

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: [Santa Rosa County Board of County Commissioners](#)

Background of Applicant Individual/Entity/Organization: _

[Santa Rosa County is a unit of government established by Florida law.](#)

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

Federal Employer Identification Number: [59-6000842](#)

Contact Information:

Primary Contact Information: [Mr.Shannon Ogletree](#)

Title: [Director, Santa Rosa Economic Development Office \(EDO\)](#)

Mailing Address: [6491 Caroline Street, Suite 4
Milton, Florida 32570](#)

Phone: [850-623-0174](#)

Email: shannon@santarosa.fl.gov

Website: www.santarosaedo.com

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.

[None](#)

Total amount of funding requested from Triumph Gulf Coast: [\\$3.5 million over 10 years , the requested amount is based upon the current rate of 6.2290 mills from the Santa Rosa School District and 0.0338 from the Northwest Florida Water Management District.](#)

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.

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

The most recent audit of the county's financial status showed the county as financially sound. The audit was performed on the Consolidated Annual Financial Report for Period Ending September 30, 2018 by Warren Averitt CPAs and Advisors, whose findings were in a letter signed March 28, 2019. Please see Attachment 2 Financial Status.

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

Please see Attachment 2 Financial Status.

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.

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.

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

Please see Attachment 1 Project Description.

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.

Please see Attachment 3 Transformational

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

Please see Attachment 4 Viability

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

The impacts would be measured long term by reviewing the following indicators over a ten-year period: (1) number of jobs, (2) average wage, and (3) amount of capital investment.

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

The Triumph funding will be used to provide an ad valorem tax benefit in order to support the development of a premier industrial park with a significant anchor tenant. Demand for product transportation will increase, according the American Trucking Association, from 16 billion tons in 2018 to 21.7 billion tons by 2029. See Attachment 4 Viability for further information.

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

Annual job and wage reports will be required to insure that target goals are being met.

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.

Generate maximum estimated economic benefits . . .

The University of West Florida Haas Center for Business Research and Economic Development analyzed the long-term economic growth potential in 2018. Please see Attachment 7 Economic Impact for an explanation of the estimated \$823.7 million impact over 13 years based on 400 distribution jobs created at the Florida First Industrial Park at an average wage of \$46,000. Partner with local governments . . .

In 2012, the Santa Rosa County BOCC adopted an ordinance establishing an ad valorem industry incentive program whereby new and expanding businesses in target industries are eligible for rebates on property tax obligations. The County will be providing \$5.8 million of the planned \$9.3 million incentive utilizing county funds and Florida QTI Tax Refund dollars (County match is 20%)

Provide outcome measures.

The outcome measures will be a review of the following indicators: (1) number of jobs (2) average wage, (3) amount of capital investment.

Are recommended by the board of county commissioners of the county in which the project or program will be located.

The project application was approved by the Santa Rosa Board of County Commissioners at their regular meeting on February 14, 2019.

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

Please see Attachment 5 Discretionary Priorities.

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: Santa Rosa County

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

☒ Yes ☐ No

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

See Attachment 10 Minutes

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.?

If awarded, the County Attorney will review the agreement and it will be on the agenda of a BOCC meeting for the Board to authorize the Chairman to sign the agreement. No other approvals are needed.

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.

Please see Attachment 8 BOCC Calendar. In addition, the BOCC can hold special meetings with seven days' notice in advance of the meeting.

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.

It is anticipated that infrastructure improvements to the site will take 24-36 months, with company facility construction occurring simultaneously.

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.

Please see Attachment 9 BOCC Authority.

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.
Requesting up to \$3.5 million from Triumph over a 10 year period (approximately \$350,000 per year). The requested amount is based upon the current rate of 6.2290 mills from the Santa Rosa School District and 0.0338 from the Northwest Florida Water Management District. For this project, a \$4.6 million match will be provided.
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.)
The requested award represents 38% of the proposed ad valorem expenditures and 5% of the total project value when project capital investment is included.
3. Please describe the types and number of jobs expected from the proposed project or program and the expected average wage.
The interested party considering the Florida First site would have a total of 400 employees with an average annual wage of \$46,000 and a capital investment of at least \$50 million. The jobs are in the distribution industry.
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

The award does not supplant existing funding sources because no other funds have been identified for use in granting the ad valorem exemption at the required level. Triumph funding will supplement the county funding by providing funds needed to abate school district and water management district ad valorem taxes at their full amounts.
5. Please provide a Project/Program Budget. Include all applicable costs and other funding sources available to support the proposal

PROJECT RUNNER BUDGET

INFRASTRUCTURE

Capital Investment	\$50,000,000
Triumph Request (<i>infrastructure application</i>)	\$4,500,000
EDA Grant	\$1,500,000
TOTAL INFRASTRUCTURE	\$56,000,000

TAX REDUCTION

Triumph Request (<i>current application</i>)	\$3,500,000
State QTI	\$960,000
SRC QTI match	\$240,000
EDATE	\$3,400,000
SRC QTI	\$1,200,000
TOTAL INCENTIVE PKG	\$9,300,000

TOTAL PROJECT BUDGET	\$65,300,000
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Percent of Project Cost (Infrastructure Request)	6.89%
Percent of Project Cost (Tax Reduction Request)	5.36%

Total Amount Requested (*tax reduction application*): \$3,500,000

- C. Provide a detailed budget narrative, including the timing and steps necessary to

The project budget shown includes capital investment by the company to construct a 350,000 square foot warehouse, the cost to Santa Rosa County to design and construct necessary infrastructure to the site, and the associated incentive package approved by Santa Rosa County BOCC and The Florida Department of Economic Opportunity.

Santa Rosa County BOCC approved an incentive package for the company in September 2018, which includes property tax exemption for a period of ten years and required State QTI match in the amount of \$240,000. It is anticipated that the BOCC will approve a local QTI in the amount of \$1.2 million. On February 8, 2019, the Department of Economic Opportunity has issued a certification letter that Project Runner is eligible to receive up to \$1.2 million in QTI tax refunds to operate in Florida's qualified target industry – Global Logistics and Trade.

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 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.

[Please see Attachment 1 Project Description.](#)

- 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.

[Please see Attachment 3 Transformational and Attachment 6 Recovery Diversification](#)

- 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.

[Please see Attachment 3 Transformational and Attachment 6 Recovery Diversification](#)

2. Additional Information

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

[Please see Attachment 1 Project Description.](#)

- 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.

[After the Board of County Commissioners approves the agreement with Triumph Gulf Coast, a budget amendment will be on the agenda at the next regular commission meeting, usually held twice monthly. The budget amendment will recognize the Triumph award and designate a county account\(s\) as source for the match. The abatement process will then be initiated with the following steps:](#)

- [1\) Trim notices sent out](#)
- [2\) Company sends letter of request to County](#)
- [3\) County verifies jobs, capital investment, wages](#)
- [4\) County pays tax collector on behalf of company and sends reimbursement request](#)

package to Triumph

5) Triumph verifies jobs, capital investment, wages

6) Triumph reimburses County

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

☒ Yes

☐ No

Santa Rosa County Board of County Commissioners is providing \$3.4 million through EDATE as well as \$240,000 of the \$1.2 million Florida QTI Tax Refund, and an additional \$1.2 million in Santa Rosa County QTI.

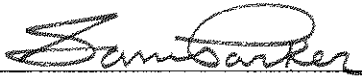
- D. Provide any additional information or attachments to be considered for this proposal.

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

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: Santa Rosa County Board of County Commissioners

Name and Title of Authorized Representative: Sam Parker, Chairman

Representative Signature: 

Signature Date: July 25, 2019

Attachment 1 Project Description

1. Title: Project Runner: Ad Valorem Tax Reduction

*This is a confidential project pursuant to F.S. 288.075

2. Description: The Santa Rosa Economic Development Office has been engaged with a distribution company seeking to expand their presence in the Southeast. In recent months, discussions have intensified, with the company requesting to move forward on an incentive package for their proposed operations. With competition from Birmingham and New Orleans, it's imperative we provide a competitive incentive package to close this deal.

This project would have a transformational impact on Santa Rosa County in that it would become one of the largest employers in the County at over 125% of the average county wage (EFI State of Florida Incentives Average Wage Requirements). This project would also spur additional growth in our industrial parks, as supply chain suppliers have already begun inquiring about co-locating with the facility.

Approximate Project Parameters:

Number of Jobs: 400 individuals

Average Wage: \$46,000

Capital Investment: \$50 Million

3. Location: The company is intending to locate at one of Santa Rosa County's premier industrial parks, strategically located along Interstate 10. The company would utilize 50 acres of a Florida First Site at the Blackwater Industrial Park.

4. How the proposed project promotes economic recovery, diversification and enhancement of the disproportionately affected counties:

a. Economic Recovery: The Santa Rosa Board of County Commissioners has worked for years to bring higher paying jobs to the County. One of the most telling statistics of the county can be seen on the Northwest Florida FORWARD County Snapshots. The net inflow/outflow of commuters is largely outward from Santa Rosa County, which means workers are commuting outside the county to higher paying jobs. They are commuting to the metropolitan core areas of Pensacola or Fort Walton Beach or to Crestview. The downturn of the economy in 2008 and the Deepwater Horizon Oil Spill in 2010 both hit the county's economy very hard (unemployment rose from 2.8 in 2006 to 9.5 in 2010) because of the reliance on growth in the construction/housing industry and tourism for jobs and revenues.

Years later, the choice among better paying jobs in the county is still limited. As of 2016 according to the Northwest Florida Forward County Snapshots, a publication of Florida's

Great Northwest, the top five industry sectors by employment are, in order, elementary and secondary schools, limited service restaurants, full service restaurants, the federal government including military, and local government. Missing from the list are the types of industries that can create an industry cluster around a major consumer of other businesses products.

An analysis by the University of West Florida Haas Center for Business Research and Economic Development shows the economic impact of jobs in the distribution industry. If 400 jobs are created at the industrial park with a \$46,000 average wage, the economic impact over 13 years, 2020 – 2032, would be \$823.7 million in gross county product.

b. Diversification: It is intended that the major distributor at the industrial park will attract not only other distribution businesses but also businesses within the supply chain of the distributor. Santa Rosa County has relied heavily upon military, tourism and agriculture, all of which are subject to unpredicted devastating events that can wipe out expected revenues, such as the Deepwater Horizon Oil Spill, weather conditions and base realignments. Development of the distribution industry will not only diversify the economy but would also provide stability as the need increases nationally and locally for distribution hubs.

c. Enhancement of Disproportionately Affected Counties: Santa Rosa County and the region of disproportionately affected counties will be enhanced:

- i. Distribution and supporting industries will bring jobs with higher pay.
- ii. Aligns with the Northwest Florida FORWARD regional strategic initiative by supporting the manufacturing industry by providing transportation for its products and supporting the water transportation industry by providing land-based logistics.
- iii. Will create net new jobs in support of a targeted industry.
- iv. Provides a wider regional impact as evidenced by the U.S. Cluster Mapping Project, Institute for Strategy and Competitiveness, Harvard Business School, which shows Northwest Florida as a cluster for transportation and logistics.

5. Proposed timeline: This request is complimentary to the Santa Rosa County request for infrastructure improvements at the Blackwater Industrial Florida First Site. It is anticipated that infrastructure improvements will take 9-12 months, with company facility construction beginning immediately thereafter.

6. Disproportionately affected counties impacted by the proposed project: Escambia, Santa Rosa, and Okaloosa Counties since Santa Rosa County lies within two metropolitan statistical areas (MSAs): Fort Walton Beach to the east and Pensacola to the west.

INDEPENDENT AUDITORS' REPORT

The Honorable Board of County Commissioners
Santa Rosa County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Santa Rosa County, Florida, (the "County") as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of September 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules for the general fund, road and bridge fund, and the local option sales tax fund, the schedules of proportionate share of the net pension liability, the schedules of the County's contributions, the schedules of changes in total liability and related ratios for other post-employment benefits, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining individual fund statements and budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining individual fund statements and budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining individual fund statements and budgetary comparison schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2019 tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Warren Averett, LLC

March 28, 2019
Pensacola, Florida

BASIC FINANCIAL STATEMENTS

Santa Rosa County, Florida

STATEMENT OF NET POSITION

September 30, 2018

ASSETS	Governmental Activities	Business-type Activities	Total
Cash and cash equivalents	\$ 84,599,313	\$ 14,939,140	\$ 99,538,453
Investments	1,369,607	10,082,887	11,452,494
Receivables, net	11,444,411	1,553,100	12,997,511
Inventory	414,711	--	414,711
Capital assets, net			
Nondepreciable	25,955,049	4,034,917	29,989,966
Depreciable	122,883,558	15,221,590	138,105,148
Total assets	246,666,649	45,831,634	292,498,283
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows on pension	25,004,847	1,107,522	26,112,369
Deferred outflows on health insurance subsidy	2,380,178	140,131	2,520,309
Total deferred outflows of resources	27,385,025	1,247,653	28,632,678
LIABILITIES			
Accounts payable	5,668,920	1,141,274	6,810,194
Accrued wages payable	1,657,185	105,269	1,762,454
Interest payable	58,367	--	58,367
Due to other governments	789,815	40,805	830,620
Deposits	133,687	242,869	376,556
Unearned revenue	431,747	--	431,747
Noncurrent liabilities			
Due within one year	5,788,888	864,936	6,653,824
Due in more than one year	83,038,163	20,871,683	103,909,846
Total liabilities	97,619,460	23,266,836	120,886,296
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows on pension	5,528,265	256,825	5,785,090
Deferred inflows on health insurance subsidy	1,728,951	117,423	1,846,374
Deferred inflows on OPEB	300,710	16,525	317,235
Total deferred inflows of resources	7,557,926	390,773	7,948,699

Continued ...

Santa Rosa County, Florida

STATEMENT OF NET POSITION (Continued)

September 30, 2018

NET POSITION	Governmental Activities	Business-type Activities	Total
Net investment in capital assets	143,546,487	17,650,472	161,196,959
Restricted for:			
Landfill closure	--	521,014	521,014
Communications	1,413,358	--	1,413,358
Boating improvement	575,649	--	575,649
Domestic violence	194,186	--	194,186
Voter education	1,896	--	1,896
Pollworker recruitment	1,887	--	1,887
Federal elections	6,998	--	6,998
Partners for pets	47,199	--	47,199
Navarre Beach Bridge maintenance	319,026	--	319,026
Infrastructure development	4,343,011	--	4,343,011
Law Enforcement Trust Fund	95,173	--	95,173
Crime prevention	446,970	--	446,970
Mosquito control	47,417	--	47,417
Federal and state grants	1,602,331	--	1,602,331
Enhanced 911 system	744,929	--	744,929
Tourist development	2,308,540	--	2,308,540
State Housing Improvement Program	832,932	--	832,932
Flood Mitigation	380,265	--	380,265
Road and sewer construction	584,623	--	584,623
Canal maintance	347,042	--	347,042
Street lighting	108,291	--	108,291
Beach restoration	18,480	--	18,480
State court operations	16,214	--	16,214
Court equipment and technology	816,441	--	816,441
Records modernization trust fund	555,989	--	555,989
Law enforcement training	69,843	--	69,843
Inmate welfare purchases	934,933	--	934,933
Unrestricted	8,514,178	5,250,192	13,764,370
Total net position	<u>\$ 168,874,288</u>	<u>\$ 23,421,678</u>	<u>\$ 192,295,966</u>

The accompanying notes are an integral part of these financial statements.

Santa Rosa County, Florida

STATEMENT OF ACTIVITIES

Year ended September 30, 2018

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for	Operating	Capital	Governmental	Business-	Total
		Services	Grants and	Grants and	Activities	type	
			Contributions	Contributions		Activities	
Governmental activities:							
General government	\$ 37,134,964	\$ 21,841,976	\$ 1,612,384	\$ --	\$ (13,680,604)		\$ (13,680,604)
Public safety	53,973,231	3,244,589	546,256	166,617	(50,015,769)		(50,015,769)
Physical environment	5,972,999	4,795,879	243,237	105,907	(827,976)		(827,976)
Transportation	14,756,942	1,930	242,572	468,972	(14,043,468)		(14,043,468)
Economic environment	4,719,843	--	1,884,587	3,395,743	560,487		560,487
Human services	4,757,808	41,886	822,397	--	(3,893,525)		(3,893,525)
Culture and recreation	4,945,234	497,209	477,521	--	(3,970,504)		(3,970,504)
Interest on long-term debt	145,914	--	--	--	(145,914)		(145,914)
Total governmental activities	126,406,935	30,423,469	5,828,954	4,137,239	(86,017,273)		(86,017,273)
Business-type activities:							
Navarre Beach water and sewer	2,263,432	2,242,090	--	--		\$ (21,342)	(21,342)
Inspections	2,069,711	2,799,768	--	--		730,057	730,057
Peter Prince Airport	550,774	299,295	--	25,792		(225,687)	(225,687)
Landfill	11,583,634	9,677,360	--	8,027		(1,898,247)	(1,898,247)
Total business-type activities	16,467,551	15,018,513	--	33,819		(1,415,219)	(1,415,219)
Total	142,874,486	45,441,982	5,828,954	4,171,058	(86,017,273)	(1,415,219)	(87,432,492)
General revenues:							
Taxes							
Property taxes					51,841,396	--	51,841,396
Sales, use and fuel taxes					19,561,416	--	19,561,416
Communication services taxes					1,246,878	--	1,246,878
Grants and contributions not restricted to specific programs					15,716,188	--	15,716,188
Unrestricted investment earnings					1,235,761	243,890	1,479,651
Miscellaneous					2,497,875	35,852	2,533,727
Gain on sale of assets					--	67,771	67,771
Transfers					2,063,351	(2,063,351)	--
Total general revenues and transfers					94,162,865	(1,715,838)	92,447,027
Change in net position					8,145,592	(3,131,057)	5,014,535
Net position - beginning					160,264,715	26,527,237	186,791,952
Cumulative change in accounting principle					463,981	25,498	489,479
Net position - beginning, restated					160,728,696	26,552,735	187,281,431
Net position - ending					<u>\$ 168,874,288</u>	<u>\$ 23,421,678</u>	<u>\$ 192,295,966</u>

The accompanying notes are an integral part of these financial statements.

Santa Rosa County, Florida

**BALANCE SHEET
GOVERNMENTAL FUNDS**

September 30, 2018

ASSETS	General	Road and Bridge	Local Option Sales Tax	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	\$ 44,695,902	\$ 9,236,098	\$ 2,430,701	\$ 20,791,628	\$ 77,154,329
Investments	722,626	--	--	--	722,626
Receivables, net of uncollectibles					
Accounts	101,566	1,823	--	711,025	814,414
Leases - current	265,108	--	--	--	265,108
Notes	436,375	--	--	--	436,375
Due from other governments	3,350,406	2,742,266	637,683	3,084,357	9,814,712
Due from other funds	1,272,382	--	--	13,703	1,286,085
Inventory	69,487	345,224	--	--	414,711
Total assets	<u>\$ 50,913,852</u>	<u>\$ 12,325,411</u>	<u>\$ 3,068,384</u>	<u>\$ 24,600,713</u>	<u>\$ 90,908,360</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 2,079,918	\$ 1,463,308	\$ 68,333	\$ 492,810	\$ 4,104,369
Accrued wages payable	1,352,968	151,296	--	147,520	1,651,784
Deposits	133,687	--	--	--	133,687
Unearned revenue	298,258	--	--	133,489	431,747
Due to other funds	314	--	--	1,285,771	1,286,085
Due to other governments	168,646	--	13,565	607,604	789,815
Total liabilities	4,033,791	1,667,292	81,898	2,667,194	8,450,175
Deferred inflows of resources:					
Deferred inflows of resources related to note receivable	436,375	--	--	--	436,375
Combined liabilities and deferred inflows of resources	4,470,166	1,667,292	81,898	2,667,194	8,886,550
Fund balances:					
Nonspendable	69,487	345,224	--	--	414,711
Restricted	2,241,173	319,026	2,986,486	11,266,938	16,813,623
Committed	3,601,260	--	--	10,125,637	13,726,897
Assigned	3,068,669	9,993,869	--	979,452	14,041,990
Unassigned	37,463,097	--	--	(438,508)	37,024,589
Total fund balances	46,443,686	10,658,119	2,986,486	21,933,519	82,021,810
Total liabilities and fund balances	<u>\$ 50,913,852</u>	<u>\$ 12,325,411</u>	<u>\$ 3,068,384</u>	<u>\$ 24,600,713</u>	<u>\$ 90,908,360</u>

The accompanying notes are an integral part of these financial statements.

Attachment 3 Transformational and Ten-Year Effect

Describe how the proposed project is considered transformational and how it will affect the disproportionately affected counties in the next 10 years.

Transformational

As a key economic driver in Florida, the transportation and logistics industry creates jobs that have 30 percent higher wages than the typical Florida job. In addition, the logistics industry creates jobs in other sectors, including construction, distribution, and warehousing. Examples of the impact such facilities can have to transform an economy can be seen by their impacts on other communities where they have located:

2007 – an Amazon warehouse opened in Phoenix Arizona, designed to create 300 full-time jobs and between 1,000 and 1,300 seasonal positions. Ten years later Amazon operates three fulfillment centers, a sortation center, and a Prime hub within Phoenix city limits, and employs more than 6,000 full-time workers in the Phoenix Metro Area. <https://www.globest.com/2018/06/26/how-do-amazon-fulfillment-facilities-impact-their-surroundings/>

2017 – a \$135 million Walmart distribution center (600 jobs) increases container activity at the Port of Mobile by approximately 10% or 25,000 containers annually. The distribution center, when fully operational, will be a logistics hub for the nation's No. 1 retailer, which also ranks No. 3 on the Transport Topics Top 100 list of the largest private carriers in North America. The center will service approximately 800 of Wal-Mart's 4,600 U.S. stores. Those 800 stores are scattered over a sweeping area of the nation's heartland, from Alabama and Mississippi northward to the Great Lakes region. <https://www.ttnews.com/articles/new-wal-mart-distribution-center-impact-port-mobile-traffic-i-10-traffic>

Effect on Disproportionately Affected Counties in Next Ten Years

In 2018, the Santa Rosa Economic Development Office (EDO) requested a brief economic analysis of the impact of a distribution company locating within Santa Rosa County from the University of West Florida Haas Center for Business Research and Economic Development. The analysis requested was for an industry creating 400 jobs at the industrial park. Below are the results:

Distribution: 400 Jobs, \$46,000 average wage

Category	Units	2020	2021	2022	2023	2024	2025	2026	2027	2028
Direct Employment		185	189	377	568	574	576	575	573	571
Additional Employment		185	55	110	168	174	176	175	173	171

Economic Impact	Millions of Current \$	12.8	21.1	43.2	66.6	68.7	70.6	72.4	74.1	75.8
Income Increase	Millions of Current \$	7.6	7.6	16.2	25.9	28.7	32.2	35.6	39.0	42.6

Job Creation Impact Over 13 Years: \$823.7 million

The projections were generated using the Regional Economic Model, Inc. model REMI PI+ Version 2.2.2 in a 23 sector, 67 county model.

Attachment 4 Viability of Project Runner

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

In 2017, Florida's Great Northwest published Northwest Florida Forward: A Regional Strategy for Economic Transformation. In it, TIP Strategies and the Haas Center identified five industries as target industry clusters that "will transform the region if successfully developed through business recruitment, retention, expansion and entrepreneurial support." One of the target industry clusters was Water Transportation, along with Aerospace and Defense, Financial Services, Water Transportation, Cybersecurity and Advanced Manufacturing. Northwest Florida Forward was published as three reports: strategy, technical and county snap shots. On page 92 of the strategy report a discussion begins of Florida (and Northwest Florida's) attractiveness to the water transportation industry.

Northwest Florida boasts a number of assets that support the development and expansion of the Water Transportation cluster, including three seaports offering a range of options for shippers, multiple US naval installations (Pensacola NAS, Whiting Field, and Naval Support Activity Panama City), and Eastern Shipbuilding Group. . . Located on the Gulf of Mexico, the Port of Pensacola is a deepwater port (dredged to 33 feet) which handles specialty bulk and breakbulk cargoes. The port includes an area designated as a foreign trade zone and an enterprise zone and offers Class I rail services . . .

Industry/Infrastructure

- *Three seaports offering a range of services and incentives including foreign trade zones and ample shovel-ready sites.*
- *Concentration of machine shops and supportive industries.*
- ***Available sites and buildings, including multiple certified industrial sites. (emphasis added)***

Market Trends/Policy

- *The region is well positioned to benefit from growing trade with Latin American and Caribbean countries.*
- *DoD priorities related to robotics and autonomous systems includes the development of underwater vehicles.*
- *Favorable state business climate (Florida ranked "Best Business Climate" in 2016 by Business Facilities magazine).*
- *Low operating costs and favorable tax structure (including no state personal income tax).*

In order to develop a complete value-added water transportation industry, a network of land distribution for both raw materials and finished products is a must. The demand from port facilities for inland shipping facilities will increase as efforts are made to expand facilities in Northwest Florida.

Additionally, Garner Economics, LLC in its 2018 strategic plan for Santa Rosa County, *Building a Better Santa Rosa County: A Five-Year Strategic Blueprint for Economic Development* listed many characteristics of Santa Rosa County that support the efficacy of Distribution and Logistics businesses succeeding if locating in the County.

TARGET 2: DISTRIBUTION & LOGISTICS

Rationales

- Excellent interstate access (P)
- Rail service via CSX (P)
- Proximity to Pensacola & Mobile Ports (P)
- Positioned to serve regional market (P)
- High number of military veterans in area with logistics & related skills (P) (C)
- *Wholesale Trade* gained 368 jobs between 2011 and 2016 (P)(C)
- Average wage for *Transportation & Warehousing* industry is 11 percent higher than US (C)
- 1,227 degrees and certificates granted in majors related to logistics & distribution operations (P)(C)
- Availability of distribution-oriented workforce (P) (C)
- Low cost of labor (P)
- Post-secondary vocational training options (P)
- Within half-hour of major university or college (P)
- Quality of education K-20+ (P) (C)
- Availability of executive and moderate- cost housing (P)
- Low cost of living (P)
- Average target national earnings of \$60,469 (C)
- Total growth of target industry family over past decade is 16.1% (P) (C)
- Target 10-year growth projection of 14.8% (P)
- Existing pool of high-demand occupations and occupations with skills transferability (P)
- Shovel-ready sites to accommodate distribution facilities (P)

Attachment 5 Discretionary Priorities

Describe how Project Runner meets the discretionary priorities identified by the Board.

The discretionary priorities and responses are listed below:

1. Are considered transformational for the future of the Northwest Florida region. Please see Attachment 3 for explanation of how Project Runner is part of the transformation now underway in Northwest Florida.

2. May be consummated quickly and efficiently. The tax reduction plan has been vetted with the Property Appraiser and as such can be implemented immediately upon approval by the Triumph Board. Upon approval by the Triumph Board, project design can commence immediately with company construction and infrastructure project construction occurring simultaneously.

5. Align with Northwest Florida Forward, the regional strategic initiative for Northwest Florida economic transformation. Project Runner provides supporting infrastructure for the Water Transportation Industry, one of five cluster industries identified in Northwest Florida as transformative, by supporting it via land-based transportation and logistics. Please see Attachments 3 and 4 for specific references to Northwest Florida Forward.

8. Create net-new jobs with wages above the national average wage (e.g. similar to EFI QTI program, measured on a graduated scale). According to the US Census American Community Survey, the median earnings for an individual worker in Santa Rosa County is \$31,333. New distribution jobs with wages of \$46,000 would have a positive impact in average wages in the county.

15. Demonstrate long-term financial sustainability following Triumph Gulf Coast, Inc. funding. The industrial park where Project Runner will act as an anchor tenant is expected to continue to attract new tenants as demonstrated in Attachment 4 Viability.

16. Leverage funding from other government and private entity sources. Santa Rosa County will provide \$3.8 million in matching funds for the ad valorem abatement. The Tenant will make the capital investment to build facilities.

17. Provide local investment and spending. Local investment will occur as additional tenants build their facilities and proceed with their operations. The economic impact for 13 years is \$823.7 million as estimated by the University of West Florida Haas Center for Business Research and Economic Development.

19. Provide clear performance metrics over duration of the project or program. The performance metrics will be annual reports provided by Project Runner on its jobs and wages.

20. Provide capacity-building support for regional economic growth. The project will add to the capacity to the transportation and logistics industry cluster, which as an umbrella industry contains one of the five targeted industries transforming Northwest Florida and a target industry in the County's five-year development plan.

Economic Impact Analysis of Project Runner in Santa Rosa County

The Santa Rosa County Economic Development Office (EDO) has requested a brief economic and revenue analysis of the addition of jobs and capital investment being made by a new firm locating within Santa Rosa County. Information on the project was provided by the EDO and the project's specifics were run through an econometric simulation model in order to determine the impact on the County should the company locate there. Results for the project, both the one time effects of construction and the continuing effects of the newly created jobs 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: 400 Added Jobs

By adding 400 jobs incrementally as outlined in the information received from the EDO and carrying this additional employment into the existing forecast of the economy, these 400 new 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 Santa Rosa County also increases as a result of both the added company employment and the additional employment these jobs now support.

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.

The table below shows the annual effect of the a total of 400 jobs with creation of jobs beginning in 2021 and being maintained in the County from 2023 on.

Category	Units	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Direct Employment		185	189	377	568	574	576	575	573	571	570	569	569	570
Additional Employment		185	55	110	168	174	176	175	173	171	170	169	169	170
Economic Impact	Millions of Current \$	12.8	21.1	43.2	66.6	68.7	70.6	72.4	74.1	75.8	77.3	78.8	80.4	82.0
Income Increase	Millions of Current \$	7.6	7.6	16.2	25.9	28.7	32.2	35.6	39.0	42.6	46.0	49.5	53.1	56.9

Job creation impact over 13 years: \$823.7 million in Gross County Product

Additionally, the population growth to Santa Rosa County estimated by the model at 507 persons can be expected to generate \$531,728 in new county revenues per year and \$10.9 million in new retail sales.

Modeling Assumptions:

The project was modeled using the appropriate industry sector for the project

Employment was added according to the provided job creation schedules and is maintained through the end of the simulation run.

Model impacts occur from 2020 through 2032 and represent changes in the baseline forecast of the economy that presently exists. Consequently, existing company jobs located within Santa Rosa County associated with the company are excluded from the analysis.

Incentive payments were included in the analysis. Payments were entered into the model according to the information provided.

New revenue was estimated using 2016 per capita county revenues.

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 2.2.2 (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

Analysis of economic impact. The assessment of a change in overall economic activity that occurs as a result of a corresponding change in one or more components economic activities, such as the addition of new businesses and jobs.

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.

Transfer payment. A payment of money for which no money, good, or service is received in exchange. Examples include social security, old age or disability pensions, student grants, unemployment compensation, etc.



January 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
30	31	01 <u>New Year's Day- County Office Closed</u> <u>CANCELLED: Marine Advisory.</u>	02	03 <u>Tourist Development Council Board Meeting</u>	04	05
06	07 <u>Commission Committee</u>	08 <u>Courthouse Interviews/Selection</u>	09 <u>CANCELLED: Building Code Board of Adjustments</u>	10 <u>Commission Regular Zoning Board Meeting</u>	11	12
13	14 <u>CANCELLED: Fire Department Executive Group</u>	15	16 <u>Public Safety, Coordinating Council Meeting</u> <u>Aviation Advisory Committee</u>	17	18	19
20	21 <u>Martin Luther King, Jr. Day- County Office Closed</u>	22 <u>Commission Committee</u>	23 <u>Bagdad Architectural Advisory Board</u> <u>Parks and Recreation</u> <u>Special Zoning Board Meeting - District 4 Master Plan</u>	24 <u>Commission Regular</u> <u>Local Mitigation Strategy Task Force</u> <u>Commission Special - Rezoning Meeting</u>	25	26
27	28	29	30	31	01	02



February 2019						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
27	28	29	30	31	01	02
03	04	05 <u>Marine Advisory Meeting</u>	06	07 <u>Tourist Development Council Board Meeting</u>	08	09
10	11 <u>Commission Committee</u> <u>Fire Department Executive Group</u>	12	13 <u>Building Code Board of Adjustments</u>	14 <u>Commission Regular</u> <u>Zoning Board Meeting</u>	15	16
17	18	19	20	21	22	23
24	25 <u>Commission Committee</u>	26	27 <u>Bagdad Architectural Advisory Board</u> <u>Parks and Recreation</u>	28 <u>Commission Regular</u> <u>Commission Special – Rezoning Meeting</u>	01	02



<u>March</u> <u>2019</u>						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
24	25	26	27	28	01	02
03	04	05	06	07 <u>Tourist Development Council Board Meeting</u>	08	09
10	11 <u>Commission Committee</u>	12	13	14	15	16
17	18	19	20	21 <u>Tourist Development Council- Special Meeting</u>	22	23
24	25 <u>Commission Committee</u>	26	27	28 <u>Commission Special – Rezoning Meeting</u>	29	30
31	01	02	03	04	05	06



April 2019						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
31	01	02	03	04 <u>Tourist Development Council Board Meeting</u>	05	06
07	08 <u>Commission Committee</u>	09	10	11	12	13
14	15	16	17	18	19 <u>Good Friday- County Offices Closed</u>	20
21	22 <u>Commission Committee</u>	23	24	25 <u>Commission Special - Rezoning Meeting</u>	26	27
28	29	30	01	02	03	04



<u>May</u> <u>2019</u>						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
28	29	30	01	02 <u>Tourist Development Council Board Meeting</u>	03	04
05	06 <u>Commission Committee</u>	07	08	09	10	11
12	13	14	15	16 <u>Tourist Development Council- Special Budget Workshop</u>	17	18
19	20 <u>Commission Committee</u>	21	22	23 <u>Commission Special – Rezoning Meeting</u>	24	25
26	27	28	29	30	31	01



<u>June</u> <u>2019</u>						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26	27	28	29	30	31	01
02	03	04	05	06 <u>Tourist Development Council Board Meeting</u>	07	08
09	10 <u>Commission Committee</u>	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	01	02	03	04	05	06

RESOLUTION NO. 2014 - 42

A RESOLUTION AMENDING THE RESOLUTION ESTABLISHING THE ORGANIZATIONAL PROCEDURES TO BE FOLLOWED BY THE BOARD OF COUNTY COMMISSIONERS IN THE CONDUCT OF THE BUSINESS OF SAID BOARD; PROVIDING FOR THE CHAIRMAN OR VICE CHAIRMAN TO EXECUTE ALL DOCUMENTS APPROVED IN AN OFFICIAL MEETING OF THE BOARD; AMENDING RESOLUTION 97-44.

**BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF
SANTA ROSA COUNTY, FLORIDA:**

Santa Rosa County Resolution No. 97-44, paragraph 2 is hereby amended to read as follows:

2. The Board shall reorganize and elect a Chairman and a Vice-Chairman at an organizational meeting to be held on the third Tuesday of each November, provided, however, that in a non election year said reorganization shall take place at a meeting held in November; and the commissioners so elected shall take office immediately upon election and serve for a period of one year. The Chairman or in his absence the Vice-Chairman is authorized to execute all documents approved in an official meeting of the Board.

PASSED AND ADOPTED by the Board of County Commissioners of Santa Rosa County, Florida, this 11th day of December 2014, by a vote of 5 yeas and 0 nays and 0 absent.

**BOARD OF COUNTY COMMISSIONERS
SANTA ROSA COUNTY, FLORIDA**

By: _____

Chairman

ATTEST:

Clerk of Court



Special Meeting
Board Reorganization
November 20, 2018
Milton Florida

The Board of County Commissioners of Santa Rosa County, Florida, met in Special Session on the above date with the following members present: Chairman Robert “Bob” Cole, Sam Parker, Don Salter and Lane Lynchard. Also present was County Engineer (Roger Blaylock), Clerk of Court (Don Spencer), County Administrator (Dan Schebler), Assistant County Administrator (Mark Murray), and Budget Director (Jayne Bell). Cole called the meeting to order at 9:00 a.m. in the Board Meeting Room at the Santa Rosa County Administrative Complex. The meeting was opened in prayer by Pastor Dusty Roberts, Milton First Assembly of God. Those in attendance joined in the Pledge of Allegiance.

Administration of Oath

Bob Cole (District 2) and Dave Piech (District 4) were administered the Oath of Office by Honorable Robert Hilliard.

Cole said he thanks the Board and the county for allowing him to be chairman. He discussed various projects and accomplishments of the past year. Cole said he thanks everyone for their vote. He thanked his wife and family for their love and support.

Nomination/Election of Chairman and Vice Chairman

Cole moved to nominate Parker as Chairman. Lynchard moved to close nominations. The motion was approved unanimously.

Cole passed the gavel to Chairman Parker.

Lynchard nominated Salter as Vice Chairman. Cole seconded and moved to close nominations. The motion was approved unanimously.

Other Discussion

Parker said he thanks the Board and the citizens for allowing him this opportunity. He said this is not just the opportunity to improve the county state and country for “us” but it is an opportunity to improve it for the children and future generations.

Salter said he thanks the Board for having faith in him as Vice Chairman.

Piech said he wants to thank God for allowing him to be here and serve. He said he thanks his wife Lynn. Piech said he thanks everyone for coming today. He said he will be motivated everyday knowing that he works for the community. Piech said he looks forward to working with fellow commissioners and county staff. He said he thanks the Constitutional Officers.

Supervisor of Elections Update

Tappie Villane said as election night came to a close on November 6th she knew there were many close contests that may come to a recount. She said one of them was the City of Milton Ward 2 Seat 1 race. Villane said on Wednesday morning she knew there were three statewide contest that were very close which were the US Senate, Governor and Commissioner of Agriculture. She said staff immediately began planning for a machine recount which was completed on Monday at 3:00 p.m. Villane said she then began preparing for a manual recount for the US Senate and

Commissioner of Agriculture. She said the manual recount was completed on Friday just before 6:00 p.m. Villane said the Canvassing Board was able to certify the election results on Sunday. She said last year the Board approved the budget so she could update the software and tabulation system. Villane said she thanks Parker for his service on the Canvassing Board. She said elections are expensive and recounts are too. Villane said there were many unplanned expenses so she may be back to the Board before September 30th to ask for “a few more dollars” for her budget.

Parker said after being there for two years he has full faith and confidence in Villane serving as the Supervisor of Elections. He thanked Villane for upholding the integrity of her office.

Adjournment

There being no further business to come before the Board at this time, the meeting adjourned.

BOARD OF COUNTY COMMISSIONERS
SANTA ROSA COUNTY, FLORIDA

By: Sam Parker, Chairman

Attest: Don Spencer, Clerk of Court

Regular Meeting
September 27, 2018
Milton, Florida

The Board of County Commissioners of Santa Rosa County, Florida, met in Regular Session on the above date with the following members present: Chairman Robert A. “Bob” Cole, Rob Williamson and Don Salter. Sam Parker and Lane Lynchard were absent. Also present were the County Engineer (Roger Blaylock), Public Works Director (Stephen Furman), Clerk of Court (Don Spencer), Executive Office Manager (Emily Spencer), County Administrator (Dan Schebler), County Attorney (Roy Andrews), Assistant County Administrator (Mark Murray) and Budget Director (Jayne Bell). Cole called the meeting order at 9:00 a.m. in the Board Room of the Santa Rosa County Administrative Center. The meeting was opened in prayer by Pastor Tom Sharron, Chumuckla Community Church. Those present joined in the pledge allegiance to the flag.

First on the agenda, Cole move approval without objection of the minutes from the following meetings:

1. September 11, 2018, Special Meeting (MSBU)
2. September 12, 2018, Special Meeting (Tentative Budget)
3. September 13, 2018, Regular Meeting
4. September 18, 2018, Special Meeting (Final Budget)

Next, Schebler said he would like to add two information items to the regular agenda. (See items 1 & 2 on the Regular Administrative Committee)

Cole moved approval without objection of the agenda as amended.

Proclamations

1) Pink Day

Williamson read aloud a proclamation proclaiming October 5, 2018 as Pink Day in Santa Rosa County.

Frankie Gibbs accepted the proclamation.

2) JUMP Day

Salter read aloud a proclamation proclaiming October 6, 2018 as JUMP (Japan US Military Program) Day in Santa Rosa County.

Salter introduced Stan Harper. Salter said Harper does a great job bringing the communities together.

Harper said he appreciates the Board and hopes the Board comes out and meets the new Consulate General.

9:30 Public Hearing

1) Amendment to Santa Rosa County Comprehensive Plan CIP Ordinance

Public Hearing: Amendment to Santa Rosa County Comprehensive Plan CIP Ordinance

Cole opened the public hearing.

Schebler said this is to incorporate Swenson Park capital improvements. He said the improvements were presented to the Parks and Recreation Committee last night. Schebler said the item was recommended for approval and is in line with the grant application discussed for Swenson Park. He said this incorporates that capital improvement project into the comprehensive plan CIP.

There were no public comments.

Cole closed the public hearing.

Cole moved approval without objection.

Williamson said he received an email related to safety improvement projects in Navarre. He said Shawn Ward (Planning and Zoning Director) and staff have worked hard and delivered quickly.

Consent Agenda

Cole moved approval without objection of the consent agenda.

Schebler said a change occurred since Monday regarding the budget amendments. He said the A4 refurbishment and repainting at the rest area does not require a budget amendment. Schebler said what is listed as Budget Amendment 213 was 214 on Monday but it is the same. He said it is the same action that was reviewed but it has been renumbered to 213. Cole read Budget Amendment 2018-213 aloud.

Administrative Committee - Cole and Parker

1) County Small Quantity Generator Contract

Recommend approval of the agreement with the West Florida Regional Planning Council for annual Small Quantity Hazardous Waste Generator Assessment and Notification Program.

2) Surplus Property - Yearly Inventory

Recommend approval to declare the yearly list of inventory items that are broken, damaged or out of date as surplus property items as recommended by the Clerk of Courts.

3) FWC Derelict Vessel Removal Grant Agreement No. 17359

Recommend approval of the Florida Fish and Wildlife Conservation Commission (FWC) Agreement 17359 authorizing \$5,295.00 in grant funds to remove a derelict vessel and authorization of \$1,975.00 in matching funds from Boater Vessel Registration Fee Reserves.

4) Maintenance Repairs and Restoration of A-4C Skyhawk Aircraft Display at I-10 Rest Area

Recommend the reimbursement (\$35,236.67) from Tourist Development Funds to FDOT (Florida Department of Transportation) for repairs and restoration of the subject aircraft performed by the Department's contractor. Board determination through a finding of fact that the primary purpose of the expenditure is for the promotion of tourism.

5) 2019-2020 FRDAP (Florida Recreation Development Assistance Program) Grant Application Recommendation

Recommend approval for staff to develop a grant application for recreation improvements to Swenson Park; requesting up to \$200,000.00 in FRDAP funding with matching funds not to exceed \$200,000.00 from District 5 LOST (Local Option Sales Tax) funds, and authorize execution of all relevant documents.

6) Sale of County Property

Recommend staff work with the Clerk of Courts and Bidilla to offer surplus parcels for sale.

7) Polynesian Isles Boating Ordinance Amendment

Recommend approval to advertise for a public hearing an ordinance Amending Ordinance 2017-23 which amends the Boating Restrictions in the Polynesian Isles Canals Area.

8) Santa Rosa Shores Canal MSBU (Municipal Services Benefit Unit) Ordinance Amendment

Recommend approval to advertise for a public hearing an ordinance Amending Ordinance 91-21 which established the Santa Rosa Shores Canal MSBU.

Economic Development Committee- Cole and Salter

9) Project Runner Incentive Package

Recommend approval of the following items for the Project Runner incentive package:

1. Resolution (**No. 2018-25**) and required 20% local match for the State Qualified Target Industry Tax Refund for Project Runner in the amount of \$240,000.00 (amount will be spread-out over 6-8 years)
2. Provide a 50-acre site at the Northwest Florida Industrial Park @ I-10 at no-cost to Project Runner. Estimated land value \$2.5 Million
3. Provide a 10-year property tax exemption on all tangible personal property and real property on Santa Rosa County Millage. Estimated 10 year value \$2.5 Million

10) Triumph Pre-Application Submittal and I-10 Application Revision

Recommend staff submit a pre-application for Ad Valorem Tax Reduction for Project Runner and revise the application for I-10 Industrial Park infrastructure improvements.

11) EFI (Enterprise Florida Incorporated) Team Florida Marketing Co-Op Fund Application

Recommend approval for staff to submit an application to the EFI Team Florida Marketing Co-Op Fund for a Workforce Development and Adult Education Public Awareness Campaign.

12) TDO (Tourist Development Office) Landscape Maintenance Contract

Recommend award of TDO Landscape maintenance contract to Prestige Landscape, LLC. for the next fiscal year (contract dates 10/1/2018 to 9/30/2019).

Engineer's Report

13) Peter Prince Field- Two Taxiway Projects Engineering Design Services

Recommend approval of Engineering Design Work Orders to Mott MacDonald in the amount of \$36,780.00 for two Peter Prince Field taxiway projects.

14) Aerial Survey of the Central Landfill Class I and Class III Disposal Areas

Recommend approval of Geosyntec Consultants Task Order GEO18-005, in the amount of \$29,980.00 to provide an aerial survey of Central Landfill Class I and Class III disposal areas and a new topographic map that will be used to compute the remaining life of each disposal area, provide a base reference for expansion of the landfill gas collection and control system to Phase IV, Cell C and final closure of the Central Landfill Phase I, II and III disposal areas. Geosyntec will also review drone data produced by the County's Property Appraiser to validate the accuracy and usefulness of utilizing drone produced aerials to develop future remaining life estimates.

15) Santa Rosa County and Florida Department of Agriculture and Consumer Services Agreement

Recommend approval of the State Financial Assistance Recipient Agreement between Santa Rosa County and the Florida Department of Agriculture and Consumer Services (FDACS) in the amount of \$34,480.64 to fund arthropod/mosquito control activities in Santa Rosa County and authorization for the chairman to sign all necessary documents.

16) Amnesty Day

Recommend approval for staff to utilize the South Santa Rosa Service Center front parking lot and its restroom facilities on Saturday, October 13, 2018, for a Household Waste Amnesty Day.

17) Camden Drive Drainage Construction Contract Award

Recommend approval of the construction contract award to Site and Utility, LLC for the Camden Drive Outfall Project – Phase I in the amount of \$866,797.00.

18) Pace and Patterson Lane HMGP (Hazard Mitigation Grant Program) Engineering Consultant Contract Modification

Recommend approval of additional Engineering Services, from Atkins for the Pace Patterson HMGP project in the amount of \$9,460.00.

19) Tom King Bayou East Branch Channel Restoration Consultant Contract

Recommend approval of Engineering Services, from Baskerville-Donovan for the Tom King Bayou East Channel Restoration in the amount of \$689,500.00.

20) Venetian Way / Coronado Drive HMGP – Bay Street Easement

Recommend approval of the proposed Gulf Power easement for the Bay Street property (Tax ID#01-3S-29-0000-001060000).

21) Holley by the Sea Easement Maintenance Plan Consultant Design Fee

Recommend approval of Engineering Services, from Baskerville Donovan for the Holley by the Sea Easement Maintenance Plan in the amount of \$63,000.00 and reject bids opened May 17, 2018.

22) CR197A Jay / Spring Street Sidewalks LAP (Local Agency Program) Agreement / Resolution

Recommend approval of the LAP agreement and resolution (**No. 2018-26**) to accept Federal funds in the amount of \$666,467.00 (\$599,016.00 for construction and \$67,451.00 for CEI) through the LAP as administered by FDOT (Florida Department of Transportation) and to pay Santa Rosa County share of the project from Area 1 Impact Fees.

23) Hawk's Landing Phase 2 – Final Plat

Recommend approval of Hawk's Landing Phase 2 – Final Plat, a 47-lot subdivision located in District 1.

24) Hawk's Landing Phase 2 – Paved Road and Drainage Maintenance

Recommend approval of Hawk's Landing Phase 2 – Paved Road and Drainage Maintenance, a 47-lot subdivision located in District 1.

- Hawk's Landing Circle – 584 Linear Feet
- Red Shoulder Road – 983 LF

Public Services Committee- Williamson and Lynchard

25) Section 5311 Public Transportation Grant Award

Recommend approval of the FDOT Section 5311 -Public Transportation Grant Agreement to authorize acceptance of the awarded grant. The Section 5311 Rural Transportation Grant will continue to provide transportation to residents in the rural areas of the County.

26) Building Permit Fee Resolution

Recommend approval of the permit fee resolution (**No. 2018-27**).

Public Works Committee- Salter and Williamson

27) NYSA (Navarre Youth Sports Association) Field House Addition

Recommend approval to award JMJ General Contractors, Inc. the contract for construction of the NYSA field house addition at a cost of \$59,975.00. The total cost of the project is estimated to be \$68,975.00 and funding is provided from District 4 Recreation Funds.

Budget & Financial Management Committee- Lynchard and Parker

28) Bridge Steel Bid

Recommend award to Sabel Steel as the lowest priced, qualified bidder meeting specifications for steel beams for use in bridge construction.

29) Budget Amendment 2018-211

Recommend approval of Budget Amendment 2018-211 in the amount of \$30,785.00 to transfer the unspent balance of the supplement grant award back to the EFF Economic Development Reserves for the I-10 Industrial Park Project.

30) Budget Amendment 2018-212

Recommend approval of Budget Amendment 2018-212 in the amount of \$1,011,261.00 to transfer funds from the future capital outlay account in the LOST (Local Option Sales Tax) Fund to the Sheriff's line item in the LOST Fund to cover previous and current approved expenditures in that fund.

31) Budget Amendment 2018-213

Recommend approval of Budget Amendment 2018–213 in the amount of \$37,920.00 to reconcile FY2018 DRG Grant final amounts and recognizes new FY2019 award in the amount of \$29,169.00 for the period July 1, 2018, through grant end June 30, 2019. Also recognizes total carry forward in the amount of \$8,751.00 from REPI (Readiness and Environmental Protection Integration Program) Reimbursement Reserves for FY2019 approved match. The FY2019 grant award and match was approved by the BOCC on August 9, 2018.

32) Check Register

Recommend approval of the check register.

Regular Agenda

Administrative Committee - Cole and Parker

1) Update on Medical Examiner

Schebler said the four counties signed a letter with an offer to the medical examiner. He said that offer was rejected by Dr. Andrea Minyard with a counter offer to provide operational expenses as well as an additional per service fee for autopsies, observations and examinations. Schebler said the per service fee will increase the amount of funds being paid to Gulf Coast Autopsies over the professional services line which the counties have been operating under in the past. He said his and the other counties assessment is the per service fee will exceed the budgeted amounts that have been approved by the counties so the counties are not accepting the counter offer. Schebler said there is a call today at 2:00 p.m. to discuss a “counter counter” offer. He said the negotiations continue. Schebler said the end of the fiscal year is approaching. He said Minyard has turned in her resignation effective at 12:00 a.m. Sunday unless there is a deal made before that. Schebler said this has the attention of the state’s attorney and the sheriff’s. He said a couple of options will be discussed with the other counties. Schebler said he is looking for guidance and authority to operate within the budget the Board approved to make a deal so there are medical examiner services come Monday morning.

Salter asked if the medical board made a recommendation. Schebler said the Medical Examiner Commission met in July and elected to continue Minyard while this audit and litigation continued. He said “we” are still operating under the interim appointment of Minyard.

Williamson asked if the counties can sign a month to month agreement honoring the pricing Minyard has agreed to, while going out for an opening for another medical examiner, making sure it is in the agreement that while that is ongoing, Minyard will not be able to end the relationship. Schebler said that is one thing that will be discussed this afternoon. He said one option is to see if Minyard will be agreeable to continue under current terms extending on a month to month basis. Schebler said it is then up to the state’s attorney and Medical Examiner Commission to make a different hiring decision.

Williamson said his concern was the recording and accounting of taxpayer funds and Minyard's unwillingness to provide a full and detailed report of where the funds were going. He said if she is going to agree to the current arrangement from month to month or if "we" have to go with a higher price he is "fine" with it.

Andrews said that is the basis for the ongoing litigation. Andrews said the counties have entered into negotiations in regard to a contract with Minyard. He said at this point the counties do not get a choice on who the medical examiner is. Andrews said that is done by the governor's office after the recommendation by the Medical Examiner Committee and if necessary on an emergency temporary interim basis by the state's attorney. He said as far as funding the thought at this point would be keep status quo until this is able to be resolved with Minyard or her successor.

Williamson asked if Minyard has provided any accounting detail. Andrews said she has provided a good amount of information but he does not know it is all of the information the auditors have requested.

Cole said if "we" can do it month to month, "fine" but if there is a reasonable increase he thinks it is reasonable to give Schebler the authority to have leeway to make adjustments if it means coming to a conclusion. Schebler said any final agreement and terms will come back to the Board for its approval.

Schebler said he will let the Board know the results of this afternoon's teleconference.

Williamson asked if the Board can make that decision at tonight's meeting so it has the benefit of the conference call information.

Schebler said the call is to make a counter offer which may be to continue under the current terms or on a month to month basis but he does not think the counties will have an acceptance or anything back from Minyard. He said he can provide an update this evening.

2) Update regarding Animal Services policy changes.

Schebler said the policy regarding trapping animals and providing trapping services is going to change. He said the county is going to stop doing this because it brings additional animals into the shelter. Schebler said the available hours and open hours to the public will be adjusted. He said the hours are being refined to provide better overall service. Schebler said he will bring ordinance changes after the first of the year.

3) Meeting List

The meetings below will be held in the Board Room of the Santa Rosa County Administrative Center (unless otherwise noted):

Marine Advisory	October 2	5:00	p.m.
Tourist Development Council Board	October 4	8:30	a.m.
Tiger Point Community Center, 1370 Tiger Point Lane, Gulf Breeze			
Library Advisory	October 4	11:00	a.m.
Library Administrative Center, 6275 Dogwood Drive, Milton			
Commission Committee	October 8	9:00	a.m.
Fire Department Executive Group	October 8	6:00	p.m.
Emergency Operations Center, 4499 Pine Forest Road, Milton			
Commission Regular	October 10	9:00	a.m.
Building Code Board of Adjustments	October 10	2:30	p.m.
Public Services Conference Room, 6051 Old Bagdad Highway, Milton			
Zoning Board	October 10	6:00	p.m.

Cole moved approval without objection.

Furman said the Marine Advisory Committee has been cancelled for October due to a lack of items.

Schebler said the first set of meetings will be on Monday and Wednesday, October 8th and 10th, as opposed to Monday and Thursday in order to have a quorum.

Cole said he went to the end of the Yellow River Bridge and the road has been paved to the old boat ramp and an application has been submitted to the Marine Advisory to get funding to “shore that up” when the construction is through.

Economic Development Committee- Cole and Salter

No items.

Engineer's Report

No items.

Public Services Committee- Williamson and Lynchard

No items.

Public Works Committee- Salter and Williamson

No items.

Budget & Financial Management Committee- Lynchard and Parker

No items.

Public Forum

Rodney Sutton said he is representing the Ashley Plantation HOA (Homeowners Association). He said he is here to discuss flooding issues taking place in Ashley Plantation. Sutton said the primary builder is under a consent order with DEP (Department of Environmental Protection) to clean up ponds. He said there have been instances where swales and culverts were not constructed the way they should have been and have caused continuing problems. Sutton said some things have been addressed on a priority basis by the Road and Bridge Department. He said he thanks Furman for being an asset to community and addressing those as priorities allow. Sutton said he is here to address specifically the south bend of Alderbrook Boulevard in Ashley Plantation. He said this issue is emotional because there is real fear every time it rains. Sutton said the county has an issue here. He said there has been damage to public property such as ponds, roads and utilities. Sutton said action needs to be taken going forward.

Charlotte Hutto said county property behind her house is eroding. She discussed video and pictures of flooding, and storm drainage issues.

Sutton said this is not a situation where the HOA is necessarily asking for the county to do everything. He said the HOA has hired an engineer to do design work and make suggestions for fixes that might be done on county property that is sort of causing the problem. Sutton said the HOA is willing to spend money and partner. He said the county has stepped up in response to that and used those designs to do some work and create new inlets upstream from this position. Sutton said the residents have done what they can by putting out large riprap and fill to try to stabilize these positions but this is not something they can manage on their own. He said he feels like Furman is in a position where the available resources and labor are a bit hamstrung and it is going to take Board action to help Furman allocate resources to this situation.

Williamson asked where the dirt is coming from. Furman said immediately across the street from these properties is an HOA owned parcel that has a drainage easement on it. He said immediately north of that parcel is the main road coming into Ashley Plantation. Furman said the water coming down Alderbrook Boulevard is not able to get in the inlets on Alderbrook Boulevard quick enough and jumps the curb then flows across the HOA owned property to the drainage easements. He said there are pipes underground but the water is flowing over land and on several occasions in the past has completely eroded the HOA property and the property adjacent to it. Furman said there have been ongoing efforts for a couple of years, building berms and trying to contain the water at Alderbrook Boulevard to force it into the inlets but the efforts

thus far have not been able to address every storm event. He said this past week an inlet was enlarged on Alderbrook Boulevard, and there is another inlet that will be enlarged. Furman said one underground pipe was replaced with a larger pipe from the inlets to try to capture more of the water. He said when it breaks over land it erodes the HOA owned property which is where the sand is coming from.

Ken Hutto said the residents have made an attempt and did not come to the Board without trying to fix it. He said he has “re-landscaped” three times, had new basins and drain pipes from the gutters installed, placed sandbags, constructed rock walls, used ten tons of riprap, added drain basins, removed a tree and purchased flood insurance. Hutto said over three years the he has spent \$5,500.00 trying to address this.

Charlotte Hutto said there is erosion every time it rains and it is approximately 30 feet from the corner of the house.

Heidi Long said the erosion is about 40 feet from the edge of her house. She said she needs a resolution and any help is greatly appreciated.

Troy Long said his biggest scare is the backend, which is county land that is eroding to 70 feet wide. He said if that part goes it is going to take out the entire hill.

Cole asked Furman what kind of direction he needs from the Board. Furman said Public Works is considering the engineers reports that the HOA’s engineer produced and implementing some of those items. He said there are some items that will be extremely high capital expenditures. Furman said his approach has been to try to handle those things in house, which is enlarging the inlets and reworking ditches. He said these are small incremental things that will not provide a level assurance that it has been fully addressed. Furman said the Hutto’s and Long’s have expressed to him the willingness to grant the county a new drainage easement. He said he believes if a drainage easement was accepted there could be an inlet and pipe system engineered to capture a lot of the water that is flowing through their yards and convey it into the retention ponds. Furman said he thinks that is an action they have as a request. He said he will continue to look upstream and stabilize to try to capture more water in the pipe system that is already present. Furman said there are some possible items that would greatly enhance the drainage for this area.

Cole asked if this is workable due to the weather. Furman said getting the easement drafted and approved could happen in the next few weeks along with an engineering design happening simultaneously. He said with the design in hand it will be up to the Board to decide if this project can be done in house, or hire a contractor. He said he feels like if this project is started now meaningful progress can be made in the coming months.

Sutton said the HOA is willing to grant any needed easement that might help the engineering design. He said clearly the dirt is coming from the HOA lot, but the HOA is in a position that they cannot berm off the lot because it would divert water to adjacent homeowners. Sutton said the HOA has a budget for improvements and because it is a benefit to the subdivision to solve the problem it is willing to spend money on the HOA lot. He said if there needs to be a retention basin or an additional inlet on that lot, the HOA is willing to dedicate an easement and resources to partner on this.

Cole asked how this got missed and how “we” got here. Blaylock said he is going to do a lot of forensic work to back track and see the difference in what was approved and what was constructed. He said staff has already been considering things that need to be upgraded and changed within the LDC (Land Development Code). Blaylock said one of the specific things that have been noted is the Ashley Plantation ribbon curb for the large frontage lots and swale drainage which is demonstrating that it is not effective. He said he will be coming back very shortly to the Board with specific recommendations.

Cole asked Furman to look for something quick and immediate so it does not get worse. He said he will rely on staff to come up with answers

Salter said he is somewhat familiar with Ashley Plantation. He said before Parker was elected he worked on some of the erosion problems. Salter asked Sutton about the consent order against one of the developers. Sutton said his understanding is that there is a consent order against D.R. Horton who is building most of the homes in that area. He said there has been a lot of runoff from their construction sites that has damaged ponds and sand filters in the ponds. Sutton said D.R. Horton has to clean that up due to the consent order in place. He said it could be that the pond is not performing right. Sutton said he does not know that the damage was caused by the builders.

Furman said the consent order against D.R. Horton is not related to this particular pond. He said there are multiple ponds in Ashley Plantation. Furman said the ponds affected by the consent order are the ponds to the north.

Salter said Parker is aware of some of the issues. Salter said his position is to ask staff to move as quickly as possible to come up with an engineering solution, anything that can be done to fix the erosion around the houses be done as quickly as possible and to have staff bring something back to the Board within a quick timeframe so a decision can be made on what the county can do to partner with the HOA to get the problem fixed.

Furman said it would take Board direction to allocate Road and Bridge resources do work on private property. Salter said bring back recommendations on how to fix it.

Cole asked Andrews if the Board can allow Furman on private property until there can be an easement drawn up. Andrews said an easement or a consent to enter private property can rapidly be drawn up. He said the Board can direct him to work with Engineering and Public Works to come up with documentation that will allow something to be done now to deal with the erosion issues.

Cole asked if he has consent of the Board to move forward.

Williamson said he agrees with Salter to direct staff to look for immediate solutions. He said he does not know if he is prepared to make a decision on that today. Williamson said it seems the Board is heading in the direction that by the next set of meetings or within the next week to make sure there is a “plan of attack”. He said the county code requires for the developer to contain storm water on site. Williamson said he is sure this would have required an engineered site plan and storm water drainage plan. He said county staff had to evaluate the plan and approve it. Williamson said he is wondering how “we” ended up here. He said the most frustrating thing is the developer is probably not going to be paying for any of this and taxpayers will end up paying for solutions. Williamson said he does not think it should be the responsibility of Public Works to fix things after the fact. He said he does not think it is taxpayer’s responsibility to fix it in a private neighborhood. Andrews said it is the direction of the Board as to what the county’s responsibility is. He said the county has accepted the drainage system for maintenance so there is responsibility in that regard. Williamson said he agrees with Salter’s recommendation.

Salter said he would like for the county to come up with immediate fix, consider the long term fix, partner with the HOA, and any deviation from the LDC by the developer be fixed by the county and billed to the developer. He said until the developer pays, the county does not approve any more of their projects. Cole said he seconds this.

Cole said he does not want to wait two weeks. He said he wants to have Andrews get the paperwork done so the county can get the easement. Cole said in the short term stopping it from getting worse may be all that can be done.

Williamson asked if there are any temporary solutions to channel the water until it is considered how this type of decision could potentially impact the entire county. He said he thinks this is

unique precedent to set. Andrews said the county has accepted maintenance of the drainage system. He said in order to go on private property the county would have to have permission from the land owners. Andrews said he can prepare documentation to that effect. He said the Board's action in each of these cases is not a precedent for the Board taking action in a different case. Williamson said he would like to give staff time to come up with solutions so the cost would be known. He asked Furman if there is something that can be done to better channel the water so it will not get any worse while solutions are being worked on. Furman said one of two inlets upstream have been enlarged so it will take in more water from the street to channel it underground. He said yesterday staff was shooting elevations along the right of way and found where water can be routed around the curve to an area that is not experiencing any flooding problems. Furman said he cannot block off water and create the same problem for other houses. He said the items he is working on will help and will be enhanced. Williamson asked if Salter and Cole are discussing giving permission to staff to work on these temporary solutions. Cole said yes. Williamson said he is comfortable with that.

Salter said he thinks what the Board is saying is that we are going to do everything we can right now to "stop the bleeding". He said "we" will come up with a long range plan for permanent long range fixes. Cole said he will leave it to Andrews to figure out any leverage against the developer. Andrews said we need an analysis from the Engineering Department as to what the issues are.

Sutton said he agrees with the comments and thanks the Board.

Jerry Couey said we have people who have made huge investments and he is encouraged about what he hears. He said it was asked on social media if the 700 house subdivision is back on the Board again. Schebler asked if he means the rezoning on Woodbine Road. Couey said yes. Schebler said that is not on the agenda tonight.

Couey said he feels the need to discuss the \$11,000.00 at the fire department. He asked what is the official county position on any further action. Spencer said the county has gotten the \$11,000.00 back from the East Milton Volunteer Fire Department. Couey said he is talking about the \$11,000.00 individuals took. Spencer said the county had the Fire Department pay the funds back and it is up to the Fire Department if they want to collect it from the individuals. Couey said individuals took money and the people in the fire department's district are being punished by taking \$11,000.00 away from the operating budget. He said this does not solve the problem. Couey said "we" have a tendency to look the other way on some things. He said every time something like this is ignored it encourages more theft and encourages people to act in a particular way that is against the wishes of the taxpayers. Couey said he does not believe "they" have a rightful claim on those funds. He asked if the county contacted the State's Attorney Office and asked them to let it go. Couey asked Andrews and Cole if they have made the decision to allow those individuals to take \$11,000.00 that belongs to the taxpayers and "let them walk with it". Cole said he was not aware of this until Monday. He said he has found out that CSX made a donation to the fire departments. Cole said he has not had time to go into in depth but it does not sit well with him. He said his thoughts are that CSX should have made the check out to the county and been distributed through normal channels. Couey asked if two more weeks will be enough time to get an answer. Cole said yes. Spencer said the fire department took the funds given by CSX and put it into their donation fund. He said the money should have went straight to the county. Spencer said the funds were paid out of the volunteer fund to the employees when it should have been given to the county. Spencer said the county made them give the \$11,000.00 back. He said if they want to take the funds out of the volunteer fund and put it in their operating fund that is up to them. Couey said this cannot happen again and he does not think the conversation is finished. He said if the county calls the State Attorney's Office and request charges he will do it. Cole said he would have a hard time making the call for the State Attorney's Office to file charges. Couey said from personal experience he knows calls have been made to the State Attorney's Office to let it go. He said there needs to be a resolution that protects the taxpayers.

Elise Teague (Bernath Place) said she just got the report for the bridge. She said this is getting a lot worse. Teague said the bridge has to be closed because it is not safe. She said the damage and neglect to the bridge is severe. Teague said there was an MSBU (Municipal Services Benefit Unit) for \$172,000.00 and that only repaired the top of the bridge. She said the bank caps and streamers have been neglected. Teague said the Board never communicated any issues with the bridge to the community. She said she has not found any communication to the community since the repairs that were done with the MSBU which were completed in 2010. Teague said there was an engineering report out after that because the fire department sent a letter saying they would not provide fire service in 2010. She said an engineering report was done that showed that the bank caps and streamers needed to be replaced which has not happened. Teague said the bridge should have had a full replacement or a brand new bridge should have been built after Hurricane Ivan. She said funds were being taken out of the MSBU in 2011 through 2015 for bridge repairs which were funds that were not spent due to the drainage problem. Teague said she found a letter extending the MSBU for a year that was never communicated to the community. She said there was no communication or increases in HOA dues to account for repairs or to maintain the access road. Teague said nowhere in the covenants and bylaws does it say that the residents are maintaining a bridge or in charge of a bridge or maintaining an access road. Teague said normally in covenants, the maintenance is mentioned. She said she thought the bridge was a county bridge. Teague said the commissioners got the letter from the fire department.

Keri Helm (Assistant Treasurer for Bernath Place HOA) said there are people that bought houses that did their homework on the bridge as much as they could. She said it is a privately owned bridge so there is limited documentation.

Teague said while it is a private road, if it is a bridge or an emergency access road the county may need to require that documents are given to the county so that when someone purchases a house that information is available. She said the Board got the letter from the fire commissioner.

Cole said there is public record about the bridge being deficient. He said he has discussed this with the Avalon Fire Chief. Cole said the county cannot work or go on private property. Teague asked if there is a place to access this information.

Andrews said there is an abutting road maintenance or non-maintenance of an abutting road document which Teague has seen. Teague said she got that but it did not state a bridge.

Cole said that may be the reason people were selling in there because instead of dealing with it as suggested with an MSBU process to completely replace the bridge, they have chosen to put a for sale sign on the property and pretty much "pass the buck".

Helm said selling the property has happened quite a bit in the past. She said it is recommended from the certified bridge inspector to shut down the bridge until the repairs are made. Helm said the repairs that can be made will restore the load rating at the minimum of four tons. She said that is just residential vehicles. Helm said there are a number of health and safety services that are restricted because of the bridge issue. She said this issue has to be reported to buyers.

Teague said the railroad will grant the expansion of the railroad for emergency access only. She said they will not grant access for demolishing or rebuilding the bridge. Teague said it will be a three to five month process. She discussed details of the costs of the project.

Cole asked if an MSBU is possible for repairs. Andrews asked if the MSBU for the bridge maintenance has expired. Teague said yes. Andrews said he will need to look at the documentation. He said the county just had the final budget hearing and adoption of the MSBU rate for this year. Andrews said the process could start but for there to be assessment on the property tax bill, it will be next year.

Cole said he thinks this Board is willing to direct staff to work with “you” to figure out what can be done.

Teague said when the bridge is torn down they will have to have access out of the community and CSX railroad will not allow the private crossing to be used. She said FDOT (Florida Department of Transportation) and the county will have to get involved and the county will have to figure out what to do. Teague said if the county is willing to improve some of the crossings then they will consider that instead of closing crossings. Cole said this can be added as part of the discussion. Teague said she is going to write letters to the officials of CSX and she will copy the Board.

Valerie Owens (Member at Large) said the community is committed to the process of getting this done right to make sure this never happens again.

Cole said the Board has never had a contingency from Bernath Place come to them trying to resolve this in the right way. He said to get with Schebler.

BOARD OF COUNTY COMMISSIONERS
SANTA ROSA COUNTY, FLORIDA

By: Robert A. “Bob” Cole, Chairman

Attest: Donald C. Spencer, Clerk of Court