

Triumph Gulf Coast, Inc.

MyFloridaTriumph.com

Ms. Jane Evans
Grants and RESTORE Manager
1250 North Eglin Parkway, Suite 102
Shalimar, Florida 32579

September 1, 2018

Dear Ms. Evans:

Thank you for submitting an application for funding to Triumph Gulf Coast, Inc. We appreciate your time and effort and your commitment to creating a better Northwest Florida.

As you may know, Triumph Gulf Coast has received many more requests for funding than can be supported with the resources available to us. Unfortunately, after a thorough review by our professional advisors, it does not appear that your proposal for the Bob Sikes Water Reclamation Facility meets our requirements for substantially improving the economy of the eight counties disproportionately affected by the Deepwater Horizon Oil Spill without supplanting normal government funding responsibilities.

We are required by law to score each application as to its likely return on investment and potential for diversifying and enhancing our regional economy. Proposal # 38, "Bob Sikes Water Reclamation Facility", was scored as a C based on the economic impact information provided in the application.

Proposals with a score of C, D, or F will not be recommended to our Board of Directors. There is no certainty that all A and B scored proposals will be funded.

The information provided in the application indicates that ongoing maintenance of the expansion project would be funded by Okaloosa County Water & Sewer which functions as an enterprise operation of the County. Capacity sufficient to support current and near-term future use currently exists. However, recruitment and location of an industrial users with high water needs could put remaining capacity at risk, as could substantial residential development. Because expansions such as this could be handled via user fees, whether one-time hookup fees or via financing that relies on the revenue that would be created by future user demand, the requested funds could be thought of as supplanting normal county expenditures. Competitive recruitment of industrial prospects where utility installation costs are a key issue could change this perspective over time. Without such information regarding the measurable benefits to be

generated from the project, it is not possible for our economists to determine the overall long term, sustainable economic benefits to the community.

We appreciate your participation and welcome any future proposals that more closely fulfill the purposes and requirements of Triumph Gulf Coast.

Sincerely,



Susan Skelton
Executive Director