

REGIONAL UTILITIES operated by
FLORIDA COMMUNITY SERVICES CORP.
OF WALTON COUNTY, INC.



May 17, 2018

Susan Skelton, Executive Director
Triumph Gulf Coast
PO Box 12007
Tallahassee, FL 32317

Dear Ms. Skelton:

Florida Community Services Corp of Walton County d/b/a Regional Utilities is pleased to submit the attached Triumph Gulf Coast application. The request is for \$4,410,113.77 for an expansion of a 30" main water line that runs from North Walton County to South Walton County. This project is vital for the county to be able to sustain current growth as well as expand our capacity in order to accommodate the St. Joe sector plan and the emerging Commerce Park.

As you can see from our application, Regional Utilities is a nonprofit 501 (c) (3) that was created at the request of the Walton County Commission in the 1980s to operate a consolidated water and sewer service in South Walton. All assets held and owned by Regional Utilities will revert to Walton County once our bonds have been satisfied.

Regional Utilities has been a good steward of public and private funds over the years. In a separate bound attachment, you will find our financials and you will see that Regional is a fiscally responsible company. Regional Utilities is prepared to offer a 51% match to this project and is willing to accept any accountability and payment terms required by the Board. This project has been approved by the Walton County Commission, is supported by many stakeholders and is ready for immediate permitting and construction.

Finally, we believe this public infrastructure project is in alignment with the Board's priorities as evidenced by the REMI economic impact analysis from the Haas Center (full report at end of Attachment #9). In short, the job projections are:

- Construction phase - 120 jobs in 2018 and 166 in 2019.
- St. Joe Sector Plan build out - 1,913 jobs (relating to the detailed commercial build out)
- Commerce Park build out - 2,930 jobs
- Total of 16,282 direct, indirect, and induced jobs.

Thank you for your favorable consideration.

Sincerely,

A handwritten signature in black ink that reads "Melissa W. Pilcher". The signature is fluid and cursive, with the first name being the most prominent.

Melissa W. Pilcher
President

Triumph Gulf Coast, Inc. Trust Fund Application for Funds

Proposal Instructions: The Triumph Gulf Coast, Inc. Trust Fund Grant Application (this document) must be completed by the entity applying for the grant and signed, as applicable, by either the individual applying for funds, an individual authorized to bind the entity applying for funds, a chief elected official, the administrator for the governmental entity or their designee. Please read the Application carefully as some questions may require a separate narrative to be completed. In addition, please complete all Addendums that may be applicable to the proposed project or program.

Triumph Gulf Coast, Inc. will make awards from available funds to projects or programs that meet the priorities for economic recovery, diversification, and enhancement of the disproportionately affected counties. Triumph Gulf Coast, Inc. may make awards for:

- Ad valorem tax rate reduction within disproportionately affected counties;
- Local match requirements of s. 288.0655 for projects in the disproportionately affected counties;
- Public infrastructure projects for construction, expansion, or maintenance which are shown to enhance economic recovery, diversification, and enhancement of the disproportionately affected counties;
- Grants to local governments in the disproportionately affected counties to establish and maintain equipment and trained personnel for local action plans of response to respond to disasters, such as plans created for the Coastal Impacts Assistance Program;
- Grants to support programs that prepare students for future occupations and careers at K-20 institutions that have campuses in the disproportionately affected counties. Eligible programs include those that increase students' technology skills and knowledge; encourage industry certifications; provide rigorous, alternative pathways for students to meet high school graduation requirements; strengthen career readiness initiatives; fund high-demand programs of emphasis at the bachelor's and master's level designated by the Board of Governors; and, similar to or the same as talent retention programs created by the Chancellor of the State University System and the Commission of Education; encourage students with interest or aptitude for science, technology, engineering, mathematics, and medical disciplines to pursue postsecondary education at a state university or a Florida College System institution within the disproportionately affected counties;
- Grants to support programs that provide participants in the disproportionately affected counties with transferable, sustainable workforce skills that are not confined to a single employer; and
- Grants to the tourism entity created under s. 288.1226 for the purpose of advertising and promoting tourism and Fresh From Florida, and grants to promote workforce and infrastructure, on behalf of all of the disproportionately affected counties.

Pursuant to Florida Law, Triumph Gulf Coast, Inc. will provide priority consideration to Applications for projects or programs that:

- Generate maximum estimated economic benefits, based on tools and models not generally employed by economic input-output analyses, including cost-benefit, return-on-investment, or dynamic scoring techniques to determine how the long-term economic growth potential of the disproportionately affected counties may be enhanced by the investment.
- Increase household income in the disproportionately affected counties above national average household income.
- 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.
- Partner with K-20 educational institutions or school districts located within the disproportionately affected counties as of January 1, 2017.
- Are recommended by the board of county commissioners of the county in which the project or program will be located.
- Partner with convention and visitor bureaus, tourist development councils, or chambers of commerce located within the disproportionately affected counties.

Additionally, the Board of Triumph Gulf Coast, Inc. may provide discretionary priority to consideration of Applications for projects and programs that:

- Are considered transformational for the future of the Northwest Florida region.
- May be consummated quickly and efficiently.
- Promote net-new jobs in the private sector with an income above regional average household income.
- Align with Northwest Florida FORWARD, the regional strategic initiative for Northwest Florida economic transformation.
- Create net-new jobs in targeted industries to include: aerospace and defense, financial services/shared services, water transportation, artificial intelligence, cybersecurity, information technology, manufacturing, and robotics.
- Promote industry cluster impact for unique targeted industries.
- Create net-new jobs with wages above national average wage (*e.g.*, similar to EFI QTI program, measured on graduated scale).
- Are located in Rural Area of Opportunity as defined by the State of Florida (DEO).
- Provide a wider regional impact versus solely local impact.
- Align with other similar programs across the regions for greater regional impact, and not be duplicative of other existing projects or programs.
- Enhance research and innovative technologies in the region.
- Enhance a targeted industry cluster or create a Center of Excellence unique to Northwest Florida.

- Create a unique asset in the region that can be leveraged for regional growth of targeted industries.
- Demonstrate long-term financial sustainability following Triumph Gulf Coast, Inc. funding.
- Leverage funding from other government and private entity sources.
- Provide local investment and spending.
- Are supported by more than one governmental entity and/or private sector companies, in particular proposed projects or programs supported by more than one county in the region.
- Provide clear performance metrics over duration of project or program.
- Include deliverables-based payment system dependent upon achievement of interim performance metrics.
- Provide capacity building support for regional economic growth.
- Are environmentally conscious and business focused.
- Include Applicant and selected partners/vendors located in Northwest Florida.

Applications will be evaluated and scored based on compliance with the statutory requirements of the Triumph Gulf Coast legislation, including but not limited to the priorities identified therein and the geographic region served by the proposed project or program.

Applicant Information

Name of Individual (if applying in individual capacity): _____

Name of Entity/Organization: Florida Community Services Corp. of Walton County
d/b/a Regional Utilities

Background of Applicant Individual/Entity/Organization: see attachment #1

Not for profit formed to operate water and wastewater utilities for Walton County

(If additional space is needed, please attach a Word document with your entire answer.)

Federal Employer Identification Number: 59-2643266

Contact Information:

Primary Contact Information: Melissa W. Pilcher

Title: President

Mailing Address: 4432 US Highway 98 East

Santa Rosa Beach, FL 32459

Phone: (850)231-5114

Email: melissa@regionalutilities.net

Website: www.regionalutilities.net

Identify any co-applicants, partners, or other entities or organizations that will have a role in the proposed project or program and such partners proposed roles.

n/a

(If additional space is needed, please attach a Word document with your entire answer.)

Total amount of funding requested from Triumph Gulf Coast: \$ 4,410,113.77

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

Yes No

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

- the date the request/application for funding was made;
- the source to which the request/application for funding was made,
- the results of the request/application for funding, and
- projected or realized results and/or outcomes from prior funding.

2017-18 Florida House and Senate appropriation project request - not funded

(If additional space is needed, please attach a Word document with your entire answer.)

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

Regional is a not-for-profit corp. that leases and operates public water and wastewater utilities for Walton County. Funded by revenue bonds, monthly revenue and impact fees. See attachment #2 for more.

(If additional space is needed, please attach a Word document with your entire answer.)

In a separate attachment, please provide financial statements or information that details the financial status of the applicant and any co-applicants or partners.

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?

Yes No

If yes, please identify the entity or individual that filed for bankruptcy and the date of filing.

n/a

(If additional space is needed, please attach a Word document with your entire answer.)

Eligibility

Pursuant to Section 288.8017, Triumph Gulf Coast, Inc. was created to make awards from available funds to projects or programs that meet the priorities for economic recovery, diversification, and enhancement of the disproportionately affected counties. The disproportionately affected counties are: Bay County, Escambia County, Franklin County, Gulf County, Okaloosa County, Santa Rosa County, Walton County, or Wakulla County. *See*, Section 288.08012.

1. From the choices below, please check the box that describes the purpose of the proposed project or program (check all that apply):
 - Ad valorem tax rate reduction within disproportionately affected counties;
 - Local match requirements of s. 288.0655 for projects in the disproportionately affected counties;
 - Public infrastructure projects for construction, expansion, or maintenance which are shown to enhance economic recovery, diversification, and enhancement of the disproportionately affected counties;
 - Grants to local governments in the disproportionately affected counties to establish and maintain equipment and trained personnel for local action plans of response to respond to disasters, such as plans created for the Coastal Impacts Assistance Program;
 - Grants to support programs that prepare students for future occupations and careers at K-20 institutions that have campuses in the disproportionately affected counties. Eligible programs include those that increase students' technology skills and knowledge; encourage industry certifications; provide rigorous, alternative pathways for students to meet high school graduation requirements; strengthen career readiness initiatives; fund high-demand programs of emphasis at the bachelor's and master's level designated by the Board of Governors; and, similar to or the same as talent retention programs created by the Chancellor of the State University System and the Commission of Education, encourage students with interest or aptitude for science, technology, engineering, mathematics, and medical disciplines to pursue postsecondary education at a state university or a Florida College System institution within the disproportionately affected counties;
 - Grants to support programs that provide participants in the disproportionately affected counties with transferable, sustainable workforce skills that are not confined to a single employer; and
 - Grants to the tourism entity created under s. 288.1226 for the purpose of advertising and promoting tourism and Fresh From Florida, and grants to promote workforce and infrastructure, on behalf of all of the disproportionately affected counties.

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.

Historical figures for the utility have averaged a growth rate of 5.26% and continue to be sustained. Growth is expected to exceed this rate with the planned build-out of the St. Joe Sector plan.

(If additional space is needed, please attach a Word document with your entire answer.)

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

Daily usage numbers for annual average day and peak day demand

(If additional space is needed, please attach a Word document with your entire answer.)

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

Growth rates and customer growth

(If additional space is needed, please attach a Word document with your entire answer.)

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.)

Utility will maintain infrastructure from monthly revenue funds

(If additional space is needed, please attach a Word document with your entire answer.)

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

Growth rates, customer growth and usage data

(If additional space is needed, please attach a Word document with your entire answer.)

Priorities

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

- Generate maximum estimated economic benefits, based on tools and models not generally employed by economic input-output analyses, including cost-benefit, return-on-investment, or dynamic scoring techniques to determine how the long-term economic growth potential of the disproportionately affected counties may be enhanced by the investment.
- Increase household income in the disproportionately affected counties above national average household income.
- 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.
- Partner with K-20 educational institutions or school districts located within the disproportionately affected counties as of January 1, 2017.
- Are recommended by the board of county commissioners of the county in which the project or program will be located.
- Partner with convention and visitor bureaus, tourist development councils, or chambers of commerce located within the disproportionately affected counties.

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

See attachment #4

(If additional space is needed, please attach a Word document with your entire answer.)

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

See attachment #5

(If additional space is needed, please attach a Word document with your entire answer.)

4. In which of the eight disproportionately affected county/counties is the proposed project or program located? (Circle all that apply)

Escambia Santa Rosa Okaloosa Walton Bay Gulf Franklin Wakulla

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 No

If yes, list all Counties that apply: Walton

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 No

Please attach proof of recommendation(s) from each County identified. **Attachment #6

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.?

n/a

(If additional space is needed, please attach a Word document with your entire answer.)

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.

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

Approved by the Walton County Commission on 11/7/17

(If additional space is needed, please attach a Word document with your entire answer.)

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.

See attachment #7

(If additional space is needed, please attach a Word document with your entire answer.)

4. Attach evidence that the undersigned has all necessary authority to execute this proposal on behalf of the entity applying for funding. This evidence may take a variety of forms, including but not limited to: a delegation of authority, citation to relevant laws or codes, policy documents, etc. In addition, please attach any support letters from partners.

See attachment #8

Funding and Budget:

Pursuant to Section 288.8017, awards may not be used to finance 100 percent of any project or program. An awardee may not receive all of the funds available in any given year.

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

Funding for Phase 2, \$4,410,113.77

(If additional space is needed, please attach a Word document with your entire answer.)

- 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.)

49% funding from Triumph Gulf Coast

(If additional space is needed, please attach a Word document with your entire answer.)

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

See attachment #9

(If additional space is needed, please attach a Word document with your entire answer.)

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

Yes No

51% match funded by applicant (phase 1)

(If additional space is needed, please attach a Word document with your entire answer.)

- 5. Please provide a Project/Program Budget. Include all applicable costs and other funding sources available to support the proposal.

A. Project/Program Costs:

Example Costs (Note: Not exhaustive list of possible Cost categories.)

Construction	\$ <u>7,840,402.89</u>
Reconstruction	\$ _____
Design & Engineering	\$ <u>270,006.99</u>
Land Acquisition	\$ _____
Land Improvement	\$ _____
Equipment	\$ <u>included in construction</u>
Supplies	\$ <u>included in construction</u>
Salaries	\$ <u>844,823.59</u>

Other (specify)	\$ <u>45,000.00</u> (environmental)
Total Project Costs:	\$ <u>9,000,233.47</u>

B. Other Project Funding Sources:

Example Funding Sources (Note: Not an exhaustive list of possible Funding Sources.)

City/County	\$ _____
Private Sources	\$ <u>4,590,119.70</u>
Other (e.g., grants, etc.)	\$ _____
Total Other Funding	\$ _____
Total Amount Requested:	\$ <u>4,410,113.77</u>

Note: The total amount requested must equal the difference between the costs in 3A. and the other project funding sources in 3.B.

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

At week 26, Phase 1 would be completed and paid for by Regional Utilities. Phase 2 would then begin, Regional would be reimbursed by Triumph Gulf Coast once that work has been certified to the satisfaction of The Board. Projected timeline for Phase 2 is 6 months. If project costs are less than projected, the Triumph request will be the total project cost less the 4,590,119.70 committed by Regional.

(If additional space is needed, please attach a Word document with your entire answer.)

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*¹ No

- B. Is the infrastructure for public use or does it predominately benefit the public?
 Yes No

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

See attachment #10

(If additional space is needed, please attach a Word document with your entire answer.)

- E. Provide a detailed description of, and quantitative evidence demonstrating how the proposed public infrastructure project will promote:
 - o Economic recovery,
 - o Economic Diversification,
 - o Enhancement of the disproportionately affected counties,
 - o Enhancement of a Targeted Industry.

See attachment #11

(If additional space is needed, please attach a Word document with your entire answer.)

2. Additional Information

- A. Is this project an expansion of existing infrastructure project?
 Yes No

- B. Provide the proposed beginning commencement date and number of days required to complete construction of the infrastructure project.
6-month construction for Phase 1, 6 months for Phase 2 - total timeline - 12 mo.

¹ See attachment 1

(If additional space is needed, please attach a Word document with your entire answer.)

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

US Highway 331 South, Walton County, FL

(If additional space is needed, please attach a Word document with your entire answer.)

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

Regional Utilities, d/b/a Regional Utilities

(If additional space is needed, please attach a Word document with your entire answer.)

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

Florida Department of Environmental Protection

Florida Department of Transportation and Army Corp of Engineers

(If additional space is needed, please attach a Word document with your entire answer.)

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 permit obtained, FDOT and Army Corp in processing

(FDOT and Army Corp request not to apply more than 60 days from start, typically 14-day approval once applied for)

(If additional space is needed, please attach a Word document with your entire answer.)

- 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?

Florida Department of Transportation right-of-way

(If additional space is needed, please attach a Word document with your entire answer.)

- 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
 Yes No

(If additional space is needed, please attach a Word document with your entire answer.)

- H. Does this project have a local match amount? If yes, please describe the entity providing the match and the amount.
 Yes No

\$4,590,119.70 held in reserve from impact fee revenue

(If additional space is needed, please attach a Word document with your entire answer.)

- I. Provide any additional information or attachments to be considered for this proposal.

See conclusion and attached letters of support, Attachment #12

(If additional space is needed, please attach a Word document with your entire answer.)

ADDENDUM FOR WORKFORCE TRAINING PROPOSALS

1. Program Requirements

- A. Will this proposal support programs that prepare students for future occupations and careers at K-20 institutions that have campuses in the disproportionately affected counties? If yes, please identify where the campuses are located and provide details on how the proposed programs will prepare students for future occupations and at which K-20 institutions that programs will be provided.

Yes No

(If additional space is needed, please attach a Word document with your entire answer.)

- B. Will the proposed program (check all that apply):

- Increase students' technology skills and knowledge
- Encourage industry certifications
- Provide rigorous, alternative pathways for students to meet high school graduation requirements
- Strengthen career readiness initiatives
- Fund high-demand programs of emphasis at the bachelor's and master's level designated by the Board of Governors
- Encourage students with interest or aptitude for science, technology, engineering, mathematics, and medical disciplines to pursue postsecondary education at a state university or a Florida College System institution within the disproportionately affected counties (similar to or the same as talent retention programs created by the Chancellor of the State University System and the Commission on Education)

For each item checked above, describe how the proposed program will achieve these goals

(If additional space is needed, please attach a Word document with your entire answer.)

- C. Will this proposal provide participants in the disproportionately affected counties with transferable, sustainable workforce skills but not confined to a single employer? If yes, please provide details.

Yes No

(If additional space is needed, please attach a Word document with your entire answer.)

- D. Identify the disproportionately affected counties where the proposed programs will operate or provide participants with workforce skills.

(If additional space is needed, please attach a Word document with your entire answer.)

- E. Provide a detailed description of, and quantitative evidence demonstrating how the proposed project or program will promote:
- Economic recovery,
 - Economic Diversification,
 - Enhancement of the disproportionately affected counties,
 - Enhancement of a Targeted Industry.

(If additional space is needed, please attach a Word document with your entire answer.)

2. Additional Information

- A. Is this an expansion of an existing training program? If yes, describe how the proposed program will enhance or improve the existing program and how the proposal program will supplement but not supplant existing funding sources.
- Yes No

(If additional space is needed, please attach a Word document with your entire answer.)

- B. Indicate how the training will be delivered (*e.g.*, classroom-based, computer based, other).
If in-person, identify the location(s) (*e.g.*, city, campus, etc.) where the training will be available.

If computer-based, identify the targeted location(s) (e.g., city, county) where the training will be available.

(If additional space is needed, please attach a Word document with your entire answer.)

- C. Identify the number of anticipated enrolled students and completers.

(If additional space is needed, please attach a Word document with your entire answer.)

- D. Indicate the length of the program (e.g, quarters, semesters, weeks, months, etc.) including anticipated beginning and ending dates.

(If additional space is needed, please attach a Word document with your entire answer.)

- E. Describe the plan to support the sustainability of the proposed program.

(If additional space is needed, please attach a Word document with your entire answer.)

- F. Identify any certifications, degrees, etc. that will result from the completion of the program.

(If additional space is needed, please attach a Word document with your entire answer.)

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

Yes No

(If additional space is needed, please attach a Word document with your entire answer.)

H. Provide any additional information or attachments to be considered for this proposal.

(If additional space is needed, please attach a Word document with your entire answer.)

ADDENDUM FOR AD VALOREM TAX RATE REDUCTION:

1. Program Requirements

- A. Describe the property or transaction that will be supported by the ad valorem tax rate reduction.

(If additional space is needed, please attach a Word document with your entire answer.)

- B. Provide a detailed explanation of how the ad valorem tax rate reduction will connect to a broader economic recovery, diversification, enhancement of the disproportionately affected counties and/or enhancement of a targeted industry.

(If additional space is needed, please attach a Word document with your entire answer.)

- C. Provide a detailed description of the quantitative evidence demonstrating how the proposed ad valorem tax reduction will promote:
- Economic recovery,
 - Economic Diversification,
 - Enhancement of the disproportionately affected counties,
 - Enhancement of a Targeted Industry.

(If additional space is needed, please attach a Word document with your entire answer.)

2. Additional Information

- A. What is the location of the property or transaction that will be supported by the ad valorem tax rate reduction?

(If additional space is needed, please attach a Word document with your entire answer.)

- B. Detail the current status of the property or transaction that will be supported by the ad valorem tax rate reduction and provide a detailed description of when and how the ad valorem tax rate reduction will be implemented.

(If additional space is needed, please attach a Word document with your entire answer.)

- C. Does this proposed project have a local match amount? If yes, please describe the entity providing the match and the amount.
 Yes No

(If additional space is needed, please attach a Word document with your entire answer.)

- D. Provide any additional information or attachments to be considered for this proposal.

(If additional space is needed, please attach a Word document with your entire answer.)

**ADDENDUM FOR LOCAL MATCH REQUIREMENTS OF SECTION 288.0655,
FLORIDA STATUTES**

1. Program Requirements

- A. Describe the local match requirements of Section 288.0655 and the underlying project, program or transaction that will be funded by the proposed award.

(If additional space is needed, please attach a Word document with your entire answer.)

- B. Provide a detailed explanation of how the local match requirements and the underlying project or program will connect to a broader economic recovery, diversification, enhancement of the disproportionately affected counties and/or enhancement of a targeted industry.

(If additional space is needed, please attach a Word document with your entire answer.)

- C. Provide a detailed description of, and quantitative evidence demonstrating how the proposed local match requirements will promote:
- Economic recovery,
 - Economic Diversification,
 - Enhancement of the disproportionately affected counties,
 - Enhancement of a Targeted Industry.

(If additional space is needed, please attach a Word document with your entire answer.)

2. Additional Information

- A. What is the location of the property or transaction that will be supported by the local match requirements?

(If additional space is needed, please attach a Word document with your entire answer.)

- B. Detail the current status of the property or transaction that will be supported by the local match requirement and provide a detailed description of when and how the local match requirement will be implemented.

(If additional space is needed, please attach a Word document with your entire answer.)

- C. Provide any additional information or attachments to be considered for this proposal.

(If additional space is needed, please attach a Word document with your entire answer.)

ADDENDUM FOR LOCAL ACTION PLAN

1. Program Requirements

- A. Describe how the proposed award will establish and maintain equipment and trained personnel for local action plans of response to respond to disasters.
- B. Describe the type and amount of equipment and trained personnel that will be established or maintained by the proposed award.
- C. Identify the specific local action plans (*e.g.*, Coastal Impacts Assistance Program) that will benefit from the proposed award.
- D. Provide a detailed explanation of how the proposed award will connect to a broader economic recovery, diversification, enhancement of the disproportionately affected counties and/or enhancement of a targeted industry.

(If additional space is needed, please attach a Word document with your entire answer.)

- E. Provide a detailed description of the quantitative evidence demonstrating how the proposed will promote:
 - Economic recovery,
 - Economic Diversification,
 - Enhancement of the disproportionately affected counties,
 - Enhancement of a Targeted Industry.

(If additional space is needed, please attach a Word document with your entire answer.)

2. Additional Information

- A. What is the location of the local action program that will be supported by the proposed award?

(If additional space is needed, please attach a Word document with your entire answer.)

- B. Detail the current status of the local action plans (*e.g.*, new plans, existing plans, etc.) that will be supported by the proposed award and provide a detailed description of when and how the proposed award will be implemented.

(If additional space is needed, please attach a Word document with your entire answer.)

- C. Provide any additional information or attachments to be considered for this proposal.

(If additional space is needed, please attach a Word document with your entire answer.)

ADDENDUM FOR ADVERTISING/PROMOTION

1. Program Requirements

A. Is the applicant a tourism entity created under s. 288.1226, Florida Statutes?
 Yes No

B. Does the applicant advertise and promote tourism and Fresh From Florida? If yes, provide details on how it advertises and promotes tourism and Fresh From Florida.
 Yes No

(If additional space is needed, please attach a Word document with your entire answer.)

C. Does the proposed award promote workforce and infrastructure on behalf of the disproportionately affected counties? If yes, describe how workforce and infrastructure is promoted on behalf of the disproportionately affected counties.
 Yes No

(If additional space is needed, please attach a Word document with your entire answer.)

D. Provide a detailed explanation of how the proposed award will connect to a broader economic recovery, diversification, enhancement of the disproportionately affected counties and/or enhancement of a targeted industry.

(If additional space is needed, please attach a Word document with your entire answer.)

E. Provide a detailed description of the quantitative evidence demonstrating how the proposed will promote:

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

(If additional space is needed, please attach a Word document with your entire answer.)

2. Additional Information

- A. Describe the advertising and promotion mediums and locations where the advertising and promotion will occur.

(If additional space is needed, please attach a Word document with your entire answer.)

- B. Detail the current status of the advertising and promotion (*e.g.*, new plans, existing plans, etc.) that will be supported by the proposed award and provide a detailed description of when and how the proposed award will be implemented.

(If additional space is needed, please attach a Word document with your entire answer.)

- C. Provide any additional information or attachments to be considered for this proposal.

(If additional space is needed, please attach a Word document with your entire answer.)

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: Florida Community Services Corp. of Walton County d/b/a Regional Utilities

Name and Title of Authorized Representative: Melissa W. Pilcher, President

Representative Signature: _____

Signature Date: _____

Attachment #1
Creation/Structure of Regional Utilities

Florida Community Services Corp. of Walton County d/b/a Regional Utilities is a not-for-profit corporation that operates public water and wastewater utilities for Walton County. It is funded by revenue bonds, monthly revenue and impact fees. It is the governmentally designated public utility for South Walton County.

In 1983, due to uncontrolled growth and the lack of a comprehensive plan to govern by, Governor Bob Graham appointed the 380 Committee to address the growth problems in South Walton and South Okaloosa Counties. Upon the conclusion of this study, several recommendations were made to ensure that growth was controlled in an orderly manner.

The Cabinet approved these recommendations. Failure to comply with these recommendations would result in a complete moratorium, whereby no building permits would be issued. Included in the recommendations, was a mandate that a regional water and sewer system be implemented along the coastal area of Walton County. A portion of this mandate also required consolidation of existing water and sewer systems.

Walton County attempted to make application for a Farmers Home Loan to finance the purchase and start-up of the new utility. Farmers Home would not finance a buy-out nor would any construction be financed in an area designated as a barrier island or through wetlands. As this scenario would not meet the mandate, other means were explored.

Walton County advertised a Request for Proposals and received a proposal with a plan to create a not-for-profit company which would finance, design, construct, own and operate the Regional Utilities System. Walton County granted Regional Utilities a franchise in August 1985. The utility construction and consolidation were funded through revenue bonds. Currently, there are three outstanding bonds issues totaling \$24.8 million that will be defeased March 2031.

The franchise agreement states that *“The parties hereto agree that the acquisition and construction of the System was and is on behalf of Walton County and that legal title to all assets of the System shall vest automatically in the County as provided in Section 27 hereof. It is specifically agreed that the entire intent of this contract is to afford to the Board of County Commissions of Walton County a vehicle by which financing of the System shall be accomplished on behalf of the county by a private non-profit corporation for the use and benefit of the County and after retirement of bonded indebtedness and satisfactory completion of such construction for the ultimate ownership, maintenance, operation and control of the County. The Franchisee’s obligations shall be discharged upon retirement of the Bonds and the Franchisee’s delivery to the County of its bill of sale and/or deeds which shall be free and clear of all encumbrances to the System.”*

Link to view entire franchise agreement: <http://regionalutilities.net/wp-content/uploads/2018/05/franchiseagreement.pdf>

The utility has grown exponentially within the last 30 years and maintains a company-wide goal to provide the highest quality water and wastewater service to the customers in South Walton County. Regional Utilities continues to meet and exceed all of the Provisions of Operating Services as outlined in the Franchise Agreement, Lease Agreement and Management Agreement granted and executed by Walton County. All Florida Department of Environmental Permitting and Regulations are strictly adhered to in all phases of the utility management.

Regional Utilities is unique in that it employs and supports an entire crew that completes all construction and installation of the utility's primary infrastructure, in addition a fully staffed maintenance crew provides 24/7 support to the utility. Currently Regional Utilities employs 99 full time employees and expects to add an additional 8-12 within the next two-year period due to growth and expansion.

Walton County has always included Regional Utilities in their Comprehensive Annual Financial Report. http://www.clerkofcourts.co.walton.fl.us/public_records/docs/CAFR_2017.pdf

Also attached is a 2010 legal opinion of the public status of Regional.



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May 17, 2010

Julie Dickinson
 Environmental Supervisor
 Submerged Lands & Environmental Resource Program
 Florida Department of Environmental Protection
 Northwest District
 160 Governmental Center
 Pensacola, FL 32502

Re: Regional Utilities

Dear Ms. Dickinson:

Per our conversation, please accept this letter as an explanation of what I believe is the unique legal status of Florida Community Services Corp. of Walton County (commonly known as Regional Utilities), and how Regional Utilities complies as a "public utility" within the meaning and intent of Chapter 18-21 of the Florida Administrative Code.

Regional Utilities was established as a non-profit corporation for and at the request of the Walton County Board of County Commissioners to provide water and wastewater service to south Walton County. Pursuant to the terms of its establishment (See Article IV of the company's articles of incorporation attached hereto as Exhibit A), upon payment of the debt incurred by Regional Utilities, title to all property owned by Regional Utilities is transferred free and clear to Walton County. Attached as Exhibit B is the bill of sale held in trust for such purpose. Pursuant to this structure, Regional Utilities has been able to issue on several occasions tax-exempt indebtedness on behalf of Walton County, Florida (see attached cover page of Official Statement dated February 23, 2006, as Exhibit C hereto), whereas generally non-profit corporations are not able to issue tax-exempt debt. The facilities owned by Regional Utilities are leased to the County, whereupon Regional has entered into a management agreement to manage the facilities on behalf of the County (see attached Exhibit D).

As can be seen from the foregoing, Regional Utilities is, for all intents and purposes, an alter ego of Walton County for the purpose of providing utility services in the south part of the county. No portion of its revenues accrues to the benefit of any



Julie Dickinson
May 17, 2010
Page 2 of 2

private party, its assets are all held in trust for the benefit of Walton County, and it has in fact leased its interest in the facilities to the County and has entered into a contract to manage the facilities on behalf of the County. As such, in my view Regional qualifies as an "other governmental agenc[y]" within the meaning of the definition of public utility set forth in Section (53) of FAC Rule 18-21. Clearly, it is not a private, for-profit entity. Its purpose exists to benefit the County. I see nothing in the definition of "public utility" in 18-21 that requires the entity in question to have any particular structure in terms of being a government agency. Clearly, Regional Utilities has operated on an agency basis to Walton County in the issuance of tax-exempt debt, and in the provision of water and wastewater services, a governmental function, to the citizens of the County. For the reasons set forth above, I believe Regional Utilities should be deemed a public utility and entitled to "public easement" treatment by the Department.

Please consider this a request for a reexamination of the Department's position with regard to Regional Utilities in this regard. I am happy to make myself available for any questions you might have. Thank you for your assistance.

Sincerely,

Mark T. Mustian

cc: Dewey Wilson
Jim Smith
Melissa Pilcher

Attachment #2 Financial

The initial start of the utility was funded with a bond issue in 1985 and since then the corporation has issued additional tax-exempt bonds for larger projects, as well as issues to refinance and consolidate outstanding bonds.

Current capital plans for the 2018-2019, as well as continuing projects from 2017-2018 are in excess of \$14 million and will be funded from impact fees currently held in the amount of \$16.3 million. The renewal and replacement plans for 2018-2019, in addition to outstanding projects from 2017-2018, total in excess of \$11 million and will be funded from excess revenue totaling \$14 million. These excess revenue funds have been accrued over a period to complete these required upgrades. In addition to these renewal and replacement projects, the Board's strategy is to maintain a \$3 million contingency fund of renewal and replacement funds in the event of a catastrophic storm event.

Regional Utilities is currently updating the 5-year master plan that was completed in 2014. The Utility currently holds \$155M in capital assets, has a debt service balance of \$24.8M and holds a 2013 Fitch Rating of AA, 2011 Moody's Rating of Aa3 and 2014 Standards and Poors Rating of AA. Link below to view Regional Utilities current financials.

<http://regionalutilities.net/wp-content/uploads/2018/05/Regional-Utilities-FS-2.28.18.pdf>

Attachment #3

Question #2, page 7

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

Regional Utilities-Highway 331 South 11 mile, 30" Water Transmission Line

Impacted County: Walton

Proposed Infrastructure Description and Location

Regional Utilities is pleased to submit a request for Triumph Gulf Coast, Inc. funding for the extension of an 11-mile 30" water transmission line from the Choctawhatchee Bay to the existing Owl's Head wellfield, north of Freeport, Florida. This water transmission line is a key public infrastructure element to continue to transform Walton County into a thriving place to live, play and work.

A favorable decision by the Triumph Gulf Coast Board in the summer 2018 will produce the vital public infrastructure for economic development officials and business planners to have certainty that by the end of 2019 prospective industries in this fast-growing county will have certain water supply for growing businesses.

Regional Utilities is committed to be a good partner and wise investment for the Triumph Gulf Coast Board. We are prepared to offer a 51% match. Regional is flexible and will structure funding the project as the will of the Board decides and agree to accountability terms as defined by the Board.

Funding for this 11-mile, 30" Water Transmission line will allow the 6th fastest growing county in America to lure new industries, transforming a tourist haven to a more diversified economy with more permanent residents and new industries, which in turn will lead to even more jobs and industries.

Currently, the utility has two transmission lines that reach across the Choctawhatchee Bay that connect to one transmission line extending to the Owl's Head wellfield north of Freeport, FL. Adding the additional transmission line from just north of Choctawhatchee Bay to the wellfield will provide for two complete and independent lines that will provide redundancy, as well as ample capacity for the growing franchise area. The utility services approximately 21,000 water customers.

With growth projections, that include the St. Joe Company Bay/Walton sector plan, the utility is planning for the customer base to more than double. The construction of this project will insure that development and the diversification of Walton County's commercial base is not hindered due to infrastructure needs.

The construction will take place in the existing east right of way of U.S. Highway 331 and will consist of placing 11 miles of 30-inch ductile iron and high-density polyethylene (HDPE) pipe.

(A map of Phase I and Phase II of the project)



This project will help continue positive economic growth within Walton County. Historical figures for the utility have averaged a growth rate of 5.26% and continue to be sustained on a month-to-month basis. With projects under construction in Walton County, such as, the St. Joe Company Bay/Walton Sector plan, industrial parks and the U.S. Highway 331 corridor expansion, growth is expected to exceed expectations. The planned build out for the St. Joe Company Bay/Walton Sector plan will double the current customer base of the utility.

The construction project will create a need for additional workforces within the utility through construction crews and additional maintenance crews. The transmission line, once completed, will assist the utility in continuing to provide safe, clean drinking water to the citizens, manufacturers, businesses and tourists of South Walton County. It will insure that the growth that is occurring and expected to continue will not be paused by the lack of infrastructure or capacity to serve.

Preliminary engineering designs and material plans have been completed, as well as all preliminary permitting required to begin the construction phase. The project plan is finalized, and the project is shovel ready at this time. Following is an overview of the anticipated construction schedules for Phase I and Phase II of the transmission line projects.

Proposed Timeline

Phase I – 30-Inch Water Transmission Main from North end of 331 the bridge to Just North of Highway 20

Week 1 – Week 3 – Mobilization and Installation of Erosion Control Measures

Week 2 – Week 10 – Perform (16) 30-Inch HDPE Directional Bores

Each bore will require mobilization, pipe fusion, directional boring, traffic control, and supervision.

Week 11 – Week 22 – Install 30- Inch Ductile Iron Transmission Main

Installation of ductile iron transmission main shall consist of open cutting of trench, placement of 30-inch ductile iron water main, connection to previously installed HDPE bores, filling and compaction of the trench, and grassing measures.

Week 22 – Week 26 – Certification of Pipeline and De-Mobilization

This will include all testing and lab-work necessary to deem the water transmission line safe and functional. This phase will also include any needed erosion control and de-mobilization of all equipment.

Phase II – 30-Inch Water Transmission Main from North of Highway 20 to Owl’s Head

Week 1 – Week 3 - Mobilization and Installation of Erosion Control Measures

Week 2 – Week 10 – Perform (5) 30-Inch HDPE Directional Bores

Each bore will require mobilization, pipe fusion, directional boring, traffic control, and supervision. These bores are much longer than the bores on Phase I.

Week 11 – Week 22 – Install 30-Inch Ductile Iron Transmission Main

Installation of ductile iron transmission main shall consist of open cutting of trench, placement of 30-inch ductile iron water main, connection to previously installed HDPE bores, filling and compaction of the trench, and grassing measures.

Week 22 – Week 26 – Certification of Pipeline and De-Mobilization

This will include all testing and lab-work necessary to deem the water transmission line safe and functional. This phase will also include any needed erosion control and de-mobilization of all equipment.

Phase 1 cost breakdown

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BID TOTALS

<u>Biditem</u>	<u>Description</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Price</u>	<u>Bid Total</u>
10	Mob	1.000	LS	5,580.11	5,580.11
15	30" HDPE DR 11 DIPS	4,050.000	LF	197.43	799,591.50
45	Install Thrust Blocks	4.000	EA	894.00	3,576.00
46	30" MJ Tee	1.000	EA	8,926.40	8,926.40
47	30" MJ Gate Valve	5.000	EA	22,376.57	111,882.85
50	30" MJ Sleeve	6.000	EA	7,999.50	47,997.00
55	30" MJ 22.5 Bend	4.000	EA	4,284.25	17,137.00
56	30" MJ 45 Bend	6.000	EA	4,334.25	26,005.50
60	30 x 6 Tapping Sleeve & Valve	6.000	EA	4,017.00	24,102.00
90	30" Megalug	40.000	EA	1,137.75	45,510.00
95	30 x 2 ARV Assy	12.000	EA	4,132.50	49,590.00
100	30" Bell Jt Restraint	40.000	EA	1,517.75	60,710.00
109	30" Ductile Iron Pipe Guaged	27,420.000	LF	94.63	2,594,754.6
116	6" Megalug	6.000	EA	119.75	718.50
117	6" C-900 PVC	120.000	LF	18.48	2,217.60
118	Fire Hydrant Assy	6.000	EA	2,379.00	14,274.00
130	Flush & Test	1.000	LS	42,310.00	42,310.00
140	Misc Contingency 5%	1.000	LS	211,917.07	211,917.07
150	Engineering 3%	1.000	LS	123,119.84	123,119.84
160	Consulting Engineers 5%	1.000	LS	195,000.00	195,000.00
200	Overhead 5%	1.000	LS	205,199.73	205,199.73

Bid Total =====> \$4,590,119.70

Phase 2 cost breakdown

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BID TOTALS

<u>Biditem</u>	<u>Description</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Price</u>	<u>Bid Total</u>
10	Mob	1.000	LS	5,580.11	5,580.11
15	30" HDPE DR 11 DIPS 10 BORES COMPLETE	2,500.000	LF	215.73	539,325.00
45	Install Thrust Blocks	4.000	EA	894.00	3,576.00
46	30" MJ Tee	1.000	EA	8,926.40	8,926.40
47	30" MJ Gate Valve	4.000	EA	22,376.79	89,507.16
50	30" MJ Sleeve	3.000	EA	7,999.50	23,998.50
55	30" MJ 22.5 Bend	2.000	EA	4,284.25	8,568.50
56	30" MJ 45 Bend	6.000	EA	4,334.25	26,005.50
60	30 x 6 Tapping Sleeve & Valve	3.000	EA	4,017.00	12,051.00
90	30" Megalug	44.000	EA	1,137.75	50,061.00
95	30 x 2 ARV Assy	6.000	EA	4,132.50	24,795.00
100	30" Bell Jt Restraint	50.000	EA	1,517.75	75,887.50
109	30" Ductile Iron Pipe Guaged	27,680.000	LF	94.63	2,619,358.4
116	6" Megalug	2.000	EA	119.75	239.50
117	6" C-900 PVC	20.000	LF	18.48	369.60
130	Flush & Test	1.000	LS	40,710.00	40,710.00
140	Misc Contingency 5%	1.000	LS	244,643.58	244,643.58
150	Engineering 5%	1.000	LS	146,887.16	146,887.16
160	Consulting Engineer	1.000	LS	244,811.93	244,811.93
200	Overhead 5%	1.000	LS	244,811.93	244,811.93
Bid Total =====>					\$4,410,113.77

A Strategic Regional Asset

The South Walton County service area and the Industrial Commerce Parks are strategically located in the Florida panhandle to access many modes of transportation including Interstate 10, US Highways 90, 98 and 331, the planned toll road, the Intracoastal and Gulf of Mexico, Port of Panama City, and Northwest Florida Beaches International Airport and Destin-Fort Walton Beach Airport. Regional Utilities is the designated public water provider located in Walton County, south of the Intracoastal Waterway.

Walton County is working to be more than second homes, tourism, an active adult and retirement community; though all have been blessings to the economy. Having the water capacity to attract new industries and jobs is essential to maintaining quality of life for residents while giving us a competitive advantage over other growing coastal areas to diversify our commercial base.

Regional Utilities Service Area



Clean, available quality water is essential to economic development. Quality water isn't an issue, until you don't have it. Walton County learned that the hard way in the 1980's when access to quality water impacted both quality of life and economic development. Regional Utilities was a key element of the solution. Under Regional's management, South Walton County enjoys some of the best water in Florida.

This project will insure that adequate water is available to sustain the growth in South Walton County. The franchise area for Florida Community Services Corp of Walton County is unique in that more than 40% of the land in the franchise area is held in conservation by the State of Florida, thus making the available developable land that much more valuable.

The tax base for South Walton County makes up 84.4% of the school-based ad valorem taxes and 91% of all other tax bases for Walton County as a whole. Being able to service the industry and businesses in South Walton is vital to the economy of Walton County. Providing adequate water will allow the existing businesses to thrive and grow, as well as lure new industry such as additional breweries and a distillery. These businesses and future businesses will continue to increase the ad valorem and sales tax base within Walton County.

Attachment #4

Question #2, page 9

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

Quality Water is Essential

The United Nations' "World water development report 2016: water and jobs" says more than 1.3 billion jobs worldwide (42% of the world's total active workforce) are heavily water-dependent, including work in agriculture, mining and industries ranging from paper to pharmaceuticals. Moreover, another 1.2 billion jobs are moderately water-dependent; though they do not use large quantities, industries such as construction, recreation and transportation do need access to some. In total, 78 percent of global jobs need water. Investments in safe drinking water and sanitation have been shown to foster economic growth, with high rates of return.

Recent industries doing site visits in South Walton include a new brewery and a vodka distillery, both of whom would depend on safe, clean, quality water for their businesses. Funding for this infrastructure partnership would provide a shot in the arm to supercharge these and other recruitment opportunities. Access to quality water is indispensable for luring new industry and economic diversification, allowing the County to leverage current investment at the Commerce Park and provide a catalyst for even more high quality sustainable growth.

Recent Walton County Development Experience Shows the Path

Walton County has had successes and disappointments due to infrastructure issues. Lack of public infrastructure has meant no development, which means no jobs and no transformation. On the disappointing side, due to a lack of access to water, the Owl's Head development has languished for several years. This lack of infrastructure on the US Highway 331 corridor has delayed the construction of new homes, industry, retail, affordable housing, affordable lodging options, vehicle test areas, and other amenities and jobs in the areas leading into the beach corridor.

On the success side, the infrastructure that was put in place in the last few years for the Mossy Head Industrial Park area unlocked the regions potential and has led to investments in jobs, industries, developments by Federal Express, Loves, Empire Truck Sales, Southern Tire, Dixie RV, I-10 Truck Center, Waffle House, and Frito Lay. In all, 350 acres of the 425 acres have been developed, all with a state investment of \$7.3 for water, wastewater and infrastructure resulting in over 400 new jobs and \$50 million in private investment money. Mossy Head was a success specifically because of the infusion of outside money to serve as a catalyst for development, much like this water transmission line. Job creation that otherwise would not have happened.

The new 11-mile 30" water transmission line will immediately assist regional development in several ways, which is why Walton County Board of Commissioners, the Walton County Economic Development Alliance, the Walton County Chamber of Commerce, the St. Joe Company, Grayton Beer, Idiiyll Hounds Brewing, the Building Industry Association of Okaloosa and Walton Counties, Inc., the Choctawhatchee Electric Cooperative (CHELCO), and the Emerald Coast Association of Realtors have already strongly endorsed this project.

Investing now will allow Walton County, through Regional Utilities, to create temporary construction jobs as well as lasting employment. Just as the Mossy Head infrastructure investments yielded jobs, industries, and developments that hadn't even been on the drawing board or been conceived, the new water line will give the 120-acre South Walton Commerce Park and the 10-acre Blue Mountain Beach Industrial Park the infrastructure it needs to secure new tenants in the industrial park that will create well-paying, meaningful long-term employment in Walton and surrounding counties. It will also provide an example in 12 months to all others seeking Triumph funding that will benefit the entire region, just as the Mossy Head businesses do.

If this project is not funded, it will eventually be built. It will have to be. That is why all permitting issues have already been negotiated. It is hard to say how long it would be before project completion, but the answer is likely years. The delay will raise the cost, force Regional to go to the financial markets for monies, and certainly result in lost opportunities for economic development planners and professionals to sell the site ready parcels in South Walton.

However, with the needed investment of Triumph Gulf Coast, construction will start immediately, accelerating the ability to build out the Commerce Parks and the St. Joe sector plan and be completed within 12 months.

More importantly, it will provide certainty within the development community, so all current and potential residents and businesses will be assured that the south county will have enough water capacity to last many decades while also providing important redundancy for businesses if the existing line is compromised.

A Tourism Economy Being Transformed*

According to a recent Northwest Florida Daily News article, Walton County continues to lure more than visitors, as recently released census figures show it to be the sixth fastest growing county in the entire United States. According to figures released March 22 by the U.S. Census Bureau. That 4.5 percent jump of 2,936 new citizens puts Walton behind only a Virginia county, a county in Utah and three counties in Texas. It is projected to be one of the two fastest growing counties on the entire Gulf Coast.

One reason Walton County can expect more growth is an expected expansion of the military's hypersonic weapon systems testing program. County officials in both Walton and neighboring Okaloosa County have been warned to anticipate an influx of both military officials and contractors as the Gulf of Mexico area is set aside for weapons testing – by far the nation's largest -- is greater utilized for this growing mission.

As it stands now, the Walton County is seeing booming growth in its southeastern quadrant, its midsection and near DeFuniak Springs. Mossy Head in northwest Walton County continues its steady growth and there have even been signs of budding new life in quiet rural Paxton.

As the Mossy Head Industrial Park continues to grow, having now developed 350 acres of the 425-acre complex, residential opportunities are expanding, and new ones are being considered, Bill Imfeld said.

Seven new South Walton developments, including four residential and one mixed-use development, were recently approved for construction by the Walton County Commission.

Still to come is expected commercial growth along the U.S. Highway 331 corridor, which forms the north-south spine of Walton County. Recently, another section of highway running north out of Freeport was opened as part of an extensive four-laning project between DeFuniak Springs and U.S. Highway 98 in South Walton.

“We do need to be forward thinking, we know the growth is coming from both individuals and business. We’ve got to be looking forward ... so both the housing and business needs can be met, and we can stay in front of the curve instead of waiting for everybody to get here and then saying, ‘what do we do next?’” Bill Imfeld said. “It’s been a very positive attitude for both Okaloosa and Walton to say, ‘we know they’re coming, let’s do what they can to make it a safe and sound environment for everyone to live in happily.’”

**Selected sections, Source April 2, 2018 Northwest Florida Daily News*

The St. Joe Bay –Walton Sector Plan is a Game Changer

The St. Joe Company’s West Bay Sector Plan and supporting policies create a long-range planning framework for 110,500 acres, 97,216 acres (or 88 percent) are located in Bay County and 13,284 acres (or 12 percent) are located in Walton County.

The 50-year build out land use assumptions for Walton portion of the Sector Plan includes 24,706 residential, 510,000 sf retail/commercial, 113,000 sf office/light industrial/manufacturing, 530 hotel rooms, and 81 holes of golf.

Land Use Assumptions. Walton County lands will include:

- 24,706 residential units constructed over a 50-year period, with a projected 5,048 units constructed in first 10 years.
- 113,000 square feet of office/employment center space
- 505,000 square feet of retail/commercial space
- 530 hotel rooms
- 81 holes of golf
- 322,000 square feet of recreation development.

The Bay-Walton Sector Plan will have a peak population of 58,800 of which approximately 35% is seasonal residents. St. Joe projects in first ten years of construction; this population is expected to reach 12,015 additional residences in Walton County.

Knowing that Walton County is already one of the fastest growing counties in the USA already, coupled with the aggressive plans of St. Joe and other opportunities, the water infrastructure project becomes more critical to sustainable job growth.

Your Partner, Regional Utilities, Accountable and Proactively Plans for Growth

Regional Utilities does not come to the Triumph Gulf Coast Board asking for seed money or for funds that otherwise would come from their customer base. Instead, Regional Utilities has planned and is investing heavily in a variety of projects to service the current and future needs of the area. As you can see below, Regional Utilities has been a good planner and steward as the local governmentally sanctioned public utility provider for Walton County.

We believe that by increasing the delivery capacity of the system infrastructure, long term economic growth will be sustained and enhanced within Walton County. The development community will be able to recruit new industry with the confidence that the water supply is more than ample. The ability to supply the growing franchise area with an adequate water supply will continue to maintain growth thereby sustaining and increasing property values and ad valorem values for the community.

Regional Utilities is dedicated to providing service to our existing and future customers with minimal impact to the current rates. Regional Utilities will commit matching funds for this project derived from impact fees and no additional economic impact will be imposed on the citizens and businesses of Walton County.

Regional Utilities leases and operates the public utility for South Walton County. As a partner of Walton County all infrastructure and assets will revert to the County once revenue bonds are paid currently extending to 2031.

Regional Utilities' franchise area was identified as an Area of Critical concern which set into motion the requirement to remove all coastal wells. The Owl's Head Wellfield provides all potable water for the service area. The current Owl's Head wellfield will be able to realize its maximum withdrawal potential due to this project and will, in-turn, continue to benefit the environment by eliminating the need for coastal wells.

Regional Utilities will be able to provide measurable outcomes in the future by:

- Tracking customer growth numbers based on equivalent residential connections
- Tracking customer growth numbers based on industrial connections
- Tracking daily water usage by customers and flows from the wellfield
- Tracking wastewater process numbers

Attached is a letter and list of projects recommended by the Walton County Board of Commissioners (see attachment #11). Our project is highlighted and noted as “Regional Utilities”.

During the 2017-18 fiscal year, the Regional Utilities completed the following in-house water and wastewater projects totaling in excess of \$25M of upgrades and improvements that were funded from impact fees and revenue.

Water

- Water ERC’s total 21,087 and 15,357 water meters are being read on a monthly basis
- Pumped 1,604,479,300 gallons of water
- Installed 226 grinder pumps for new and existing homes
- Seacroft Road 12” Water Line: including the design, permitting and construction of a 12” potable water line on Seacroft Road from Satinwood to CR393
- Satinwood 18” Water Transmission Main including the design, permitting and construction of 2,600 ft. of 18” water transmission main along Seacroft Road from the Satinwood Tank site to CR393
- Hwy 98 24” Water Transmission line from US 331 to CR 393, including the design and permitting associated with construction 16,500 feet of 24” water transmission line from just east of Hwy 331 along Hwy 98 to CR 393
- CR393 18” Transmission to Satinwood Tank: including the design, permitting and construction of 7,700 ft. of 18” water transmission main on CR 393 to Seacroft Drive to serve the Satinwood water storage tank
- CR83 18” including the design, permitting and construction of 11,000 ft. of 18” potable water main on CR83 from US98 to CR30-A
- Lakeview Drive water upgrade and relocation, including the design, permitting and construction of a new 6” potable water line associated with Lakeview Drive realignment and reconstruction
- 30” Pipeline on US 331 from Nokuse Wellfield, Phase I and II design and permitting
- Cypress Point Lane Water Extension design and permitting

Wastewater

- Wastewater ERC’s total 27,981
- Treated 1,249,810,000 gallons of wastewater
- Installed 226 grinder pumps for new and existing homes
- Seacrest Wastewater Treatment Plant 2MG Expansion
- 4MG Reclaim Storage Tank and Pumping Station, including the design, permitting and construction of a new restricted access reclaim water storage tank and pumping station along with all necessary valves and appurtenances
- Cypress Point Lane Sewer Extension design and permitting
- Golfview Drive Low Pressure Sewer Extension design and permitting
- Country Cabins Low Pressure Sewer design and permitting

Regional Utilities completed the following drainage relocation and improvements for Walton County upgrades:

- Haborview Drive Utility relocation
- CR 393 Drainage Improvements Utility relocation
- Hewett Bayou Stormwater Retrofit Utility relocation
- CR30A/CR395 Drainage Utility relocation
- Western Lake Drainage Improvement Utility relocation
- Mack Bayou Road Drainage Utility relocation
- Alligator Lake Utility relocation
- Brown Street Drainage Utility relocation
- Little Redfish Lake Utility relocation
- Gulf Hill Estates Utility relocation
- Casa Grande Utility relocation
- Paradise Point Utility relocation
- Bluebell Circle Utility relocation

The Utility has plans for the 2018-19 water and wastewater upgrades and improvements totaling \$26M in costs that will be funded from revenue and impact fees that have been earmarked for the projects. The Utility operates in a fiscally responsible manner whereby planned projects have funding earmarked in advance of construction and are identified during the master planning process. Regional Utilities is currently updating the 5-year master plan that was completed in 2014. The Utility currently holds \$155M in capital assets, has a debt service balance of \$24.8M and holds a 2013 Fitch Rating of AA, 2011 Moody's Rating of Aa3 and 2014 Standards and Poor's Rating of AA.

As you can see, Regional Utilities has been a forward-thinking public steward serving the water needs of South Walton. Normal growth has been planned for and these costs will be paid for by the service revenue and developers. The match Regional is seeking for this project is to help diversify the South Walton economy from dependency on tourism to a strong commercial base to compliment the current tourist economy.

Attachment #5
Question #3, page 9

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

A clean, reliable water source is vital to any successful community. The proposed project by Regional Utilities is needed to accommodate the continued and future development in South Walton. The proposed project can be completed from start to finish in 12 months and will create jobs that exceed the regional wage average. Not only will the project produce full-time jobs, it will enable expansion of industry that will create even more well-paying jobs in the private sector.

Walton County is situated between three major military installations that are all expected to expand in the near future. These military expansions will draw the defense industry to South Walton and also be an area ripe for workforce housing due to its proximity to the bases. The Regional Utilities project is a key to providing the infrastructure necessary to accommodate the influx of people and industry moving to the area. Walton County is the 6th fastest growing county in the nation.

The South Walton Commerce Park is currently home to two beer breweries. A vodka distillery and other breweries are currently looking to make South Walton their home. Because Regional sources their water from North Walton County, the high quality of the water is unique to a coastal community. Clean, plentiful and a reliable source of water is a vital resource for this commerce park as it moves towards being a destination for the spirits industry.

Regional Utilities strives at all times to be environmentally conscious and business focused. Regional is prepared to match this project at a 51%-49% split and is comfortable with any model for grant payment deemed appropriate by the board. We are comfortable that our project will be executed in a professional, frugal, timely manner. Our public utility is governed by stringent standards as put forth from the Florida Department of Environmental Protection, as well as the Army Corp of Engineers. Regional Utilities has historically received state funding from DEP and Water Management and has always been excellent stewards of the money. This project will create a capacity for industry within the service area and long-term sustainability of the project will be provided by the current and future customer base of the utility.

Attachment #6
Question #6, page 10
Walton County Commission Letter of Support



WALTON COUNTY, FLORIDA
Board of County Commissioners

William "Bill" Chapman, District 1, *Vice-Chair*
Cecilia Jones, District 2, *Chairwoman*
Melanie Nipper, District 3
Sara Comander, District 4
Tony Anderson, District 5
P.O. Box 1355 DeFuniak Springs, FL 32435
Phone: 850-892-8155 Fax: 850-892-8454
www.co.walton.fl.us

November 14, 2017

Susan Skelton, Executive Director
Florida Triumph Gulf Coast, Inc.
P.O. Box 12007
Tallahassee, Florida 32317

Dear Susan,

Let this letter serve as formal notification of the activities and directives taken by the Walton County Board of County Commissioners (BCC) to comply with 288.8017, Fla. Stat.:

"Each Board of County Commissioners shall solicit proposed projects and programs from other elected local governing boards within the County as shall provide Triumph Gulf Coast Inc. with a list of proposed projects and programs located within the County."

After holding numerous public meetings throughout the County to educate and encourage citizens and business owners regarding the opportunities presented by Triumph Gulf Coast, 36 prescreen applications were submitted to the County for possible endorsement. The Walton County BCC appointed a committee, known as the Local Triumph Committee, of eleven individuals to evaluate and score these submittals. This committee is comprised of five nonaffiliated community stakeholders along with six members affiliated with local governmental agencies. Details regarding The Local Triumph Committee can be found on the Walton County website.

The initial meeting of the committee was held on November 1, 2017 to review and score the 36 submitted projects, which were to be submitted to the County by 5PM October 30. At this meeting, one project, Destin Fisherman's Co-op, was approved to be considered and scored by the committee even though it missed the submittal deadline. The committee was instructed to answer three questions about each project; 1) does the project meet statutory requirements for eligible uses 2) does the project meet statutory priorities and 3) is the project transformational. It was explained to the committee that the first two criteria were somewhat objective in nature and that the concept of "transformational" was quite subjective. Given the subjective nature of the final question each member was encouraged to use their creative mind to determine whether a project was transformational or not. Committee members were to vote either yes or no on each of the three scoring questions for every project.

Each proposer was permitted to address the committee for three minutes to present their project. Those projects with no one to speak to the committee were read into the record and presented by county staff. After every presentation, each committee member scored the project by selecting yes or no on the above mentioned criteria. Upon all projects being presented and scoring complete, the Clerk of Count collected the scoring forms and reported the results back to county staff. Those projects receiving three yes votes got an A, those receiving two yes votes got a B, those receiving one yes vote a C and those not receiving any yes votes scored a D.

On November 7, 2017 the Walton County BCC was presented results of the scoring process and voted that those projects which received an A or B score would be endorsed for contemplation by the Triumph Gulf Coast Board of Directors as projects worthy of further consideration.

Please find attached, a complete list of submitted projects and the committee's score for each project. Those projects with scores of A and B are those endorsed by the Walton County Board of County Commissioners.

Sincerely,



Cecilia Jones, Chairwoman
Walton County Board of County Commissioners

enc

CJ/mdb

Local TRIUMPH Committee Project Pre-Applications

Project	Name	Category	Project	Name	Category	Project	Name	Category
1	331 Water & Sewer Project	A	13	Westwood Ranch	B	25	Withdrawn	
2	Owl's Head	A	14	LECOM	A	26	Tango Tango	D
3	Walton County Broadband	A	15	Destin Fisherman's Co-op	A	27	Sunshine Shuttle	B
4	Walton County School Board K-12	A	16	Stone Clinical	A	28	Waterside	D
5	Walton County Sheriff - Jail Project	A	17	Crown Clinic	B	29	Keuco Properties	D
6	Walton County Sheriff - Security Project	A	18	Louis Louis	D	30	Seaside Institute 1	D
7	NWF State College Sim City	A	19	Beach Street Transportation	D	31	Seaside Institute 2	D
8	Regional Utilities	A	20	Electric 98	D	32	Amy Stoles	D
9	ARC	A	21	Victory Lighthouse	D	33	Compass Rose Academy	D
10	Veteran's Lodge	A	22	Arca Global	D	34	Anita Powell	D
11	Alaqua	A	23	Withdrawn		35	William Bridell - Light Rail	C
12	Biophilla	A	24	Withdrawn		36	Walton Wifi (Non-County)	C

Attachment #7
Question #3, page 10

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.

Daily record keeping with distance and amount of piping installed will be recorded daily, along with photograph documentation. Monthly documentation will be compiled with all labor, equipment and materials cost bound for the entire extent of Phase I and Phase II of the project.

Phase I – 30-Inch Water Transmission Main the North end of the 331 bridge to Just North of Highway 20

Week 1 – Week 3 - Mobilization and Installation of Erosion Control Measures

Week 2 – Week 10 – Perform (16) 30-Inch HDPE Directional Bores

Each bore will require mobilization, pipe fusion, directional boring, traffic control, and supervision.

Week 11 – Week 22 – Install 30- Inch Ductile Iron Transmission Main

Installation of ductile iron transmission main shall consist of open cutting of trench, placement of 30-inch ductile iron water main, connection to previously installed HDPE bores, filling and compaction of the trench, and grassing measures.

Week 22 – Week 26 – Certification of Pipeline and De-Mobilization

This will include all testing and lab-work necessary to deem the water transmission line safe and functional. This phase will also include any needed erosion control and de-mobilization of all equipment.

Phase II – 30-Inch Water Transmission Main from North of Highway 20 to Owl’s Head

Week 1 – Week 3 - Mobilization and Installation of Erosion Control Measures

Week 2 – Week 10 – Perform (5) 30-Inch HDPE Directional Bores

Each bore will require mobilization, pipe fusion, directional boring, traffic control, and supervision. These bores are much longer than the bores on Phase I.

Week 11 – Week 22 – Install 30-Inch Ductile Iron Transmission Main

Installation of ductile iron transmission main shall consist of open cutting of trench, placement of 30-inch ductile iron water main, connection to previously installed HDPE bores, filling and compaction of the trench, and grassing measures.

Week 22 – Week 26 – Certification of Pipeline and De-Mobilization

This will include all testing and lab-work necessary to deem the water transmission line safe and functional. This phase will also include any needed erosion control and de-mobilization of all equipment.

Attachment #8
Question #4, page 10

Attach evidence that the undersigned has all necessary authority to execute this proposal on behalf of the entity applying for funding. This evidence may take a variety of forms, including but not limited to: a delegation of authority, citation to relevant laws or codes, policy documents, etc. In addition, please attach any support letters from partners

DOCUMENT# N10650

Entity Name: FLORIDA COMMUNITY SERVICES CORP. OF WALTON COUNTY

Current Principal Place of Business:

4432 EAST U.S. HIGHWAY 98
SANTA ROSA BEACH, FL 32459

Current Mailing Address:

4432 EAST U.S. HIGHWAY 98
SANTA ROSA BEACH, FL 32459 US

FEI Number: 59-2643266

Certificate of Status Desired: Yes

Name and Address of Current Registered Agent:

PILCHER, MELISSA W
4432 EAST U.S. HIGHWAY 98
SANTA ROSA BEACH, FL 32459 US

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE: MELISSA W PILCHER

02/26/2018

Electronic Signature of Registered Agent

Date

Officer/Director Detail :

Title: PRESIDENT CHAIRMAN, DIRECTOR
Name: PILCHER, MELISSA W
Address: 1742 BAY GROVE ROAD
City-State-Zip: FREEPORT FL 32439

Title: DIRECTOR, VP
Name: HERTWIG, WILLA
Address: 5726 COY BURGESS LOOP
City-State-Zip: DEFUNIAK SPRINGS FL 32435

Title: SECRETARY, TREASURER
Name: DISMUKES, LOIS M
Address: 177 LEE PLACE
City-State-Zip: SANTA ROSA BEACH FL 32459

Title: VC VP, DIRECTOR
Name: DOUGLASS, RYAN A
Address: 738 BAY GROVE ROAD
City-State-Zip: FREEPORT FL 32439

above, or on an attachment with all other like empowered.

SIGNATURE: LOIS M. DISMUKES

SECRETARY/TREASURER 02/26/2018

Electronic Signature of Signing Officer/Director Detail

Date

Attachment #9

Question #3, page 11

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

Regional Utilities has been and continues to be a significant part of the development and continued growth of South Walton County. By providing the additional water supply to the franchise area, Regional Utilities will provide for the growth of businesses and industries in the area. As a crucial component of all development, the public utility will continue to provide the key component necessary for the future of the area, thus leading to the transformational future of Northwest Florida.

Regional Utilities is ready to begin the proposed project and will complete installation in a timely and efficient manner. The project time frame of both Phase I and Phase II (the matching component of the project) will be completed in approximately 12 months. The proposed project will certainly provide new jobs within the water and wastewater utility industry of approximately 15-17 employees with an average wage of \$18-\$25 per hour. The additional jobs that will be produced by the growth of industry and additional development in the area will be exponential.

All facets of the community are supported by the utility and the ability to provide the vital resource of water for growth. Tourism, industry, permanent residents, schools, etc. are served and sustained by the utility. The attached letters of support are just a few of the companies that will be able to create new jobs for the area with the funding of this project (Attachment #12). The companies include the manufacturing and industrial components of this priority. The project will create a capacity for industry within the service area and long-term sustainability of the project will be provided by the current and future customer base of the utility.

The project will provide for local spending as a majority of the materials and equipment are purchased through vendors within Walton County. Regional impacts will be shown through job creation, as well as growth of surrounding businesses that affect the region.

Regional Utilities strives at all times to be environmentally conscious and business focused. Our utility is governed by stringent standards as put forth from the Florida Department of Environmental Protections, as well as the Army Corp of Engineers.

On May 16, Regional Utilities received a REMI economic impact analysis from the Haas Center (report attached on next page).

In short, the job projections are:

- Construction phase – 120 jobs in 2018 and 166 in 2019
- St Joe Sector Plan build out – 1,913 jobs
- Commerce Park build out – 2,930 jobs
- Total of 16,282 direct, indirect and induced jobs over 10 years.

Economic Impact Analysis of Regional Utilities’ Highway 331 South 11 mile, 30” Water Transmission Line

Regional Utilities has requested a brief economic impact analysis of the proposed *11 mile, 30” Water Transmission Line* located between Choctawhatchee Bay and the Owl’s Field wellfield. Information on the project was provided by Regional Utilities and the project specifics were run through an econometric simulation model in order to determine the impact on Walton County should the project be implemented there. Results for the project are provided below. A list of modeling assumptions, a description of the model used and definitions of terms can be found after the project results tables.

Results

Project: 1,913 Jobs, \$9 million in construction

Category	Units	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Direct Employment		0	0	1,913	1,913	1,913	1,913	1,913	1,913	1,913	1,913
Additional Employment		120	166	176	156	123	85	48	16	120	166
Value Added	Millions of Current \$	\$2.86	\$2.77	\$119	\$124	\$127	\$128	\$128	\$127	\$126	\$126
Output	Millions of Current \$	\$4.79	\$4.63	\$229	\$234	\$244	\$246	\$246	\$246	\$245	\$245
Income Increase	Millions of Current \$	\$1.90	\$1.92	\$75	\$83	\$93	\$101	\$108	\$115	\$121	\$128

Initial project development calls for spending \$4.59 million in construction in 2018 and \$4.41 million in construction in 2019. Our assumption is then that the development of this project adds viability to the St. Joe Sector Plan and helps create jobs once that project is fully developed. All jobs generated by the sector plan are modeled in 2020. By carrying this additional employment into the existing forecast of the economy, these jobs generate additional jobs in the community. This is due to the multiplier effect, which shows how wages earned and spent in a community circulate throughout that community creating more jobs and more spending. Because of this new employment, the income generated by all of the jobs in Walton County also increases as a result of both the new direct employment from project construction, the jobs generated as part of the St. Joe Sector Plan and the additional, indirect employment these jobs now support.

A portion of the activity and employment is attributed to the assumption that the project would directly contribute to the success of the St. Joe Sector Plan. The plan calls for 510,000 SF of retail

and commercial, 113,000 SF of office/light commercial and 530 hotel rooms. We have estimated the number of employees that would be supported through the full development of these plans via a standard equation that estimates the average number of employees per square foot by industry sector. This estimate is based on standard practices in the land use and planning field.¹ For purposes of this report, this job calculation may be considered conservative as neither the South Walton Commerce Park or Blue Mountain Beach Industrial Park job development is included here. While development has already begun in these parks, the industry breakdown has not been delineated. However, it is likely that this infrastructure expansion would also make those sites more desirable for development. By our estimate, using the most conservative estimate of employment density, those two commerce parks could also generate another 2,930 jobs.

The economic impact reflects the increase in the value of county goods and services – or in other words the overall net value of the economy minus the dollars that flow out through the purchasing of goods and services not created within the county economy.

Project impact over 10 years:

- \$1.01 billion in Value Added
- \$1.95 billion in Output
- \$827 million in Personal Income
- 16,282 Total Jobs

Modeling Assumptions:

Project was modeled using Construction and Manufacturing for the water line construction, and jobs in Transportation/Warehousing (Commercial), Professional/Scientific/Technical (Office), Accommodations, Retail Trade and Manufacturing to capture the diversity of jobs generated by the St. Joe Sector Plan.

All employment commenced in 2020 and is maintained for 8 years

Model impacts occurred from 2018 through 2027 and represent changes in the baseline forecast of the economy that presently exists.

¹ *Planners Estimating Guide: Projecting Land Use and Facility Needs* by Arthur C. Nelson, FAICP, Planners Press, American Planning Association, 2004

REMI model

Econometric simulation models combine the sector detail and geography detail of input/output models but provide for functioning economic linkages between sectors and regions over time. The current study uses REMI PI+ Version 2.1.1 (Regional Economic Models Inc.), in a 67 region structural econometric model of the state of Florida. It incorporates the basic input/output linkages, but also uses econometrically estimated county-specific parameters, for example, interregional migration in response to changes in economic opportunities, in generating impact results. Because of these between-sector linkages, the model incorporates general equilibrium tendencies as the economy responds to shocks over time. That is, changes in spending in a region affect not just conditions in that market, but also in other markets within the region (economists term this a “general equilibrium”) and outside the region (via trade and also via migration in response to changes in economic opportunities). This describes the phenomenon whereby, for example, a new financial services back office call center opens in a county, and bank managers throughout the county find they have to give staff a raise in order to keep them from leaving to take a job at the new call center. A traditional input-output model description of the economic impact would have held everything else fixed (including bank wages across the county) and simply documented the employment and job creation effects resulting directly at the new call center and indirectly via businesses in its supply chain, as well as household spending induced by the new income flows.

A simulation model such as REMI captures not only the spending effects flowing from the call center and its local suppliers and employees and owners, but also the spillover effects into other markets as wages and prices change due to competition for the same employees and other resources. These effects are the general equilibrium (equilibrium across all markets simultaneously) tendencies of the model. It also simulates the adjustment path over time of these market responses, using historical parameters estimated specifically for that county (the dynamic component).

Glossary of terms

Output. Output is the amount of industry production, including all intermediate goods purchased as well as Value Added (compensation and profit). It can also be thought of as sales or supply. The components of Output are Self Supply and Exports.

Employment. Employment comprises estimates of the number of jobs, full-time plus part-time, by place of work. Full-time and part-time jobs are counted at equal weight. Employees, sole

proprietors, and active partners are included, but unpaid family workers and volunteers are not included.

Multiplier. The multiplier is the ratio of the change in equilibrium divided by the original change in spending that causes the change. Each industry that produces goods and services generates demands for other goods and services. These demands ripple through the economy, multiplying the original economic impact.

Income. Income received by persons from all sources. It includes income received from employment or investments as well as government or employer transfer payments.

Value Added. Value Added is a measure of the contribution of each private industry and of government to a region's Gross Domestic Product. It is defined as an industry's gross output (which consists of sales or receipts and other operating income, commodity taxes, and inventory change) minus its intermediate inputs (which consist of energy, raw materials, semi-finished goods, and services that are purchased from domestic industries or from foreign sources). Value Added by industry can also be measured as the sum of compensation of employees, taxes on production and imports less subsidies, and gross operating surplus.

Attachment #10
Question #1D, page 14

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.

Other New Transformational Job Opportunities on the Horizon

Construction Phase Jobs - In addition to the construction crew (at least five additional employees will be required for construction), an additional 10-12 employees during the 12 months following the construction completion for a total of 15-17 additional employees. It is expected for the employees to earn a wage of \$18 to \$25 hourly.

The REMI analysis shows Construction impact: 1,913 Jobs, \$9 million in construction (please see full report in Attachment #9).

Category	Units	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Direct Employment		0	0	1,913	1,913	1,913	1,913	1,913	1,913	1,913	1,913
Additional Employment		120	166	176	156	123	85	48	16	120	166

Sector Plan Impact - St. Joe projects in first ten years of construction; the population is expected to increase by 12,015. 5,048 Walton County residential units are planned for construction in first 10 years.

In addition to the direct jobs created by the building of the Transmission line, the Walton portion of the Bay - Walton Sector Plan the projected employment at build out is projected to be approximately 2,066 new jobs, with about 860 new jobs created within the first ten years. The hotel development will generate approximately 742 full - time equivalent visitors at build out. The Bay - Walton Sector Plan is expected to have a taxable value of \$1.0 billion in ten years and \$9.6 billion at build out.

The REMI analysis shows St. Joe Sector Plan build out - 1,913 jobs (relating to the detailed commercial build out). At this point, there is no way for the Haas Center to figure out how many permanent jobs that the home growth will correspond to. The construction related to that would not be permanent jobs, and without knowing what industry/occupations that would be pulling in these new residents, we couldn't estimate that accurately. Also, we don't know if all of those residents will work within the county or how many will commute or how many will be retirees. This makes their job estimates conservative.

New Industries Located in Walton – Another reason Walton County can expect more growth is an expected expansion of the military’s hypersonic weapon systems testing program. While it is nearly impossible to project what other employers will cluster in the Industrial Park, we already know that the Walton County portion of the sector plan is already being moved up on the drawing boards due to the demand for vacation and workforce housing, and the Economic Development Alliance has already received inquiries with alcohol producers, military support organizations, a STEM High School, a medical park, and other service and support industries to serve the region.

The long term economic development of the region will be enhanced by insuring there is sufficient capacity so that we can aggressively compete for new manufacturing projects and industries with the certain promise of quality water, providing an immediate return on investment and long-term benefits to the region. All of the above-mentioned jobs and prospects would provide jobs at an average wage well above the current tourism economy.

In short, while it is nearly impossible to put a specific figure on the direct jobs beyond the building of the transmission line and the jobs slated in the St. Joe Sector Plan, the experience of Mossy Head shows more than \$50 million in new industries and many direct, induced, and indirect jobs.

The matching funds we seek for the new 11- mile 30” water transmission line from the Choctawhatchee Bay to the existing Owl's Head wellfield, north of Freeport, Florida will serve as a catalyst for South Walton County to continue to develop as the Walton County economic development vision is continued. The additional capacity of this line will ensure that future development is not slowed, as this additional capacity will continue to benefit additional current and future businesses.

There are currently several water intensive businesses looking at Walton County as their home. Increasing the water capacity in South Walton will provide the necessary tools for the economic development professionals to promote South Walton Industrial Commerce Park as shovel ready for these prospective businesses. Continued growth within current industrial areas will be strengthened and supporters from the several industries are found in the attached letters of support.

The REMI analysis shows the overall job calculation may be considered conservative as neither the South Walton Commerce Park or Blue Mountain Beach Industrial Park job development is included here. While development has already begun in these parks, the industry breakdown has not been delineated. However, the Haas Center found it is likely that this infrastructure expansion would also make those sites more desirable for development. By their estimate, using the most conservative estimate of employment density, those two commerce parks could also generate another 2,930 jobs.

Attachment #11
Question #1E, page 14

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.

Economic Recovery:

The construction of the 11-mile 30" water line will play a vital role in the continued economic recovery of Walton County. Without a clean, reliable source of water, water-dependent industries will no longer consider Walton County as home and workforce housing could be impacted. This will also provide needed infrastructure to sustain the current tourism industry in South Walton. One catastrophic event to the current single water line would devastate the tourism industry as well as water dependent industries that are currently doing business in South Walton. This project will create 15-17 well-paying permanent jobs for the utility. Other jobs will be created by the expansion of industry due to the infrastructure improvement.

Economic Diversification:

The pipeline project will bring much-needed infrastructure to the 6th fastest growing county in the entire country. The project will lead to more industry coming to South Walton which will create permanent, well-paying jobs. It will insure the St. Joe sector plan will move forward without delay. The sector plan will bring permanent residents to Walton County, which will ease the county's dependence on tourism, which is currently driving growth. It will also insure a safe, clean water supply that will lure other industries to the two industrial parks along Highway 98.

Enhancement of the disproportionately affected counties:

As the sixth fastest growing county in the nation, this project will insure that the infrastructure will be in place to support not only industry but workforce housing for those who wish to make Walton County their permanent home. South Walton's proximity to important transportation corridors as well as its excellent climate and outstanding schools will only expedite its meteoric rise. We must insure the infrastructure is in place to handle the incoming demand.

Enhancement of targeted industry:

Currently residing in the South Walton Commerce Park is Grayton Beer and Idyll Hounds Brewing Companies. These are water-dependent business. There is a vodka distillery and another brewing company considering occupancy in the commerce park. In order to insure the expansion of the current breweries as well as attracting others, a clean reliable water source must be in place. With the water infrastructure in place, the

commerce park will expand and create hundreds of new, well-paying jobs not only for Walton County but the surrounding counties as well.

On May 16, Regional Utilities received a brief REMI economic impact analysis from the Haas Center (see Attachment #9 for a detailed analysis).

In short, the job projections are:

- Construction phase - 120 jobs in 2018 and 166 in 2019.
- St. Joe Sector Plan build out - 1,913 jobs (relating to the detailed commercial build out)
- Commerce Park build out - 2,930 jobs
- Total of 16,282 direct, indirect, and induced jobs.

And the Project impact over 10 years:

- \$1.01 billion in Value Added
- \$1.95 billion in Output
- \$827 million in Personal Income
- 16,282 Total Jobs

Provide any additional information or attachment to be considered

Conclusion

Regional Utilities is a forward-thinking public utility provider, designated by Walton County to provide water and wastewater service to the residents and businesses for the South Walton area. Serving the water needs for normal growth have been planned out and paid for by ratepayers and developers. We come to Triumph Gulf Coast, Inc. with ready matching funds, permits ready to file, a detailed business plan, and the resources available to immediately begin construction on this project that will help provide jobs, economic recovery, diversification, and enhancement of the disproportionately affected county of Walton.

Funding for this 11-mile, 30" Water Transmission line will allow South Walton County to lure new industries, transforming a tourist haven into a more diversified economy with more permanent residents and new industries, which in turn will lead to even more jobs and industries. Due to accelerated growth and expedited development of portions of the St. Joe Bay-Walton Sector Plan and the natural draw of South Walton for tourism, we see several water intensive businesses making Walton County their home with others looking to follow.

Funding for this project provides a clear and immediate success story for the Triumph Gulf Coast Board and an essential public infrastructure project for the sixth fastest growing county in the United States. A favorable decision by the Triumph Gulf Coast Board in the summer 2018 will produce the vital public infrastructure for economic development officials and business planners to have certainty that by the end of 2019, prospective industries looking to grow or locate in this fast-growing county a certain water supply for businesses.

Regional Utilities is committed to being a good partner and wise investment for the Triumph Gulf Coast Board. We are prepared to offer a 51% match and are willing to split funding evenly in each phase, or fund Phase I or Phase II, as the will of the Board decides.

The South Walton County service area and the Industrial Commerce Park are strategically located in the Florida panhandle to access multiple established modes of transportation. Walton County is working to be more than second homes, tourism, an active adult and retirement community; though all have been blessings to the economy. Having the water capacity to attract new industries and jobs is essential to maintaining quality of life for residents while giving us a competitive advantage over other growing coastal areas.

Another reason Walton County can expect more growth is an expected expansion of the military's hypersonic weapon systems testing program. While it is nearly impossible to project what other employers will cluster in the Industrial Park, we already know that the Walton County portion of the sector plan is already being moved up on the drawing boards due to the demand for vacation and workforce housing, and the Economic Development Alliance has already received inquiries with alcohol producers, military support organizations, a STEM High School, a medical park, and other service and support industries to serve the region. Increasing the water capacity in South Walton will provide the necessary tools for the economic development professionals to promote South Walton Industrial Commerce Park as shovel ready for these prospective businesses. Continued growth within current industrial areas will be strengthened and supporters from the several industries are found in the attached letters of support.

The transmission line, once completed, will assist the utility in continuing to provide safe, clean drinking water to the citizens, manufacturers, businesses and tourists of South Walton County. It will insure that the growth that is occurring and expected to continue will not be paused by the lack of infrastructure or capacity to serve. Walton County learned that the hard way in the 1980's when access to quality water impacted both quality of life and economic development. Regional Utilities was a key element of the solution. Under Regional's management, South Walton County enjoys some of the best water in Florida.

This project will provide immediate jobs and other economic benefits.

- The construction crew of at least five additional employees;
- 10-12 employees during the 18 months following the construction completion for a total of 15-17 additional employees.
- The project will provide for local spending as a majority of the materials and equipment are purchased through vendors within Walton other disproportionately affected counties.
- The REMI analysis shows Construction impact: 1,913 Jobs, \$9 million in construction.

Coupled with St. Joe Sector Plan, where the Walton portion is projected in first ten years of construction:

- The increase in population is expected to reach 12,015.
- 5,048 Walton County residential units constructed in first 10 years.
- Walton projected employment at build out is projected to be approximately 2,066 new jobs, with about 860 new jobs created within the first ten years.

And at build out:

- The hotel development will generate approximately 742 full-time equivalent visitors.
- The Bay-Walton Sector Plan is expected to have a taxable value of \$1.0 billion in ten years and \$9.6 billion.
- The project The REMI analysis shows St. Joe Sector Plan build out - 1,913 jobs (relating to the detailed commercial build out).

Added to the South Walton Commerce Park and Blue Mountain Beach Industrial Parks:

- In the REMI analysis, the Haas Center found it is likely, using the most conservative estimate of employment density, those two commerce parks could also generate another 2,930 jobs.

Currently, the utility has two transmission lines that reach across the Choctawhatchee Bay that connect into one transmission line extending to the Owl's Head wellfield north of Freeport, FL. Adding the additional transmission line from just north of Choctawhatchee Bay to the wellfield will provide for two complete and independent lines that will provide redundancy, as well as ample capacity for the growing franchise area.

Due to the geographic location of the wellfield to the actual service area of the utility, redundancy is a crucial component to the operations of the utility. Two independent transmission lines will not only provide the increasing need in the volume of water required for the service area, it will also provide reinforced infrastructure that will virtually insure that the coastal area would not be vulnerable to outages due to failures in the system caused by such events as hurricanes or outside contractor damage.

The long term economic development of the region will be enhanced by insuring there is sufficient water capacity so that we can aggressively compete for new manufacturing projects and industries with the certain promise of quality water, providing new jobs, an immediate return on investment and long-term benefits to the region. All of the above-mentioned jobs and prospects would provide jobs at an average wage well above the current tourist economy.

For all of these reasons and more, this project enjoys strong community and political support, and we urge your support.

SUPPORT LETTERS

The proposed public infrastructure will provide for the Enhancement of Industry and can be found within the letters of support attached.

Letters of Support Included:

- Walton County Board of Commissioners
- Walton County Economic Development Alliance
- St. Joe Company
- Grayton Beer
- Emerald Coast Association of Realtors
- The Building Industry Association of Okaloosa and Walton Counties, Inc.
- Choctawhatchee Electric Cooperative, Inc.
- Walton County Chamber of Commerce
- Idyll Hound Brewing



WALTON COUNTY, FLORIDA
Board of County Commissioners

William "Bill" Chapman, District 1, *Vice-Chair*
Cecilia Jones, District 2, *Chairwoman*
Melanie Nipper, District 3
Sara Comander, District 4
Tony Anderson, District 5
P.O. Box 1355 DeFuniak Springs, FL 32435
Phone: 850-892-8155 Fax: 850-892-8454
www.co.walton.fl.us

November 14, 2017

Susan Skelton, Executive Director
Florida Triumph Gulf Coast, Inc.
P.O. Box 12007
Tallahassee, Florida 32317

Dear Susan,

Let this letter serve as formal notification of the activities and directives taken by the Walton County Board of County Commissioners (BCC) to comply with 288.8017, Fla. Stat.:

"Each Board of County Commissioners shall solicit proposed projects and programs from other elected local governing boards within the County as shall provide Triumph Gulf Coast Inc. with a list of proposed projects and programs located within the County."

After holding numerous public meetings throughout the County to educate and encourage citizens and business owners regarding the opportunities presented by Triumph Gulf Coast, 36 prescreen applications were submitted to the County for possible endorsement. The Walton County BCC appointed a committee, known as the Local Triumph Committee, of eleven individuals to evaluate and score these submittals. This committee is comprised of five nonaffiliated community stakeholders along with six members affiliated with local governmental agencies. Details regarding The Local Triumph Committee can be found on the Walton County website.

The initial meeting of the committee was held on November 1, 2017 to review and score the 36 submitted projects, which were to be submitted to the County by 5PM October 30. At this meeting, one project, Destin Fisherman's Co-op, was approved to be considered and scored by the committee even though it missed the submittal deadline. The committee was instructed to answer three questions about each project; 1) does the project meet statutory requirements for eligible uses 2) does the project meet statutory priorities and 3) is the project transformational. It was explained to the committee that the first two criteria were somewhat objective in nature and that the concept of "transformational" was quite subjective. Given the subjective nature of the final question each member was encouraged to use their creative mind to determine whether a project was transformational or not. Committee members were to vote either yes or no on each of the three scoring questions for every project.

Each proposer was permitted to address the committee for three minutes to present their project. Those projects with no one to speak to the committee were read into the record and presented by county staff. After every presentation, each committee member scored the project by selecting yes or no on the above mentioned criteria. Upon all projects being presented and scoring complete, the Clerk of Count collected the scoring forms and reported the results back to county staff. Those projects receiving three yes votes got an A, those receiving two yes votes got a B, those receiving one yes vote a C and those not receiving any yes votes scored a D.

On November 7, 2017 the Walton County BCC was presented results of the scoring process and voted that those projects which received an A or B score would be endorsed for contemplation by the Triumph Gulf Coast Board of Directors as projects worthy of further consideration.

Please find attached, a complete list of submitted projects and the committee's score for each project. Those projects with scores of A and B are those endorsed by the Walton County Board of County Commissioners.

Sincerely,



Cecilia Jones, Chairwoman
Walton County Board of County Commissioners

enc

CJ/mdb

Local TRIUMPH Committee Project Pre-Applications

Project	Name	Category	Project	Name	Category	Project	Name	Category
1	331 Water & Sewer Project	A	13	Westwood Ranch	B	25	Withdrawn	
2	Owl's Head	A	14	LECOM	A	26	Tango Tango	D
3	Walton County Broadband	A	15	Destin Fisherman's Co-op	A	27	Sunshine Shuttle	B
4	Walton County School Board K-12	A	16	Stone Clinical	A	28	Waterside	D
5	Walton County Sheriff - Jail Project	A	17	Crown Clinic	B	29	Kevco Properties	D
6	Walton County Sheriff - Security Project	A	18	Louis Louis	D	30	Seaside Institute 1	D
7	NWF State College Sim City	A	19	Beach Street Transportation	D	31	Seaside Institute 2	D
8	Regional Utilities	A	20	Electric 98	D	32	Amy Stoles	D
9	ARC	A	21	Victory Lighthouse	D	33	Compass Rose Academy	D
10	Veteran's Lodge	A	22	Arca Global	D	34	Anita Powell	D
11	Alaqua	A	23	Withdrawn		35	William Bridell - Light Rail	C
12	Biophilia	A	24	Withdrawn		36	Walton Wifi (Non-County)	C



76 North Sixth Street
DeFuniak Springs, FL 32433
Phone (850) 892-4859
Fax (850) 892-8454

February 12, 2018

Triumph Gulf Coast, Inc.
P. O. Box 12007
Tallahassee, Florida 32317

**RE: Florida Community Services Corp of Walton County
d/b/a Regional Utilities' Triumph Gulf Coast Application**

Dear Triumph Gulf Coast, Inc.

This letter is to support the above application of the Florida Community Services Corp of Walton County (d/b/a Regional Utilities). The proposed project of the 30" transmission line from the Owl's Head Wellfield to the Choctawhatchee Bay is vital to sustain the growth and promote the economic advancement of Walton County.

With the support and funding of this project, the utility will continue to supply ample water for Walton County's positive economic growth impact. This water transmission line will result in immediate return on investments, continuing the creation of jobs, adding water capacity from existing wellfields to support growing industry and residential housing, with an overall positive economic impact.

We sincerely urge you to carefully consider funding this project and appreciate your attention of this application.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Imfeld", is written over a light blue background.

Bill Imfeld
Executive Director

BI/es



November 6, 2017

Triumph Gulf Coast, Inc.
P.O. Box 12007
Tallahassee, FL 32317

Re: Florida Community Services Corp of Walton County
d/b/a Regional Utilities' Triumph Gulf Coast Application

Dear Triumph Gulf Coast, Inc.,

Please accept this letter of support for the application of Florida Community Services Corp of Walton County (d/b/a Regional Utilities). The proposed project of the 30" transmission line from the Owl's Head Wellfield to the Choctawhatchee Bay is a vital project to sustain the growth of Walton County.

With the funding of this project, the utility will continue to supply ample water for the growth in Walton County, thus continuing the creation of jobs and positive economic impact. The utility is currently ready to break ground and the prompt construction of this project will insure that the developments planned for Walton County will proceed without delay.

The support and funding of the water transmission line project will result in the immediate return on investment and long term economic benefit for Walton County and the State of Florida. We sincerely urge you to carefully consider funding this project and appreciate your consideration of this application.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jorge Gonzalez", with a long horizontal flourish extending to the right.

Jorge Gonzalez
President and CEO



December 12, 2017

Triumph Gulf Coast, Inc.
P.O. Box 12007
Tallahassee, FL 32317

Re: Florida Community Services Corp of Walton County
d/b/a Regional Utilities' Triumph Gulf Coast Application

To Whom It May Concern:

Please accept this as a letter of support for the application of Florida Community Services Corp of Walton County (d/b/a Regional Utilities) and their proposed project of the 30" transmission line from the Owl's Head Wellfield to the Choctawhatchee Bay. The project is vital to sustain the continued population growth. It will also promote the advancement of industry in South Walton County and ensure that existing companies like Grayton Beer Company (62,000,000 gallons of water that we will need annually by 2022) are viable entities in the county moving forward.

With the funding of this project, the utility will continue to supply ample water for the growth in Walton County, thus continuing the creation of jobs and positive economic impact. The support and funding of the water transmission line project will result in the immediate return on investment and long term economic benefit for Walton County and the State of Florida. I sincerely urge you to carefully consider funding this project and appreciate your consideration of this application.

Sincerely,

A handwritten signature in blue ink, appearing to read "JMP", is written over a light blue circular stamp.

Jamey Price
Founder/President
Grayton Beer Company LLC



EMERALD COAST
ASSOCIATION OF REALTORS®



6757 US Hwy 98, Suite 202, Santa Rosa Beach, FL 32459 • Phone: 850.243.6145 • info@ccaor.com

January 3, 2018

Triumph Gulf Coast, Inc.
P.O. Box 12007
Tallahassee, FL 32317

Re: Florida Community Services Corp of Walton County
d/b/a Regional Utilities' Triumph Gulf Coast Application

Dear Triumph Gulf Coast, Inc.,

Please accept this letter of support for the application of Florida Community Services Corp of Walton County (d/b/a Regional Utilities). The proposed project of the 30" transmission line from the Owl's Head Wellfield to the Choctawhatchee Bay is a vital project to sustain the growth of Walton County and promote the progression of business and industry development.

With the funding of this project, the utility will continue to supply ample water for the growth in Walton County, thus continuing the creation of jobs and positive economic impact. The support and funding of the water transmission line project will result in the immediate return on investment and long term economic benefit for Walton County and the State of Florida. We sincerely urge you to carefully consider funding this project and appreciate your consideration of this application.

Sincerely,

A handwritten signature in black ink that reads "Liz McMaster". The signature is written in a cursive, flowing style.

Liz McMaster
President
Emerald Coast Association of REALTORS



**THE BUILDING INDUSTRY ASSOCIATION
OF OKALOOSA & WALTON COUNTIES, INC.**

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- Jeremy Whitehead
- Randy Wise

February 1, 2018

Triumph Gulf Coast, Inc.
P.O. Box 12007
Tallahassee, FL 32317

Re: Florida Community Services Corp of Walton County
d/b/a Regional Utilities' Triumph Gulf Coast Application

Dear Triumph Gulf Coast, Inc.,

Please accept this letter of support for the application of Florida Community Services Corp of Walton County (d/b/a Regional Utilities). The proposed project of the 30" transmission line from the Owl's Head Wellfield to the Choctawhatchee Bay is a vital project to sustain the growth of Walton County and promote the advancement of business and industry in South Walton County.

With the funding of this project, the utility will continue to supply ample water for the growth in Walton County, thus continuing the creation of jobs and positive economic impact. The support and funding of the water transmission line project will result in the immediate return on investment and long term economic benefit for Walton County and the State of Florida. We sincerely urge you to carefully consider funding this project and appreciate your consideration of this application.

Sincerely,

Andy Wilson 
President
Building Industry Association of Okaloosa - Walton Counties, Inc.





63 South Centre Trail
Santa Rosa Beach, FL 32459
Phone: (850) 267-0683
Fax: (850) 267-0603

Dear Regional Utilities,

I am writing on behalf of the Walton Area Chamber of Commerce and its board of directors to express our support for Regional Utilities' Triumph Gulf Coast Grant proposal. The objectives outlined in the proposal will support future growth and infrastructure needs of business and residential developments in the Regional Utilities service area.

As the leading voice for business in Walton County and the surrounding area, the Walton Area Chamber of Commerce hereby supports Regional Utilities' Triumph Gulf Coast Grant proposal with a valid interest in working together to promote positive growth and development in the Walton County area. The Chamber has a vested interest in supporting economic development and continually improving the quality of place in the region.

We look forward to collaborating with Regional Utilities on identifying and developing the infrastructure needs of our region. Should you need additional information, I can be reached at ceo@waltonareachamber.com or 850.267.0683.

Sincerely,

A handwritten signature in black ink that reads "Megan R. Harrison".

Megan R. Harrison
President and CEO



April 16, 2018

Triumph Gulf Coast, INC.
P.O. Box 12007
Tallahassee, Florida 32317

Re: Florida Community Services Corp. of Walton County
d/b/a Regional Utilities' Triumph Gulf Coast Application

To Whom it may concern:

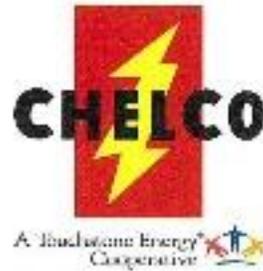
Please accept this as a letter of support for the application of Florida community services Corp of Walton County and their proposed project of the 30" transmission line from the Owl's Head Wellfield to the Choctawhatchee Bay. The project is vital to sustain the continued population growth here in Walton County. It will also promote the advancement of industry in South Walton County and ensure that existing companies like Idyll Hounds Brewing Company are viable entities in the county moving forward.

With the funding of this project, the utility will continue to supply ample water for growth in Walton County, thus continuing the creation of jobs and positive economic impact. The support and funding of the water transmission line project will resort in immediate return on investment and long term economic benefit for Walton County and the state of Florida. I sincerely urge you to carefully consider funding this project and appreciate your consideration of this application.

Sincerely,

A handwritten signature in black ink, appearing to read "Joseph Frasier Hansen", written over a light blue circular stamp.

Joseph Frasier Hansen
Founder/Owner/Head Brewer
Idyll Hounds Brewery, LLC



March 2, 2018

Triumph Gulf Coast, Inc.
P.O. Box 12007
Tallahassee, FL 32317

Re: Florida Community Services Corp of Walton County
d/b/a Regional Utilities' Triumph Gulf Coast Application

Dear Triumph Gulf Coast, Inc.,

Please accept this letter of support for the application of Florida Community Services Corp of Walton County (d/b/a Regional Utilities). The proposed project of the 30" transmission line from the Owl's Head Wellfield to the Choctawhatchee Bay is a vital project to sustain the growth of Walton County and promote the progression of business and industry development.

With the funding of this project, the utility will continue to supply ample water for the growth in Walton County, thus continuing the creation of jobs and positive economic impact. The support and funding of the water transmission line project will result in the immediate return on investment and long term economic benefit for Walton County and the State of Florida. We sincerely urge you to carefully consider funding this project and appreciate your consideration of this application.

Sincerely,

Steve Rhodes
Chief Executive Officer

