

GROVER C. ROBINSON, IV Mayor

MEMORANDUM

TO: Triumph Gulf Coast, Inc. Board of Directors

FROM: Grover C. Robinson, IV, Mayor

DATE: October 31, 2019

RE: Triumph Annual Review

In accordance with s. 288.8016, F.S. and the Grant Award Agreement between CITY OF PENSACOLA (City) and TRIUMPH GULF COAST, INC. (Triumph), the following information is provided by the City as the Triumph Grant Annual Report.

I. FUNDING STATUS

The estimated total planning and construction cost of Project Titan is \$210,125,000. The financial commitment from Triumph is \$66,000,000 leaving a balance of \$144,125,000. The balance of funds has been committed as follows:

FDOT	\$45,000,000
Federal EDA	\$12,250,000
Governor's Job Growth Fund	\$14,000,000
City of Pensacola	\$15,000,000
Escambia County	\$15,000,000
VT MAE	\$35,000,000
Florida Legislative grant	\$3,000,000
City of Pensacola or future grants	\$4,875,000

Further, City Council has authorized a borrowing capacity of up to \$20,000,000 for this project to provide interim financing as needed.

II. KEY MILESTONES

The following key milestone events have been accomplished:

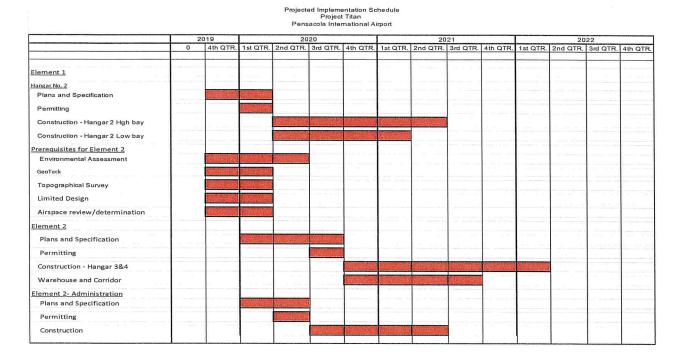
- PROJECT DEVELOPMENT AGREEMENT was executed between City of Pensacola and VT MAE on April 26, 2019.
- MASTER LEASE OF REAL PROPERTY was executed between City of Pensacola and VT MAE on April 26, 2019.
- An ESCROW AGREEMENT was executed between VT MAE, City of Pensacola and Wells Fargo Bank, NA (as Escrow Agent) on April 29, 2019. Funds from VT MAE in the amount of \$35,000,000 have been deposited into this Escrow account.
- A detailed Basis of Design for Project Titan has been prepared and agreed to in concept by the parties. The purpose of the Basis of Design is to set the scope and parameters of the project and to begin to determine estimated construction budgets.
- A ROM (Rough Order of Magnitude) Cost Estimate has been prepared by RIB U.S.
 Cost for purposes of evaluating the scope and budget of Project Titan. This document
 continues to evolve as the individual components of the project becomes more well
 defined.

III. SELECTION OF CONSTRUCTION AND DESIGN TEAM PROFESSIONALS

- a. Construction Manager at Risk (CMaR) City issued a RFQs to select a CMaR. Qualified firms responded and the City used an independent selection committee to evaluate and make a recommendation for the selection of the CMaR. The chosen firm was a joint arrangement between Brasfield & Gorrie and Greenhut. Greenhut was the CMaR on Hangar 1. City is in the final stages of negotiating pricing and a CMaR contract in order to commence work on the first element of Project Titan. City expects final contractual arrangements to be in place by the end of December 2019.
- b. Architect and Engineering (A&E) firm City had previously conducted an RFQ process for purposes of engaging an A&E firm to provide professional services to the Pensacola International Airport. The engineering firm of Atkins and the architectural firm of Bullock Tice were one of the firms selected. Based on their experience gained from their role in the design of the first MRO Hangar, they have been selected to continue with the design of the Hangar 2. City is in the final stages of negotiating pricing and an A&E contract in order to commence work on the first element of Project Titan. City expects final contractual arrangements to be in place by the end of December 2019.
- c. Construction Administrator The firm of Mott MacDonald served as the Construction Administrator on behalf of the City for Hangar 1. The City has selected Mott MacDonald to again serve a Construction Administrator for Hangar 2. City is in the final stages of negotiating pricing and a work order for Mott MacDonald and City expects final arrangements to be in place by the mid November 2019.

IV. SCHEDULE

A preliminary timeline for the major elements of Project Titan has been developed, as noted below. This timeline has and likely will change in the future as plans become more well defined.



SUMMARY

Significant progress has been made by the parties and the City is anticipating an official groundbreaking on the first element of Project Titan (Hangar 2) in early 2020. This is an exciting project for the City, County and all of NW Florida and we are grateful for the continuing support of the Triumph Gulf Coast, Inc. Board.

Respectfully submitted,

Grover C. Robinson, IV

Mayor