



Board of County Commissioners

State of Florida

September 30, 2019

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

Re: #43 Highway 90 East Water and Sewer Extension Project
2019 Annual Report

Dear Mr. President,

Please accept the following Initial Annual Report for progress since the award date of August 7, 2018:

Project Status (Provided by Jon Kanak, Project Manager):

POLY, Inc. was awarded the contract for professional engineering services related to the Hwy 90 East Water and Sewer Extensions in January 2019. Since that time POLY has been working on the design and permitting phases of the project and has produced and delivered 30% design plans (March 2019), 60% design plans (April 2019) and 90% design plans (September 2019). A 90% design review meeting is scheduled and once complete, POLY will begin preparation of the 100% plans, technical specifications and bid documents.

During the design phase between 60% and 90%, POLY has also been preparing and submitting permit applications to expedite the permitting phase. POLY has finalized the required Stormwater Pollution Prevention Plan (SWPPP) and submitted the Environmental Resource General Permit application. The NPDES and Railroad permit application packages are ready for submission and work has started on the US Army Corps of Engineers and Environmental Resource Individual Permits.

A delay was encountered during the railroad permitting process as the section of track requiring permitting changed ownership during the permitting process. The original railroad permit package was prepared in accordance with CSX requirements. Just as the permit was being submitted, the section of track changed ownership from CSX to RailUSA. It took approximately 6 weeks to receive word on the permitting requirements of the new organization. The new permitting agency had some additional requirements that have been incorporated and the application will be submitted soon.



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Performance Metrics (Provided by Nathan Sparks, Okaloosa Economic Development Council):

While no commitments for new job creation at Shoal River Ranch have been received to date, the focus of the Economic Development Council of Okaloosa County (EDC) and our partners has been to undertake an extensive promotional campaign touting the site and its many attributes to leading companies and site selectors. Following the naming and branding of the property as the “Shoal River Ranch Gigasite”, the EDC developed a comprehensive marketing tool-kit including a customized PowerPoint presentation, website and printed site flyer (all are available for sharing if needed).

Beginning in September 2018, the EDC kicked off the “Shoal River Ranch Road Show” in an effort to showcase the project to leading site selectors who advise businesses on future facility locations. In addition to EDC personnel, these Shoal River Ranch Opportunity Showcase events included representatives from Enterprise Florida, Gulf Power and Powersouth. Over the past year, five out-of-market showcase events were held in cities including Atlanta, Dallas, Chicago, New York and Cleveland, while two in-market consultant tours/presentations were held on the property. In addition, several webinars have been held with consultants who were unable to attend one of the aforementioned events. The overall response from the site selectors that we have interfaced with has been largely positive, though some have referenced their clients’ concerns about weather impacts (in light of Hurricane Michael hitting the region last year). One consultant, in particular, indicated that their client’s insurer would not insure anything closer than 30 miles to open water (Shoal River Ranch is 28 miles). At this point in time, we feel these concerns are situation specific and will not prevent the successful achievement of our performance metrics. In fact, at this very moment, we are developing a Shoal River Ranch focused RFP response for a manufacturing / headquarters opportunity that would create nearly 1000 jobs.

Sincerely,

A handwritten signature in blue ink, appearing to read "Charles K. Windes, Jr.", written over a horizontal line.

Commissioner Charles K. Windes, Jr.
Chairman, Okaloosa County Board of County Commissioners