on September 7, 1915 and was created from part of Santa Rosa and Walton Counties. The purpose of Okaloosa County Government is to be responsive to citizens in providing an appropriate level of accessible services on a cost-effective basis. Critical County values include the following: continual improvement of infrastructure; health safety, and well-being of the citizens; preservation of natural resources; responsible economic development; leadership; and stewardship.

Retrieved from <https://www.co.okaloosa.fl.us/>

3. Federal Employer Identification Number: 59-6000765

4. Contact Information:

Primary Contact Information: Jane Evans

Title: Grants & RESTORE Manager

Mailing Address: 1250 North Eglin Parkway, Suite 102
Shalimar, FL 32579

Phone: 850-651-7521

Email: jevans@co.okaloosa.fl.us

Website: www.myokaloosa.com

5. Total amount of funding requested from Triumph Gulf Coast: **\$1,500,000**

6. Has the applicant in the past requested or applied for funds for all or part of the proposed project/program?

Yes

If yes, please provide detailed information concerning the prior request for funding, including:

- Feb 2015 – State of Florida Water Project Appropriation Request for FY2015-16
 - Funding was not received
- Dec 2015 – State of Florida Water Project Appropriation Request for FY2016-17

- Funding was not received
- Aug 2016 – RESTORE Act Pot 2 via FDEP portal
 - Funding is uncertain
- Aug 2016 – RESTORE Act Pot 3 via Gulf Consortium’s State Expenditure Plan (SEP) Project Nomination Form
- Funding is included in the Draft SEP. This funding is scheduled for year 10 and is not guaranteed.
 - Funding for this project is needed before then.
- Jan 2017 – State of Florida Water Project Appropriation Request for FY2017-18
 - Funding was not received

7. Describe the financial status of the applicant and any co-applicants or partners:

Please find the 2016 Comprehensive Annual Financial Reports (CAFR) at the Okaloosa County website, <http://www.co.okaloosa.fl.us/bcc/budget>. The 2017 report will be posted at this site when available.

8. Has the applicant or any co-applicants, partners or any associated or affiliated entities or individuals filed for bankruptcy in the last ten (10) years?

No

Eligibility

1. From the choices below, please check the box that describes the purpose of the proposed project or program (check all that apply):

- ☒ Public infrastructure projects for construction, expansion, or maintenance which are shown to enhance economic recovery, diversification, and enhancement of the disproportionately affected counties

2. Provide the title and a detailed description of the proposed project or program, including the location of the proposed project or program, a detailed description of, and quantitative evidence demonstrating how the proposed project or program will promote economic recovery, diversification, and enhancement of the disproportionately affected counties, a proposed timeline for the proposed project or program, and the disproportionately affected counties that will be impacted by the proposed project or program.

a. Project Title:

Bob Sikes Water Reclamation Facility Effluent Disposal Expansion for Okaloosa Water and Sewer (OCWS)

b. Project Manager:

Mark Wise – Water & Sewer Deputy Director
Okaloosa County
(850) 685-0297
mwise@co.okaloosa.fl.us

c. Project Description & Location:

Project Location - The Bob Sikes Industrial Park (BSIP) is east of Crestview, Florida, and is located within OCWS' Mid County Service Area. To be more specific, the BSIP is located south of Airport Road, west of Fairchild Road, north of Highway 90, and east of John Givens Road. Both the BSWRF itself and the effluent disposal fields are located in and adjacent to the BSIP. The expanded fields have been designed and permitted to use land that is unavailable for other above ground structures due to proximity to the runway, which is an added benefit to expansion of the BSIP. In addition, a new entrance to the Airport and BSIP has been planned and designed for construction in the near future to further spur growth. The proposed roadway construction is being designed in proximity to the area dedicated for the effluent disposal capacity expansion, and neither project should interfere with the other. The Bob Sikes Water Reclamation Facility (BSWRF) has carried this name for years, however, in February 2018 the facility name changed to "Jerry D. Mitchem Water Reclamation Facility at the Bob Sikes Industrial Park". The new name honors the dedicated employee that ran this plant for many years and suddenly passed away due to a heart attack two years ago. For the purposes of this application, we will continue with the name "BSWRF".

To pave the way for economic development projects to occur in areas throughout the unincorporated Okaloosa County service area east of Crestview, Florida, wastewater disposal capacity must be expanded. This includes future development of the Bob Sikes Industrial Park, residential/commercial growth west of the Shoal River and north of Airport Road, residential/commercial/industrial growth east of the Shoal River, and a potential future industrial park at the Shoal River Ranch. In order to be proactive and posture for this growth, the effluent disposal capacity at the BSWRF should be expanded from 0.4 million gallons per day (MGD) to 1.1 MGD, matching the capacity of the BSWRF itself. The BSWRF is located at the economically booming Bob Sikes Industrial Park (BSIP) surrounding the Bob Sikes Airport east of Crestview.

The wastewater treatment facility itself has been previously upgraded to a capacity of 1.1 MGD, producing high quality effluent, suitable for disposal via subsurface absorption fields. In order to increase the disposal capacity to 1.1 MGD, the absorption fields must be expanded and the effluent force main must be upgraded in diameter. The expanded absorption fields would be constructed on County-owned property around the existing fields and the runway at the Bob Sikes Airport.

This expansion of wastewater disposal capacity will support local economic activities (particularly DOD-related industries) at and around the rapidly growing industrial park, as well as other industrial, commercial, and residential development throughout OCWS' Mid County Service Area. With expanded wastewater disposal capacity, this project opens the door for future wastewater collection system improvements to be built or upgraded, which will in turn protect

the delicate local ecosystem by discouraging the installation of thousands of individual septic tanks.

The nature of absorption beds leads to increased local groundwater recharge with no wasted water via evaporation (as with a sprayfield). There will be no loss or change of habitat as the area of construction is currently grassed and will remain so after construction. The grassed area in the vicinity of the expanded fields will be healthier after construction as it will receive a constant supply of water.

Additionally, this project would support the goals established by the Northwest Florida Greenway Project, which represents the partnership between military, government, and non-profit organizations for the enhancement of the military mission in Northwest Florida while enhancing the local economy and conserving ecosystems. In addition, investing proactively in centralized public water and sewer is the responsible approach in keeping the environment and water supply sustainable, preempting the installation of thousands of septic tanks and individual water wells spread throughout the area, particularly in the watershed of the Shoal River which traverses across Okaloosa and Santa Rosa Counties before eventually emptying into the Gulf of Mexico in Escambia County.

The requested \$1.5 M from Triumph is 69.5% of the total project cost of \$2,158,774 for the entire effluent disposal project, \$658,774 of which has already been spent by OCWS from internal funding for planning, design, permitting of complete project and construction of the first phase, which is currently in operation.

d. Economic Recovery, Diversification and Enhancement Description

With locational advantages already proven to be of considerable value to the manufacturing sector, the Bob Sikes Airport presents a compelling opportunity to accommodate larger scale, high value economic development projects – opportunities that stand to be effectively unlocked with the provision of adequate water/sewer infrastructure.

The state and specifically, Northwest Florida has placed an increased emphasis on the manufacturing industry as a targeted sector for economic diversification. Manufacturing in the Aviation/Aerospace sector is a highlighted sector on its own. It is a known fact that manufacturing employment percentages in Florida (3.9%) and the region (3.3%) currently lag the nation as a whole – where manufacturing represents 7.9% of overall employment. For an area heavily dependent on military and tourism employment, this lack of economic diversity was glaringly apparent in the wake of the Deepwater Horizon Oil Spill in 2010 followed by defense Sequestration in 2013 for an area heavily dependent on military and tourism. The need to diversify the economy continued to be a priority of Okaloosa County and its neighbors. Furthermore, existing aerospace manufacturing companies are diversifying their portfolio to include commercial aviation services in addition to military contracts.

According to the Manufacturing Institute, Manufacturing's multiplier effect is stronger than that of other sectors. The backward linkage (or multiplier effect) shows that "Every dollar in final

sales of manufactured products supports \$1.33 in output from other sectors—this is the largest multiplier of any sector. Manufacturing plants, therefore, have a powerful and positive impact on economic development.”

The positive impact of manufacturing jobs is also illustrated in the Northwest Florida Forward Strategic and Technical Reports authored by TIP Strategies and spearheaded by Florida’s Great Northwest. According to Policom Corporation, 500 manufacturing jobs create another 1,938 jobs in the restaurant, healthcare, retail, real estate, finance and construction industries. Monetarily, it would create more than \$164 million in community payrolls, support 1,967 households, generate \$17.5 million in local and state taxes and causes more than \$420 million in economic transactions within the community.

e. Proposed Project Timeline

- Design and Permitting – completed in 2009
- Review, Update Design, Produce Bid Documents and Obtain FAA Permit for final phase – 2 months
- Bidding – 4 months
- Construction – 12 months

All above durations are approximate

f. Disproportionately Affected Counties

- Okaloosa
- Santa Rosa
- Escambia

3. Explain how the proposed project or program is considered transformational and how it will affect the disproportionately affected counties in the next ten (10) years.

Okaloosa County is an important working-class community. The people who live in the County support the military mission, members of the armed forces, and thriving nearby tourist industries. The activities of Bob Sikes Airport, Bob Sikes Industrial Park (BSIP), and the surrounding areas provide a significant portion of the local economy, particularly in the area north of Eglin AFB. Modern, public water and wastewater infrastructure in the area is important, given increasing DOD contracts and USAF partnerships. Providing for these partnerships is leading to heightened demand for water and wastewater infrastructure in the unincorporated County service area east of Crestview, including the multimodal Highway 90/I-10/CSX railroad corridor, stretching to the Walton County line. Improvements to the availability, capacity, efficiency, and reliability of the wastewater infrastructure for this growth area will not only affect commercial and industrial expansion but also provide further opportunities for residential development that will follow increased business opportunities.

Florida's economy is deeply intertwined with its airport system and aviation industry. Okaloosa County serves as an important element of this system due to its aviation investments that support tourism, local endeavors, and the military. Okaloosa's gross economic impact is \$8.8 billion, providing over 71,780 jobs. The Bob Sikes Airport, serviced by Bob Sikes Water Reclamation Facility, houses an 8,000-foot runway. Although the Boeing C-17 Globemaster III routinely utilizes the Bob Sikes Airport, the airports runway can facilitate any aircraft in the U.S. Air Force's inventory. Additionally, the Air Force and Navy use the airport for extensive flight training purposes due to its Instrument Landing System. In Okaloosa County, defense-related spending exceeds \$3.1 billion dollars—73% of economic activity. Bob Sikes is a key player for the local community, providing over 2,700 jobs, which host a total payroll of about \$108M per year. These impacts come from the airport itself, its tenants, and visitors utilizing general aviation aircraft. These visitors alone generate an indirect impact of \$1.85M per year to the community. Infrastructure improvements to the BSIP service area along the Highway 90 corridor will help to ensure long-term financial stability for the community and region. Fitting with Northwest Florida FORWARD goals, completion of this project would help to keep Florida's infrastructure state-of-the-art and further improve Florida's diverse and vibrant economy throughout the next 10 years and beyond.

4. Describe data or information available to demonstrate the viability of the proposed project or program.

The Bob Sikes Water Reclamation Facility (BSWRF) Effluent Disposal Expansion project is considered viable and feasible with respect to the ability to: 1) obtain remaining necessary permits; 2) construct the project within the proposed budget; and 3) effectively operate and maintain the project components over the long term. This expansion project is already permitted by the FDEP and included in the operating permit of the BSWRF. Federal Aviation Administration (FAA) permits will need to be obtained, along with final approval from Okaloosa County Airports Department. Once the project is completed and infrastructure online, Okaloosa County Water & Sewer (OCWS) will own and maintain the absorption beds via its annual budget derived from the enterprise fund.

The project is endorsed by the Okaloosa County Board of County Commissioners and supported by the Okaloosa County Economic Development Council (EDC). The EDC is regularly soliciting economic opportunities for the properties east of Crestview, especially in the Shoal River Ranch megasite area and a future land use-designated industrial park.

The project will be an expansion of existing facilities using modern technology that has worked well for effluent disposal near the Bob Sikes Airport for over a decade with very minor maintenance and/or repairs required during its lifespan.

5. Describe how the impacts to the disproportionately affected counties will be measured long term.

The request for the Bob Sikes WRF Effluent Disposal Expansion directly ties in with the Northwest Florida Forward recommendation found within the “Infrastructure” Goal – Specifically 3.4 – “Ensure that the necessary infrastructure improvements to ports and airports to accommodate new private investment and employment are funded.” The expansion will allow the county to maximize the aviation cluster as the community competes for larger aviation companies. It will allow the company to serve large manufacturing companies within Okaloosa County’s Bob Sikes Industrial Park. Simply put, the impacts of this project will be measured by enumerating the new jobs created and summing the up-front capital investments, not just by this project, but by the other future development projects that will develop through doors opened by this critical project.

6. Describe how the proposed project or program is sustainable. (Note: Sustainable means how the proposed project or program will remain financially viable and continue to perform in the long-term after Triumph Gulf Coast, Inc. funding.)

The proposed expansion will become part of the OCWS wastewater system and will be maintained with OCWS budgeted O&M funds throughout its lifespan, serving the described area for decades to come.

7. Describe how the deliverables for the proposed project or program will be measured.

The proposed expansion to complete the project will be constructed with Triumph funding and will become part of the OCWS wastewater system, expanding the capacity of the water reclamation facility from 0.4 MGD to 1.1 MGD per the FDEP operating permit for the plant.

Priorities

1. Please check the box if the proposed project or program will meet any of the following priorities (check all that apply):

- ☒ Leverage or further enhance key regional assets, including educational institutions, research facilities, and military bases.
- ☒ Partner with local governments to provide funds, infrastructure, land, or other assistance for the project.
- ☒ Benefit the environment, in addition to the economy.
- ☒ Provide outcome measures.
- ☒ Are recommended by the board of county commissioners of the county in which the project or program will be located.

2. Please explain how the proposed project meets the priorities identified above.

This project will increase wastewater disposal capacity in the Bob Sikes Industrial Park and other surrounding areas in the Mid County service area (which includes the Shoal River Ranch property megasite on Hwy 90 East). Investing in this public utility infrastructure project will facilitate new private sector land development and thus, job creation. This industrial park is

already a key regional asset, as Department of Defense research and industrial development occurs. Other land in the Bob Sikes WRF service area is regularly identified by the Okaloosa County Economic Development Department as key to the region and is marketed as a future industrial park.

Okaloosa County Water and Sewer (OCWS) has previously expended \$658,774 for the construction of the first phase of effluent disposal as well as planning, design and permitting for completion of the project. In addition, OC Airports Department is providing property to locate the expansion near the runway of the Bob Sikes Airport.

The nature of absorption beds leads to increased local groundwater recharge with no wasted water via evaporation (as with a sprayfield). There will be no loss or change of habitat as the area of construction is currently grassed and will remain so after construction. The grassed area in the vicinity of the expanded fields will be healthier after construction as it will receive a constant supply of water.

Investing proactively in centralized public water and sewer is the responsible approach in keeping the environment and water supply sustainable, preempting the installation of thousands of septic tanks and individual water wells spread throughout the area, particularly in the watershed of the Shoal River (which flows through three disproportionately affected Counties)

The impacts of this project will be measured by enumerating the new jobs created and summing the up-front capital investments, not just by this project, but by the other future development projects that will develop through doors opened by this critical project.

Documentation of the recommendation for this project by the BCC is included elsewhere in this application

3. Please explain how the proposed project or program meets the discretionary priorities identified by the Board.

The Okaloosa County BCC has regularly endorsed this project and approved it for grant funding. Specifically, on Nov. 13, 2017, the BCC approved this project to be submitted to Triumph Gulf Coast, Inc. For the reasons explained above, it is a high priority by the BCC.

4. In which of the eight disproportionately affected county/counties is the proposed project or program located?

Okaloosa County

5. Was this proposed project or program on a list of proposed projects and programs submitted to Triumph Gulf Coast, Inc., by one (or more) of the eight disproportionately affected Counties as a project and program located within its county?

Yes

If yes, list all Counties that apply: Okaloosa County

6. Does the Board of County Commissioners for each County listed in response to question 5, above, recommend this project or program to Triumph?

Yes

Approvals and Authority

1. If the Applicant is awarded grant funds based on this proposal, what approvals must be obtained before Applicant can execute an agreement with Triumph Gulf Coast, Inc.?

Okaloosa County Board of County Commissioner's approval through publicly held Board Meetings

2. If approval of a board, commission, council or other group is needed prior to execution of an agreement between the entity and Triumph Gulf Coast:

- a. Provide the schedule of upcoming meetings for the group for a period of at least six months.

Regular Board Meetings occur every 1st and 3rd Tuesdays of each month. Currently scheduled meetings are as follows, for further meeting dates please refer to the following website:

<http://okaloosacountyfl.iqm2.com/Citizens/Calendar.aspx>

April 3, 2018
April 17, 2018
May 1, 2018
May 15, 2018
June 5, 2018
June 19, 2018

- b. State whether that group can hold special meetings, and if so, upon how many days' notice.

Yes, with 7 days' notice

3. Describe the timeline for the proposed project or program if an award of funding is approved, including milestones that will be achieved following an award through completion of the proposed project or program.

- Design and Majority of Permitting – completed in 2009
- Review, Update Design, Produce Bid Documents and Obtain FAA Permit – 2 months
- Bidding – 4 months
- Construction – 12 months

Funding and Budget

1. Identify the amount of funding sought from Triumph Gulf Coast, Inc. and the time period over which funding is requested.

\$1.5 M is requested over a two-year period

2. What percentage of total program or project costs does the requested award from Triumph Gulf Coast, Inc. represent? (Please note that an award of funding will be for a defined monetary amount and will not be based on percentage of projected project costs.)

\$1.5 M is 69.5% of the total project cost of \$2,158,774 for the entire effluent disposal project, \$658,774 of which has already been spent by OCWS from internal funding for planning, design, permitting of complete project and construction of the first phase, which is currently in operation.

3. Please describe the types and number of jobs expected from the proposed project or program and the expected average wage.

Okaloosa County's Bob Sikes Industrial Park and the Bob Sikes Airport are part of the Florida First Sites program as a Certified Park. However, one of the weaknesses identified and recommendations made by the McCallum Sweeney Consultants was to determine a funding plan for upgrades to the wastewater system to accommodate additional capacity.

With the Gulf Power Site Certification (via McCallum Sweeney), sites within the airport and surrounding industrial park have been a top contender for high-wage and high impact projects. Expansion of the Bob Sikes WRF Effluent Disposal would fit into the overall strategy to increase capacity and capabilities of the industrial park to support large companies requiring direct access to a runway or within close proximity of a General Aviation Airport.

Recent activity of interest in the industrial park would have resulted in over 1,025 jobs with average wages ranging from \$46,000 to \$85,000 and over \$250 million in capital investment. Additional improvements to infrastructure will poise the industrial park for near term growth.

4. Does the potential award supplement but not supplant existing funding sources? If yes, describe how the potential award supplements existing funding sources.

Yes

There are no funds available in OCWS' Capital Improvement Plan for at least the next five years to construct the proposed project. The grant funds will supplement the \$658,774 that OCWS has previously expended to plan, design and permit the entire effluent disposal system as well as construct Phase I.

5. Please provide a Project/Program Budget. Include all applicable costs and other funding

sources available to support the proposal.

a. Project/Program Costs:

| | |
|-----------------------------|--------------------|
| Construction | \$2,003,169 |
| Design & Engineering | \$155,605 |
| Total Project Costs: | \$2,158,774 |

b. Other Project Funding Sources:

| | |
|-----------------------------|------------------|
| County | \$658,774 |
| Total Other Funding: | \$658,774 |

Total Amount Requested: \$1,500,000

c. Provide a detailed budget narrative, including the timing and steps necessary to obtain the funding and any other pertinent budget-related information.

As noted previously, the complete project has been planned, designed and permitted with the first phase constructed and in service since 2008, all at the expense of OCWS for a total of \$658,774. Upon award of the grant from Triumph funding, the only necessary step will be approval by the OC BCC for the Chairman to execute the grant agreement. This can occur quickly as the BCC meets twice monthly throughout the calendar year. Upon grant agreement execution, the project can move immediately into the following schedule, as defined earlier in this application:

- Review, Update Design of Final Phase, Produce Bid Documents and Obtain FAA Permit – 2 months
- Bidding – 4 months
- Construction – 12 months

All above durations are approximate

Applicant understands that the Triumph Gulf Coast, Inc. statute requires that the award contract must include provisions requiring a performance report on the contracted activities, must account for the proper use of funds provided under the contract, and must include provisions for recovery of awards in the event the award was based upon fraudulent information or the awardee is not meeting the performance requirements of the award.

☒ Yes ☐ No

Applicant understands that awardees must regularly report to Triumph Gulf Coast, Inc. the expenditure of funds and the status of the project or program on a schedule determined by Triumph Gulf Coast, Inc.

☒ Yes ☐ No

Applicant acknowledges that Applicant and any co-Applicants will make books and records and other financial data available to Triumph Gulf Coast, Inc. as necessary to measure and confirm performance metrics and deliverables.

☒ Yes ☐ No

Applicant acknowledges that Triumph Gulf Coast, Inc. reserves the right to request additional information from Applicant concerning the proposed project or program.

☒ Yes ☐ No

ADDENDUM FOR INFRASTRUCTURE PROPOSALS:

1. Program Requirements

a. Is the infrastructure owned by the public?

Yes

b. Is the infrastructure for public use or does it predominately benefit the public?

Yes

c. Will the public infrastructure improvements be for the exclusive benefit of any single company, corporation or business entity?

No

d. Provide a detailed explanation of how the public infrastructure improvements will connect to a broader economic development vision for the community and benefit additional current and future businesses.

This expansion of wastewater disposal capacity will support local economic activities (particularly DOD-related industries) at and around the rapidly growing industrial park, as well as other industrial, commercial, and residential development throughout OCWS' Mid County Service Area including the Shoal River megasite. With expanded wastewater disposal capacity, this project opens the door for future wastewater collection system improvements to be built or upgraded, which will in turn protect the delicate local ecosystem by discouraging the installation of thousands of individual septic tanks.

e. Provide a detailed description of, and quantitative evidence demonstrating how the proposed public infrastructure project will promote:

- Economic recovery,
- Economic Diversification,
- Enhancement of the disproportionately affected counties,
- Enhancement of a Targeted Industry.

With locational advantages already proven to be of considerable value to the manufacturing sector, the Shoal River Ranch property (which will be served by the expanded Bob Sikes Water Reclamation Facility) presents a compelling opportunity to accommodate large scale, high value economic development project – opportunities that stand to be effectively unlocked with the provision of adequate water/sewer infrastructure.

The state and specifically, Northwest Florida has placed an increased emphasis on the manufacturing industry as a targeted sector for economic diversification. In fact, manufacturing employment percentages in Florida (3.9%) and the region (3.3%) currently lag the nation as a whole – where manufacturing represents 7.9% of overall employment. For an

area heavily dependent on military and tourism employment, this lack of economic diversity was glaringly apparent in the wake of the Deepwater Horizon Oil Spill in 2010 followed by defense Sequestration in 2013 for an area heavily dependent on military and tourism. The need to diversify the economy continued to be a priority of Okaloosa County and its neighbors. In fact, the EDC of Okaloosa County submitted four manufacturing-related applications to the Industry Recruitment Retention and Expansion Fund (an initiative created by Senator Don Gaetz, which set aside \$30 million for economic development projects within the eight disproportionately affected counties over three years).

According to the Manufacturing Institute, manufacturing's multiplier effect is stronger than that of other sectors. The backward linkage (or multiplier effect) shows that "Every dollar in final sales of manufactured products supports \$1.33 in output from other sectors—this is the largest multiplier of any sector. Manufacturing plants, therefore, have a powerful and positive impact on economic development."

The positive impact of manufacturing jobs is also illustrated in the Northwest Florida Forward Strategic and Technical Reports authored by TIP Strategies and spearheaded by Florida's Great Northwest. According to Policom Corporation, 500 manufacturing jobs create another 1,938 jobs in the restaurant, healthcare, retail, real estate, finance and construction industries. Monetarily, it would create more than \$164 million in community payrolls, support 1,967 households, generate \$17.5 million in local and state taxes and causes more than \$420 million in economic transactions within the community.

2. Additional Information

a. Is this project an expansion of existing infrastructure project?

Yes

b. Provide the proposed beginning commencement date and number of days required to complete construction of the infrastructure project.

Project will be ready for bid approximately 60 days after the execution of grant agreement between Triumph and OC BCC with anticipated construction of the project complete within 560 days of grant agreement execution.

c. What is the location of the public infrastructure? (Provide the road number, if applicable.)

The BSIP is located south of Airport Road, west of Fairchild Road, north of US Hwy 90, and east of John Givens Road. Both the BSWRF itself and the effluent disposal fields are located in and adjacent to the BSIP. The expanded fields have been designed and permitted to use land that is unavailable for other above ground structures due to proximity to the runway, which is an added benefit to expansion of the BSIP

d. Who is responsible for maintenance and upkeep? (Indicate if more than one are applicable.)

Okaloosa County Water and Sewer System, a department of Okaloosa County, FL

- e. What permits are necessary for the infrastructure project?

FDEP Operating Permit for the BSWRF; Federal Aviation Administration (FAA)

Detail whether required permits have been secured, and if not, detail the timeline for securing these permits. Additionally, if any required permits are local permits, will these permits be prioritized?

FDEP Operating Permit for the expansion has been obtained; FAA permits are expected to be completed in less than 60 days

- f. What is the future land use and zoning designation on the proposed site of the Infrastructure improvement, and will the improvements conform to those uses?

Future land use and zoning for the site are Industrial and the improvements will conform to these uses.

- g. Will an amendment to the local comprehensive plan or a development order be required on the site of the proposed project or on adjacent property to accommodate the infrastructure and potential current or future job creation opportunities? If yes, please detail the timeline

No

- h. Does this project have a local match amount? If yes, please describe the entity providing the match and the amount.

Yes

Okaloosa County Water and Sewer (OCWS) has provided \$658,774 in internal funds to plan, design and permit the entire effluent disposal facility for the BSWRF, as well as construct the initial phase of this project, which is currently in operation. This constitutes 30.5% of the total project cost provided by OCWS funding.

I, the undersigned, do hereby certify that I have express authority to sign this proposal on my behalf or on behalf of the above-described entity, organization, or governmental entity:

Name of Applicant: Okaloosa County Board of County Commissioners

Name and Title of Authorized Representative: Commissioner Graham W. Fountain
Chairman
Okaloosa Board of County Commissioners

Representative Signature:



3/21/18

Signature Date:



Board of County Commissioners

State of Florida

March 20, 2018

Triumph Gulf Coast, Inc.

RE: Delegation of Authority

To Whom It May Concern:

The current Okaloosa County authorizing official is Commissioner Graham W. Fountain. Chairman Fountain was nominated and approved to serve as the 2018 Chairman of the Okaloosa County Board of County Commissioners on December 5, 2017; replacing the 2017 Chairman (Carolyn N. Ketchel).

Please accept this as our formal delegation of authority letter.

Sincerely,

A handwritten signature in blue ink that reads "Jane Evans".

Jane Evans
Grants and RESTORE Manager

Enclosure

location, background, and reason for the change request on the subject property.

No one from the public came forward to speak on this request and the Public Comments portion was closed.

Mr. Fountain made motion, seconded by Mr. Goodwin, to approve the Future Land Use Map designation change. 4 years.

ORDINANCE 17-25

Mr. Fountain made motion, seconded by Mr. Goodwin to approve the rezoning request of the same subject property. 4 years.

ORDINANCE 17-26

* NEW BUSINESS - SELECTION OF BOARD CHAIRMAN AND VICE CHAIRMAN FOR CALENDAR YEAR 2018

Mr. Goodwin made motion, seconded by Mr. Boyles, nominating Mr. Fountain, who is current Vice Chairman, as Chairman of the Board for the 2018 calendar year. Mr. Fountain accepted the nomination. 5 years.

Mr. Boyles made motion, seconded by Mr. Fountain, to nominate Mr. Windes as Vice Chairman to the Board for the 2018 calendar year. Mr. Windes accepted the nomination. 4 years, 1 nay (Goodwin).

PUBLIC COMMENTS

Mr. Tripp Tolbert, Destin, stated as President of the Okaloosa Island Leasehold Association, he would like to bring attention to the problem with non-resident boat drivers not adhering to the no-wake zones in the County. He also spoke on the issue of floating structures during the non-season and where they are parking these structures.

Mr. Tolbert, then advised aside from his business affiliation he would like to address the Board as a resident. Mr. Tolbert commented on the beach sand quality issues as well as beach re-nourishing.

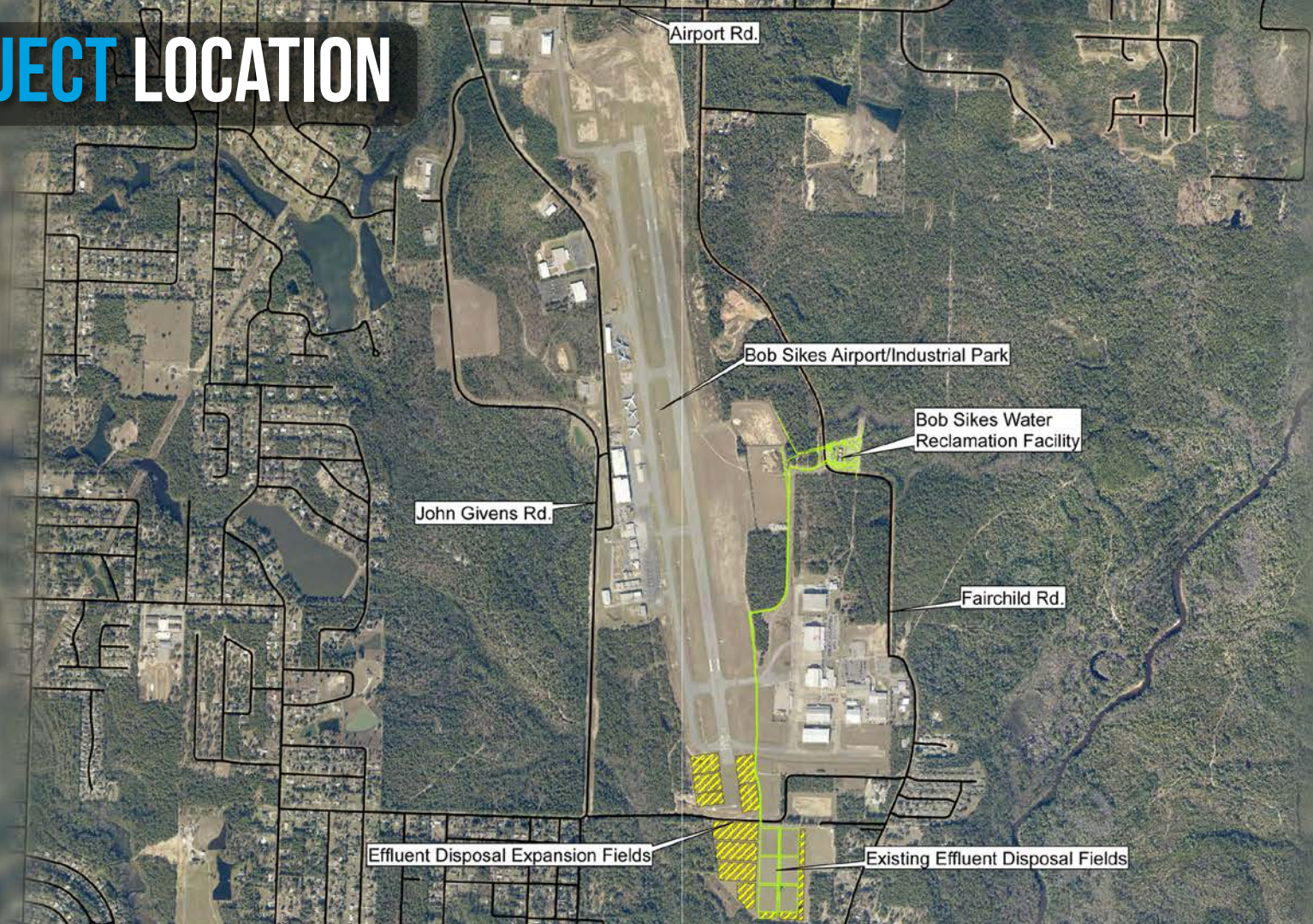
Mr. Steve Hancock, Ft. Walton Beach, spoke about the Christmas decorations that have recently been put up in his area and encouraged the Board Members to come out and see them. He added



TRIUMPH GULF COAST, INC. TRUST FUND APPLICATION FOR FUNDS BOB SIKES WRF EFFLUENT DISPOSAL EXPANSION

To pave the way for economic development projects to occur in areas throughout the unincorporated Okaloosa County service area east of Crestview, Florida, wastewater disposal capacity must be expanded. In order to be proactive and posture for this growth, effluent disposal capacity at the Bob Sikes Water Reclamation Facility (BSWRF) should be expanded from 0.4 million gallons per day (MGD) to 1.1 MGD, matching the capacity of the BSWRF itself. The BSWRF is located at the economically booming Bob Sikes Industrial Park (BSIP) surrounding the Bob Sikes Airport (BSA) east of Crestview.

PROJECT LOCATION





THE INVESTMENT WILL STIMULATE THE ECONOMY...

Support the goals established by the NWF Greenway Project, which represents the partnership between military, government, and non-profit organizations for the enhancement of the military mission in NWF while enhancing the local economy and conserving ecosystems.





...WHILE PROTECTING THE ENVIRONMENT

Investing proactively in centralized public water and sewer is the responsible approach in keeping the environment and water supply sustainable, preventing the installation of thousands of septic tanks and individual water wells spread throughout the area, particularly in the watershed of the Shoal River which traverses Okaloosa and Santa Rosa Counties before emptying into the Gulf of Mexico in Escambia County (3 of the 8 disproportionately affected Counties).



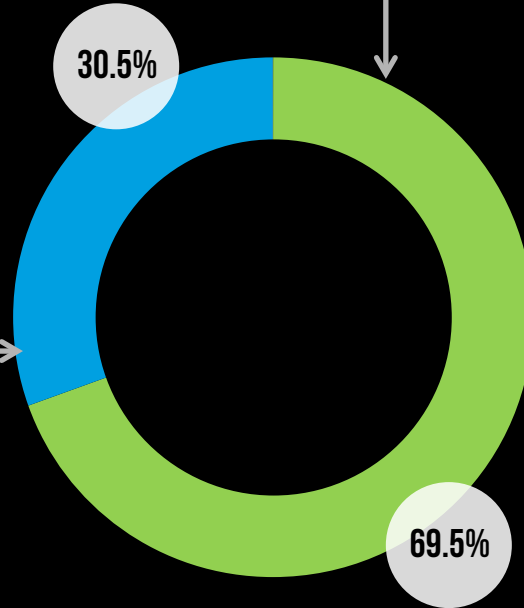
BIG BANG FOR TRIUMPH BUCKS

FUNDING REQUEST: \$1.5 M

The requested \$1.5 M is 69.5% of the total project cost of \$2.1M+ for the entire effluent disposal project

PHASE ONE: \$0.66 M

\$658,774 has already been spent by OCWS for planning, design, permitting of complete project and construction of the first phase, which is currently in operation



**TOTAL PROJECT
COST IS \$2.1+
MILLION**

Triumph funds will push this critical project over the top, into construction.





AN INDUSTRIAL OPPORTUNITY

The Bob Sikes WRF Effluent Disposal Expansion directly ties in with the NWF Forward recommendation found within the “Infrastructure” Goal – Specifically 3.4 – “Ensure that the necessary infrastructure improvements to ports and airports to accommodate new private investment and employment are funded.”



OPPORTUNITIES LOST

Okaloosa County's Bob Sikes Industrial Park (BSIP) and the Bob Sikes Airport (BSA) are part of the Florida First Sites program as a Certified Park. However, one of the weaknesses identified and recommendations made by the McCallum Sweeney Consultants was to find a funding source for upgrades to the wastewater system to accommodate additional capacity.



Thanks to their Gulf Power Site Certification, sites within the BSA and surrounding BSIP have been serious contenders for high wage and high impact projects, but not finalists. Expansion of the BSWRF Effluent Disposal will fit the strategy to increase capacity and capabilities of the BSIP to support large companies requiring direct access to a runway or a General Aviation Airport and push these sites over the top for high wage projects.



Recent interest in the BSIP would have resulted in over 1,025 jobs with average wages ranging from \$46,000 to \$85,000 (115-213% of the Okaloosa County average wage) and over \$250 million in capital investment. Improvements to infrastructure will poise the BSIP to close the deal on similar future opportunities.

