

**Program Administrator Report
Triumph Gulf Coast Board Meeting
November 18, 2021**

The Triumph Gulf Coast staff continues regular work with grantees on the implementation of 39 active projects, with an additional four projects completed, totaling over \$271,000,000. Staff monitors and reviews projects for compliance and processes requests for funds on an ongoing basis, and continues to work with applicants and potential applicants, to review pre-applications, applications and to negotiate agreements.

The 2020-2021 Auditor General's audit is ongoing.

Pre-Applications

As of Friday, November 12, 2021 Triumph Gulf Coast had received 264 Pre-Applications totaling over \$1,936,202,000 in requests. 6 Pre-Applications were received between October 8, 2021 and November 12, 2021.

Pre-applications 263 -266 are recommended as eligible, 262 as not eligible and 261's recommendation is pending additional information.

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|---|--------------|------------|
| 261 Bay Economic Development Alliance, Project Arrow | \$8,750,000 | Bay |
| 262 Navarre Beach Fire Rescue, Project Safe and Sound | \$500,000 | Santa Rosa |
| 263 Northwest FL State College, Cloud Computing Industry Training | \$92,500 | Okaloosa |
| 264 Wakulla County School Board, Wakulla/Franklin CTE Collaboration | \$23,000,000 | Wakulla |
| 265 Florida State University - Panama City, FSU Panama City Collegiate Lab School | \$7,000,000 | Bay |
| 266 NWFSC, Career Acceleration Pathways for Early College Students | \$10,267,474 | Okaloosa |

Applications

As of Friday November 12, 2021, Triumph Gulf Coast had received 106 Applications totaling over \$762,586,000 in requests. Application received since October 8, 2021:

| | | |
|---|-------------|----------|
| 257 Pensacola State College, Cyber Security and IT Programs Expansion | \$9,000,000 | Escambia |
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Triumph staff proposes that the Board consider authorizing counsel and staff to negotiate a term sheet with:

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| 245 Florida A&M University, AI and Data Science Edu and Training in Aquaculture | \$5,204,840 | Okaloosa |
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Triumph staff proposes that the Board approve a grant agreement with:

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| 237 Port St. Joe Port Authority, Dredging of Shipping Channel | \$15,000,000 | Gulf |
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De-obligation of Funds Policy

Triumph Gulf Coast staff requests the adoption of a policy for de-obligation of funds before a term sheet is agreed to. Staff has made multiple attempts over an extended period of time with an applicant to reach acceptable terms on a term sheet without success. In order to de-obligate funds set aside for this proposal, we are asking the Board to allow staff or legal counsel, in this instance, and in future cases, to notify an applicant that Triumph is withdrawing its offer to negotiate due to lack of response by the applicant. In adopting this report, the Board would approve the request and establish the policy.

November 2021 Project Status Snapshot

Staff has developed a project status snapshot document to provide members with an overview of each project. This document reflects the most recent quarterly reports and/or field visits for each project.

October – November Construction Report

Staff continues to review and approve construction bid documents, contracts, change orders and/or task orders for projects. Please see attached Construction Report provided by Mr. Randy Lewis for details.

Annual Grant Review for Infrastructure, Emergency Response and Promotion Grants

Triumph Staff reviewed the information provided by Grantees with projects due for annual review under s. 288.8016 , F.S.

s. 288.8016, F.S. Triumph Gulf Coast, Inc.; duties. (3) Monitor, review, and annually evaluate awardees and their projects or programs to determine whether an award should be continued, terminated, reduced, or increased.

Staff recommends the Board accept a recommendation to continue to fund the following Infrastructure, Emergency Response and Promotion grants

Infrastructure Grants

| | |
|---|--------------|
| 43 Okaloosa County, Hwy 90 East Water and Sewer Expansion | \$1,500,000 |
| 46 Okaloosa County, Southwestern Crestview Bypass | \$64,100,000 |
| 49 Panama City Port Authority, PC Port Authority Eastern Terminal Development | \$10,000,000 |
| 72 Santa Rosa County, Whiting Aviation Park | \$8,523,655 |
| 120 City of Pensacola, Commercial MRO Campus Expansion | \$66,000,000 |
| 185 City of Panama City, Panama City Industrial Complex | \$20,000,00 |
| 190 Walton County, US Highway 331 Water and Sewer Extension | \$1,742,407 |
| 209 Santa Rosa County, Northwest Florida Industrial Park at 1-10 | \$3,484,728 |
| 227 Port Panama City, Intermodal Distribution Center Expansion | \$3,000,000 |
| 240 Santa Rosa, Santa Rosa Industrial Park East (SRIPE) | \$6,000,000 |

Emergency Response Grant

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|--|-------------|
| 191 Franklin County, Apalachicola Regional Airport Fuel System Upgrade | \$1,059,000 |
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Promote Workforce and Infrastructure Grant

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|---|-----------|
| Florida's Great Northwest, Education Research and Marketing Grant | \$665,000 |
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RANDY LEWIS, AIA

ARCHITECT / TRIUMPH G.C. CONSULTANT

NCARB Certification: 66743

Florida Registered Architect 11582

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Construction Review Update- Oct. 14, 2021- Nov. 11, 2021

The following items reflect contract, construction, and annual reporting review activity since the last board meeting.

#29 Wakulla School Board Career and Tech

- Reviewed the 2021 Annual Report for Triumph CG Grant Project #29 Wakulla School Board- Career and Technical Center and accompanying construction photos. The construction progress report appears to be complete and comprehensive and is recommended for approval by Triumph GC.
- Change Orders #3 and #4 for new roll-up doors and extending stud walls to roof structure reviewed and details of change orders discussed with contractor's project manager. I recommend approval of the Change Orders to Triumph GC.

#43 Okaloosa HWY 90 Sewer and Water

- Reviewed the Annual Report for the Okaloosa Hwy 90 Water and Sewer Extension Project. The project has been successfully completed and the Certificate of Final Completion has been posted. It appears that One Okaloosa Economic Development Council is making strides to meet the employment goals of Triumph Performance Metric provisions. The Annual Report appears complete and thorough.

#046 Okaloosa County Southwest Crestview Bypass

- Reviewed the Annual Report for the Southwest Crestview Bypass and the construction is progressing well, having overcome numerous permitting issues. The Annual Report appears complete and thorough.

#49 Panama City Port Authority East Terminal

- Reviewed the Panama City Port Authority East Terminal Annual Report, it appears complete and acceptable. The construction activities have been completed and the terminal is in its second year of successful operation.

#72 Santa Rosa Whiting Aviation Park

- Reviewed the Annual Report submitted by the Santa Rosa County Board of Commissioners and the 3rd Quarter Report submitted by the Santa Rosa County Economic Development Office for the Triumph GC Grant Project #72 Whiting Aviation Park. The report appears complete and comprehensive. The construction project is scheduled for completion Dec. 31, 2021. I recommend approval of the report and construction progress to Triumph GC.

#157 Franklin County School Board Welding Facility and ABC Computer Facility

- The AIA Document B101 Standard Form of Agreement Between Owner and Architect with CRA Architects for design of the ABC computer facility and the contract appears acceptable to Triumph GC.

#185 City of Panama City/Eastern Ship Building Group

- I reviewed the Change Orders and DRMP recommendation letters. The CO#3 to Diamond services for the Fin Dredge Project and Change Orders #2 and #3 to HG Harders and Sons for the Bulkhead extension and the Whitaker Pier and Dolphins Demolition appear fair and reasonable, and I recommend approval to Triumph GC.
- Reviewed the annual report for the period of October 1, 2020, through September 30, 2021, and the quarterly report for the period from July 1, 2021, through September 30, 2021, submitted by Panama City for the Triumph Grant Project #185 Panama City and Eastern Shipbuilding Group. The report appears accurate and addresses the construction progress over the past year. I recommend approval of the report to Triumph GC.
- The proposed Contract Change Order #3 to Diamond Const. to expand the dredge area west, and DRMP's letter explaining and recommending the ESG Fin Stabilizer Dredge Project extension. This expanded dredge area was included in the Triumph GC Grant scope of work and these dredge activities were included in the original dredge permit. The unit cost for dredging is significantly less than all other bidders of the ESG Fin Stabilizer Dredge Project, and this change order will reduce the dredge project schedule several months. This Change Order required approval of the City Commission to proceed and the Commission has approved the Change Order.

#120 City of Pensacola Comm. Aircraft Maintenance campus (Project Titan)

- Reviewed the City of Pensacola Comm. Aircraft Maintenance campus (Project Titan) Annual Report. The report appears complete and thorough. The project has more recently experienced supply chain delays with steel but continues to progress.

#190 Walton Economic Development Alliance-Construction Of Water And Sewer On US Hwy 331

- Reviewed the Bid Tabulation for CONSTRUCTION OF WATER AND SEWER ON US HWY 331, the Contract for Construction with the low bidder, L&K Contracting Co., the Notice of Award, and the "Limited" Notice to Proceed from the County, and the Annual Report submitted by the Walton County Board of County Commissioners. All of the submitted documents appear compliant with Triumph GC Grant Agreement and conditions, and I recommend approval to the Triumph GC Board.

#191 Franklin County Apalachicola Airport Fuel Farm

- Reviewed the Quarterly Progress Report / Annual Report for the Franklin County Apalachicola Airport Fuel Farm Project submitted by the Franklin County Board of County Commissioners, and I recommend approval of the Annual Report to Triumph GC Board.

#207 GCSC Gulf/Franklin Campus Nursing Simulation Center

- Reviewed the 3rd Quarter Construction Progress Report., 3rd Quarter Narrative Report and the Annual Report Oct. 31, 2021. The electrical connection of the new training modular buildings has begun and design of renovations to Building A for Nurse Training has begun and soon to be completed. Remodel of Classrooms B-112 and D105 are complete and being utilized. The reporting appears complete and thorough.

#209 Santa Rosa BOCC Project Lionheart

- Reviewed the Annual Report submitted by the Santa Rosa County Board of Commissioners for Triumph GC Grant Project #209 Santa Rosa BOCC Project Lionheart. The Santa Rosa County Board of Commissioners recently accepted a developers \$2.5 million bid for "Project Unstoppable" for site

development. The report appears complete and comprehensive. I recommend approval of the report to Triumph GC.

#210 GCSC UAS Pilot Boot Camp for Exiting Military

- I reviewed the 3rd Quarter Construction Progress Report., 3rd Quarter Narrative Report and the Annual Report Oct. 31, 2021. The site work for the purchased modular buildings has begun. The reporting appears complete and thorough.

#211 Pensacola SC- Truck Driving Training Program

- I reviewed the 3rd Quarter Construction Progress Report and the Annual Report. The reporting appears complete and thorough.

#227 Panama City Port Authority Intermodal Distribution Center

- I reviewed the Design Build Criteria Specification manual prepared by McNeil Carroll Engineering for Site Preparation Phase VI for the Port of Panama City Intermodal Distribution Center. The documents appear complete and professional. I recommend approval by Triumph Gulf Coast.
- The McNeil Carroll Engineering recommendation of award letter, and Construction Contract Agreement in the Specifications, are acceptable.
- Reviewed the Annual progress report for Grant Project #227 Panama City Port Authority's Intermodal Transportation Center. The report appears complete, and I recommend approval to Triumph GC.

#240 Santa Rosa STRIPES

- I reviewed the Annual Report submitted by the Santa Rosa County Board of Commissioners for the Triumph GC Grant Project #240 Santa Rosa Industrial Park East (STRIFE). The engineering design is progressing on schedule. The Santa Rosa County Economic Development Office has received letters of intent for all available acreage at the Park. The report appears complete and comprehensive. I recommend approval of the report and construction progress to Triumph GC.

2021 Review of Infrastructure, Emergency Response and Promotion Annual Grant Award Reports

Northwest Florida, like the rest of the state and nation, face new labor and supply chain shortages in 2021 due to unprecedented pandemic impacts to the global economy. Despite these challenges, Grantees continue to implement projects and programs and Triumph Gulf Coast continues to execute new grant awards that will yield long term economic transformation for the region.

As of this month, Triumph Gulf Coast has executed 43 grants totaling over \$271,000,000 and is managing 39 active grants. In order to meet statutory compliance requirements, Triumph staff monitors, reviews and processes requests for funds on an ongoing basis.

Triumph Staff has reviewed the information provided by Grantees with projects due for annual review under s. 288.8016 , F.S.

s. 288.8016, F.S. Triumph Gulf Coast, Inc.; duties.

(3) Monitor, review, and annually evaluate awardees and their projects or programs to determine whether an award should be continued, terminated, reduced, or increased.

Staff recommends the Board accept a recommendation to continue to fund the following Infrastructure and Promotion grants:

Infrastructure Annual Report Reviews

43 Okaloosa County, U.S. Highway 90 Water & Sewer Extension

Triumph Grant Award - \$1,500,000

Grantee Match - \$2,703,171

Total Project Cost- \$4,203,171

Construction broke ground in July of 2020 on 4.3 miles of water and sewer line construction on U.S. Highway 90 to the industrial gigasite at the Shoal River Ranch site. At the end of October 2020, the project was 31% complete. Due to COVID-19 related labor shortages, the County requested and was granted an amendment that extended the date of project completion. **Construction was completed in June 2021.**

The Economic Development team continues to market the site and work with interested parties to meet the agreement metrics.

46 Okaloosa County, Southwestern Crestview Bypass

Triumph Grant Award - \$64,100,000

Grantee Match -\$134,919,000

Total Project Cost- \$199,019,000

The project design is 100% complete and all right-of-way has been acquired. Due to COVID-19 suspension of field visits by FDEP and the Army Corp, the project's permitting timeline was delayed. The

County requested, and was granted, an amendment from Triumph that extended the date of project completion due to COVID-19 related delays.

The metric for this project is the creation of 1300 new jobs in the EMSI Sector 901200: Federal Government, Military, in addition to 243 new jobs projected to be created in the sector by 2029. The sector also includes private sector defense contractors.

According to EMSI, this sector now employs 18,234 individuals in Okaloosa County - an increase of 1,146 over the past 12 months alone. At this time, a total of 2,182 new Okaloosa County jobs have been created in EMSI Sector 901200 since the Triumph performance period began in 2019. It is especially noteworthy that this objective was met within two years, and that Okaloosa County's total employment level in EMSI Sector 901200 now exceeds the ten-year Triumph Performance Metric by 639 jobs. Satisfaction of the performance metric will be determined in 2029.

49 Port Panama City, Eastern Terminal Expansion

Triumph Grant Award - \$10,000,000

Grantee Match - \$52,064,000

Total Project Cost- \$62,064,000

Triumph's first project was the expansion of Port Panama City's Eastern Terminal. Construction **was completed at the end of 2020**. The Port remains focused on continued business recovery and growth following Hurricane Michael and revised growth projections due to COVID-19 impacts on the economy.

This project has three options for performance metrics, with a requirement to meet only one of the three. The metric most impacted by Hurricane Michael and COVID-19 is the metric to generate 148 new port activity jobs of which 119 equivalent jobs have been generated and creation of 250 private jobs. A company announcement of almost 250 jobs is anticipated by the end of 2021.

The Port recorded near record tonnage in 2021, handling 1.95 million tons of cargo between the two facilities and continues to work with shippers and steamship lines add additional cargo trade at the new terminal. A new steamship line was attracted in the fourth quarter of 2021, adding Panama City to its service between the US Gulf and South Africa.

FY2021 was a record year for revenues, with the Port recording \$17.4 million. Revenues increased from \$15 million in 2018 by \$2.4 million in three years. With the anticipated growth in cargo activity, the Port is on trend to meet the goal of \$18 million in revenues by March 2025.

72 Santa Rosa County, Whiting Aviation Park Site Readiness

Triumph Grant Award - \$8,523,655

Grantee Match - \$3,094,720

Total Project Cost- \$11,618,375

Infrastructure improvements to Whiting Aviation Park began in May 2020 and are anticipated to be complete on budget by the end of 2021.

With Leonardo Helicopter's commitment to opening a helicopter support center at the Aviation Park, Santa Rosa is on track to meet its performance metric requirements.

120 City of Pensacola, Pensacola Airport Infrastructure

Triumph Grant Award - \$66,000,000

Grantee Match - \$268,825,000

Total Project Cost- \$334,825,000

In January of 2020, the City of Pensacola secured the final financial commitment for the project with a Governor's Job Growth Grant Fund award. In 2021, Triumph granted an amendment to the project that allowed a redesign and additional time for Triumph funded hangars 3 and 4, the support services center and administrative office space. The amendment was requested due to increased construction costs associated with Hurricane Sally and the reduced availability of labor and materials due to COVID 19.

The project continues to be on track based on the new timeline. Supply chain disruptions, including steel delivery timelines, are being closely monitored.

185 City of Panama City / Eastern Shipbuilding Group (ESG) Infrastructure Improvements

Triumph Grant Award - \$20,000,000

Grantee Match - \$50,380,000

Total Project Cost- \$70,380,000

Project components funded by Triumph are currently in various stages of bidding and construction. In 2020 Triumph approved a timeline extension amendment due to COVID-19. In 2021 Triumph approved an amendment that re-allocated budgeted match dollars which reduced the amount of funds provided by public sources and increased the amount to be provided by the private partner Eastern Shipbuilding (ESG).

ESG is in the process of constructing OPC's #1, #2 and #3. Construction is currently on schedule and delivery of OPC #1 is expected in late 2022, with each next OPC delivery approximately one year after the previous. The USCG awarded the Long Lead Time Materials contract for OPC #4 in 2021 and the USCG is currently on schedule for an award of the construction of OPC #4 to ESG in early 2022.

ESG submitted its detailed proposal to the USCG for Stage 2 of the OPC Program in June 2021. The USCG is on schedule to make the award for Stage 2 (OPC's 5-15) in the spring of 2022. ESG has successfully executed the construction of the OPC's under contract to date and has positioned itself well to win the Stage 2 contract. The OPC program is currently fully funded and continues to receive wide bi-partisan support in Congress, as the need to replace the existing aged medium endurance cutter fleet remains the USCG's top acquisition priority.

With the construction of the first three cutters underway, ESG reports it has created 856 of the 900 net new jobs in its Triumph agreement during the current ramp up period. Using a direct to indirect job creation ratio of 2.5:1 for the shipbuilding industry sector, this equates to an increase of nearly 3,000 new direct and indirect jobs in the local economy.

190 Walton County, US Highway 331 Water and Sewer Extension

Triumph Grant Award - \$1,742,407

Grantee Match - \$3,000,000

Total Project Cost- \$4,742,407

In 2020, the County requested and was granted a Triumph Agreement extension due to COVID-19 impacts on the project's timeline. In August of 2021, due to the construction industry material and supply chain disruptions, the County issued a "Limited" Notice to Proceed to allow the Contractor to procure the long lead time materials. Construction is expected to begin prior to the end of 2021 and be completed in late Spring 2022.

With sewer and water soon to be available, the County and Economic Development Alliance have sold a 10 acre parcel of land to a manufacturing company and a 5 acre parcel to an unmanned aerial vehicle manufacturer interested in the proximity to Eglin Air Force Base. The jobs created at these businesses will be submitted towards the 100 new jobs metric for this project.

209 Santa Rosa County, Project Lionheart - Northwest Florida Industrial Park at 1-10

Triumph Grant Award - \$3,484,728

Grantee Match - \$6,832,064

Total Project Cost- \$10,316,729

Granted in 2020, the project is progressing on budget and according to schedule with design underway. In 2021, Triumph granted an amendment to the project that increased the number of jobs required to meet the metric to 100 and reduced the average wage to 115% of the county's average.

Santa Rosa County is in the process of selling 50 acres in the 1-10 Industrial Park to Project Unstoppable, a distribution company that will satisfy the job creation metrics for this project. The sale is expected to close before the end of 2021, with facility construction beginning first quarter 2022.

227 Port Panama City, Intermodal Distribution Center Expansion

Triumph Grant Award - \$3,000,000

Grantee Match - \$4,418,221

Total Project Cost- \$7,418,221

Awarded Triumph funds in the fall of 2020, the Port has completed selection of an engineer and contractor for the project. An environmental construction permit from the FDEP was received in October 2021 and finalization of a land transaction for a major economic development project is expected by the end of 2021. Groundbreaking is planned to occur in early 2022.

The project will create additional "pad-ready", rail-served sites zoned for heavy industry. The Port will continue working with the Bay Economic Development Alliance to attract large manufacturing and distribution prospects to the IDC.

240 Santa Rosa, Santa Rosa Industrial Park East (SRIPE)

Triumph Grant Award - \$6,000,000

Grantee Match –\$22,136,149

Total Project Cost- \$28,136,149

Granted at the end of 2020, the Santa Rosa Industrial Park East infrastructure project is currently on budget and on schedule. Design work has begun with construction expected to begin in spring 2022.

Letters of intent have been received by Santa Rosa for all available acreage at the park.

Emergency Response

191 Franklin County, Apalachicola Airport

Triumph Grant Award - \$1,059,000

Grantee Match –\$1,225,000

Total Project Cost- \$2,284,0000

In 2021, Franklin County awarded a task order for the planning, design, bidding and construction phase services for the Fuel Farm Replacement Project at the Apalachicola Regional Airport. At this time, 100% of the preliminary design is complete and 10% of the final design is complete.

Promotion Annual Report Reviews

213 Florida's Great Northwest, Education Research and Marketing Grant

Triumph Grant Award - \$665,000

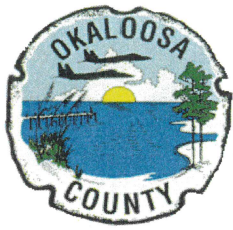
Grantee Match - \$470,000

Total Project Cost- \$1,135,000

In March of 2020, Florida's Great Northwest (FGNW) executed a grant to perform labor supply and demand analysis and to market the workforce and infrastructure assets of the Triumph Region. FGNW subcontracted with the research firm ABLE Operations for the research and VisionFirst Advisors for the marketing campaign.

Dr. Aaron Schmerbeck with ABLE Operations presented the initial labor supply and demand analysis report to the Triumph board in early 2021 and FGNW published the report on its website. In early 2022 work will begin on updating the report. VisionFirst Advisors created numerous marketing and promotional pieces about the Triumph Gulf Coast fund, including videos, photos, fact sheets, a white paper and social media posts in preparation for the campaign that kicked off in early September 2021.

The grant was amended in August 2020 to provide additional funds to allow for extraction of industry certification data from the Florida Department of Education's education data warehouse. A contract between the Florida Education Foundation and FGNW is under review to begin this work. The data will be used to enhance the marketing of Northwest Florida's workforce to site location consultants and company decision makers.



Board of County Commissioners

State of Florida

October 19, 2021

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
Okaloosa County, Florida
2021 Annual Report

Dear Chairman Gaetz,

Please accept the following Annual Report for progress during fiscal year 2021, ending September 30, 2021 (project status provided by Cory Lewis, E.I., Water and Sewer Engineer-in-Training and Project Manager, and Nathan Sparks, Executive Director of One Okaloosa Economic Development Council):

Reporting Period – October 1, 2020 through September 30, 2021

During this reporting period, POLY, Inc. (who was awarded the contract for professional engineering services related to the Hwy 90 East Water and Sewer Extensions in January 2019) continued addressing any design issues that arose during construction on an as-needed basis.

During the reporting period of October through December 2020, Okaloosa County Water & Sewer (OCWS) had installed approximately 19,800 feet of 12" water main from Fairchild Road east to Four Lakes Road. OCWS had also installed approximately 14,400 feet of 12" sewer force main from Four Lakes Road to Jericho Road. OCWS's directional bore/jack-and-bore Sub-Contractor (Gator Boring and Trenching, Inc.) had completed nine bores on the project. Based on the work completed through December 30, 2020, the construction of the project was approximately 98% complete. Due to construction issues during the installation of the two jack-and-bores beneath the railroad, POLY, Inc. performed a re-design of the railroad crossings and prepared revised permit applications for Omega Rail Management, Inc. for both the water and sewer main. The revised permit application packages and associated permit fees were submitted in early September 2020 and were still being processed. Addendums to both original Florida Gulf & Atlantic (FGA) Railroad Agreements for the bores under the railroad were in the final stages of being completed, with only signatures remaining.

The permit application packages and associated fees were processed and the bores under the railroad were successfully installed, during the reporting period of January through March 2021. OCWS had installed a total for the project of approximately 20,000 feet of 12" water main from Fairchild Road east to Jericho Road. OCWS had also installed a total for the project of approximately 15,000 feet of 12" sewer force main from Four Lakes Road to Jericho Road. Gator Boring had completed a total of



Board of County Commissioners

eleven bores on the project. Based on footages from this quarter, an estimated 100% of the construction work was completed. Miscellaneous work and cleanup on the site and surrounding area still needed addressed.

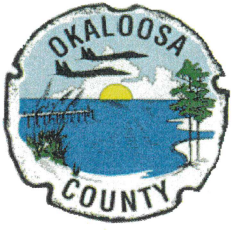
This project had an original grant award agreement completion deadline of December 31, 2020. Due to the uncertainty of COVID-19, an extension was approved in June 2020 by Triumph Gulf Coast to provide a new completion deadline of June 30, 2021. To align the grant agreement with the Board of County Commissioners (BCC)/OCWS contract and to provide more time to resolve the challenges with the railway crossing, OCWS requested an additional 197 days be added to the BCC contract. This request increased the original contract time of 210 days to a new contract time of 407 days, with a new substantial completion date of May 1, 2021 and a final completion date of June 30, 2021. This Change Order was approved by Triumph in September 2020 and the BCC on October 6, 2020. An Amendment to the BCC/OCWS Contract was presented to Triumph in September 2021 to amended Article 6, Payment Procedures, to better align the grant reimbursement process as contained in the Grant Award Agreement, and clarify the contractor payment process. This Amendment was approved by Triumph on September 16, 2021 and the BCC on October 5, 2021. After miscellaneous work was completed and the site was restored to existing conditions a final notice was issued to Triumph in the previous quarter (April - June 2021), certifying the construction of the project had been successfully completed in accordance with the plans and specifications.

Economic Metrics

Nathan Sparks, Executive Director of One Okaloosa Economic Development Council, provided the following current perspective on the status of the Economic Metrics requirement of the Triumph Grant Agreement:

Triumph requirement is 250 net new jobs within three years of the last grant disbursement, such jobs being compensated at greater than the Okaloosa County average wage; OR 150 net new jobs within three years of the last grant disbursement, such jobs being compensated at least 150% of the Okaloosa County average wage; OR 500 jobs within five years of last grant disbursement, such jobs being compensated at greater than the Okaloosa County average wage; OR within three years of the last grant disbursement, a company undertakes a capital investment of at least \$25 million on the property.

During the course of the reporting period, One Okaloosa EDC – along with local, regional and state partners – pursued a number of economic development prospects with expressed acreage and infrastructure needs aligning with those available at Shoal River Ranch. In total, One Okaloosa EDC submitted 17 responses to requests for proposal that were focused on specific parcels within Shoal River Ranch. In addition, a total of five prospect site visits were held with companies seeking to employ between 40 and 600 workers and invest between \$20,000,000 and \$110,000,000. Four of the projects undertaking visits are manufacturing-related while one is distribution / warehousing. Meanwhile, a large project that had previously identified Shoal River Ranch as one of three finalists (having initially starting with more than 400 sites nationwide) selected a location in a western state. Ultimately, the company was unable to provide sufficient evidence of financial viability to One Okaloosa EDC, Enterprise Florida and the Florida Department of Economic Opportunity – such assurances being required to finalize incentive commitments.



Board of County Commissioners

Of particular note, the Okaloosa County Board of County Commissioners opted to purchase 588 acres of prime acreage located within Shoal River Ranch prior to the expiration of a three-year purchase option agreement in December 2020. The County's acquisition included two parcels – an 88-acre parcel fronting US Highway 90 and Florida Gulf & Atlantic Rail, and a 500-acre interior parcel currently in play for multiple larger projects. Additional planning of the 88-acre rail-served parcel has identified a potential four lot configuration, with each lot being approximately 22 acres in size. Discussions are currently underway concerning additional planning and infrastructure investments required to further advance the market readiness of these parcels.

Sincerely,

Carolyn N. Ketchel
Chairman, Okaloosa County Board of County Commissioners



Board of County Commissioners

State of Florida

October 19, 2021

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

Re: #46 Southwestern Crestview Bypass
Okaloosa County, Florida
2021 Annual Report

Dear Chairman Gaetz,

Please accept the following Annual Report for progress during fiscal year 2021, ending September 30, 2021 (project status provided by Steven R. Schmidt, Surtax Project Manager, and Nathan Sparks, Executive Director of One Okaloosa Economic Development Council):

Despite the impacts of Covid 19 on the County, its partners, consultants, contractors and permitting agencies, work on the Southwestern Crestview Bypass has continued on course. The Triumph Grant Award has had an enormous impact on the progress of the entirety of the project, providing both the financial and motivational impetus for the county moving forward at a steady pace, and providing added incentive to overcome the myriad obstacles posed by a pandemic, transfer of railroad ownership and nearly insurmountable slowdowns in wetland permitting. Okaloosa County is extremely grateful for the partnership forged by Triumph Gulf Coast, Inc., and is proud to report the following progress.

Funding

As noted in the prior report, Okaloosa County undertook a Bond Refinancing Issuance, secured by half-cent sales tax, with infrastructure surtax revenues committed to cover the debt service payments for the new portion of the refinancing through 2029, in order to provide up to an additional \$25 million in funding for the overall project. That, combined with previously committed County and City Infrastructure Surtax funding, CIP funds (funded through local option gas tax revenues) and ongoing TIF fund revenues ensured the County's ability to successfully meet its financial commitments.

In 2020, the Florida Department of Transportation included its funding commitment for the I-10 interchange portion of the project in its 5-year work plan. The plan was approved and appropriated by the Florida Legislature, and the budget signed by the Governor without change to the appropriation. The Department recently selected a design-build team to complete the design details and construction of the interchange, continuing to move the project forward while simultaneously cooperating and assisting the County with its efforts in wetland mitigation and permitting.



Board of County Commissioners

Design

Immediately following the Grant Award, the County accelerated its efforts in all phases of the design of the project, with special emphasis on finalizing the line and grade for completion of the right-of-way requirements. The final design for the entire project was completed in 2020, including full construction plans for Phase IV, Phase V and the East-West Connector.

Right-of-Way Acquisition

Negotiations for acquisition of required right-of-way parcels began in February 2020. All of the properties required for construction of the project were acquired through negotiation or by process of eminent domain by the end of the third quarter of 2020. Just three parcels acquired through process of eminent domain are now awaiting the court's due process for determination of the final fair market value. Those portions of the right-of-way to be maintained after construction by the County or City, respectively, have been identified and addressed in an Interlocal Agreement approved by both the County and the City.

Acquisition of rights to construct the bridge over the railroad proved challenging. When negotiations for the acquisition of appropriate rights to cross the railroad commenced (including acquisition of air rights, with specific elevations of the encroachment delineated across the span of the horizontal right-of-way limits) the then-recent CSX sale of the rail corridor to Florida Gulf & Atlantic Railway complicated communication and negotiation efforts considerably. During the course of those negotiations, the County discovered that CSX had actually retained the air rights in the conveyance to FG&A, resulting in the requirement to secure approvals of both the current and prior owners; the former for easement/right of entry for maintenance and the latter for the aforementioned three-dimensional area for aerial encroachment. Although challenging, the County successfully reached agreements with both railroad companies for construction and ongoing maintenance of the bridge over the railroad.

Permitting

The permitting process, as expected, proved to be one of the most difficult and time-consuming aspects of the development process. Initially, purchase of wetland mitigation credits was planned from the Gin Hole Mitigation Bank in the Yellow River and Shoal River watershed, which was on a permitting track parallel to the County's project efforts. The Covid 19 pandemic played an unexpected hand in effectively stopping progress on both the County's wetland permit reviews and the Mitigation Bank permitting. Both the US Army Corp of Engineers (USACE) and Florida Department of Environmental Protection (FDEP) ceased field/project visits by staff in response to the virus, effectively shutting down the wetland permitting processes. Ultimately, USACE transferred their permitting processes to FDEP. While that was viewed as a generally positive move for the project, the Gin Hole Mitigation Bank permitting process still remained at a standstill, leaving the County very limited, and possibly very expensive, options for moving forward.



Board of County Commissioners

The breakthrough for wetland permitting began to come to fruition in the form of agreement by the FDOT to allow the County to purchase some of its reserved credits for wetland mitigation from the Sand Hill Lakes Mitigation Bank in Washington County. That breakthrough was fully realized when the FDEP and Northwest Florida Water Management District (NFWFMD) acquiesced to the County's purchase of mitigation credits outside the project watershed, allowing the Sand Hill Lakes Mitigation Bank purchase of credits for the project to go through. As of this writing, the project is fully permitted.

Contracting

After design of Phase IV of the project was complete, it was determined that project timing and economies of scale might provide the best result by allowing the contractor for Phases I-III, C.W. Roberts Contracting, Inc., to add Phase IV to its existing contract. The County solicited a reasonable negotiated price for appending Phase IV to the existing contract for Phases I-III, and secured Triumph approval for the action. The contract with C.W Roberts Contracting, Inc. was appropriately amended, and Phase IV of the project is now under construction.

The County went out for separate bid for the Phase V and East-West Connector portions of the project and received three responsive bids from responsible bidders. After carefully consideration, the County selected the apparent low bidder, Anderson Columbia, published a notice of Intent to Award, and executed the contract on November 17, 2020. The contractor's patience through the completion of the wetland permitting process was finally rewarded; the Ground Breaking ceremony was held on September 13th, 2021, the contractor was issued a Notice to Proceed, and construction of Phase V of the project is now underway.

Economic Metrics

Nathan Sparks, Executive Director of One Okaloosa Economic Development Council, provided the following current perspective on the status of the Economic Metrics requirement of the Triumph Grant Agreement:

Triumph requirement is the creation of 1300 net new jobs within EMSI Sector 901200 during the 10-year timeframe between 2019 and 2029. The 1300 jobs must be over and above the 243 jobs that EMSI projects will be created "naturally" during the defined 10-year timeframe. Per Okaloosa County's Triumph Grant Award Terms Sheet, the starting point / baseline for EMSI Sector 901200 was 16,052 existing workers in Q3 2019. Taking this figure, along with the projected growth of 243 jobs within this sector by 2029, the forecasted workers for EMSI Sector 901200 by 2029 is 16,347. The agreed upon 1,300 increase in sector 901200 over baseline means that by 2029, Okaloosa County's employment level in EMSI sector 901200 needs to equal 17,595, (i.e., baseline projected growth of 243 from the 2019 base of 16,052, plus incentivized growth of 1,300).



Board of County Commissioners

Last year, at the conclusion of year one of the performance period, EMSI data validated that Okaloosa County had created a total of 1,036 new jobs in Sector 901200, bringing total sector employment to 17,088. As a result, only 507 jobs remained to be created in order to reach the targeted number of 17,595 and fully satisfy the performance metric. As referenced in the attached report for EMSI Sector 901200, this sector now employs 18,234 individuals in Okaloosa County – an increase of 1,146 over the past 12 months alone. Moreover, a total of 2,182 new Okaloosa County jobs have been created in EMSI Sector 901200 since the Triumph performance period began in 2019. ***As a result, the County's obligation to create a total of 17,595 jobs in this sector has now been satisfied.*** It is especially noteworthy that this objective was met within two years, and that Okaloosa County's total employment level in EMSI Sector 901200 now exceeds the ten year Triumph Performance Metric by 639 jobs.

Sincerely,

Carolyn N. Ketchel
Chairman, Okaloosa County Board of County Commissioners

Attachment: 901200 EMSI Occupation Report Okaloosa County.pdf

Federal Government, Military in Okaloosa County, FL

One Okaloosa EDC



Contents

| | |
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| What is Emsi Data? | 1 |
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| What skills are they posting for? | 10 |

What is Emsi Data?

Emsi data is a hybrid dataset derived from official government sources such as the US Census Bureau, Bureau of Economic Analysis, and Bureau of Labor Statistics. Leveraging the unique strengths of each source, our data modeling team creates an authoritative dataset that captures more than 99% of all workers in the United States. This core offering is then enriched with data from online social profiles, resumés, and job postings to give you a complete view of the workforce.

Emsi data is frequently cited in major publications such as *The Atlantic*, *Forbes*, *Harvard Business Review*, *The New York Times*, *The Wall Street Journal*, and *USA Today*.

The logo for The Atlantic, featuring the word "The" in a small, italicized font above the word "Atlantic" in a larger, italicized serif font.The logo for Forbes, featuring the word "Forbes" in a bold, black, serif font.The logo for Harvard Business Review, featuring the words "Harvard Business Review" in a bold, black, sans-serif font, stacked vertically.The logo for The New York Times, featuring the words "The New York Times" in a black, serif font, stacked vertically.The logo for The Wall Street Journal, featuring the letters "WSJ" in a large, black, serif font.The logo for USA Today, featuring a solid black circle to the left of the words "USA TODAY" in a bold, black, sans-serif font.

Report Parameters

1 Industry

| | |
|--------|------------------------------|
| 901200 | Federal Government, Military |
|--------|------------------------------|

1 County

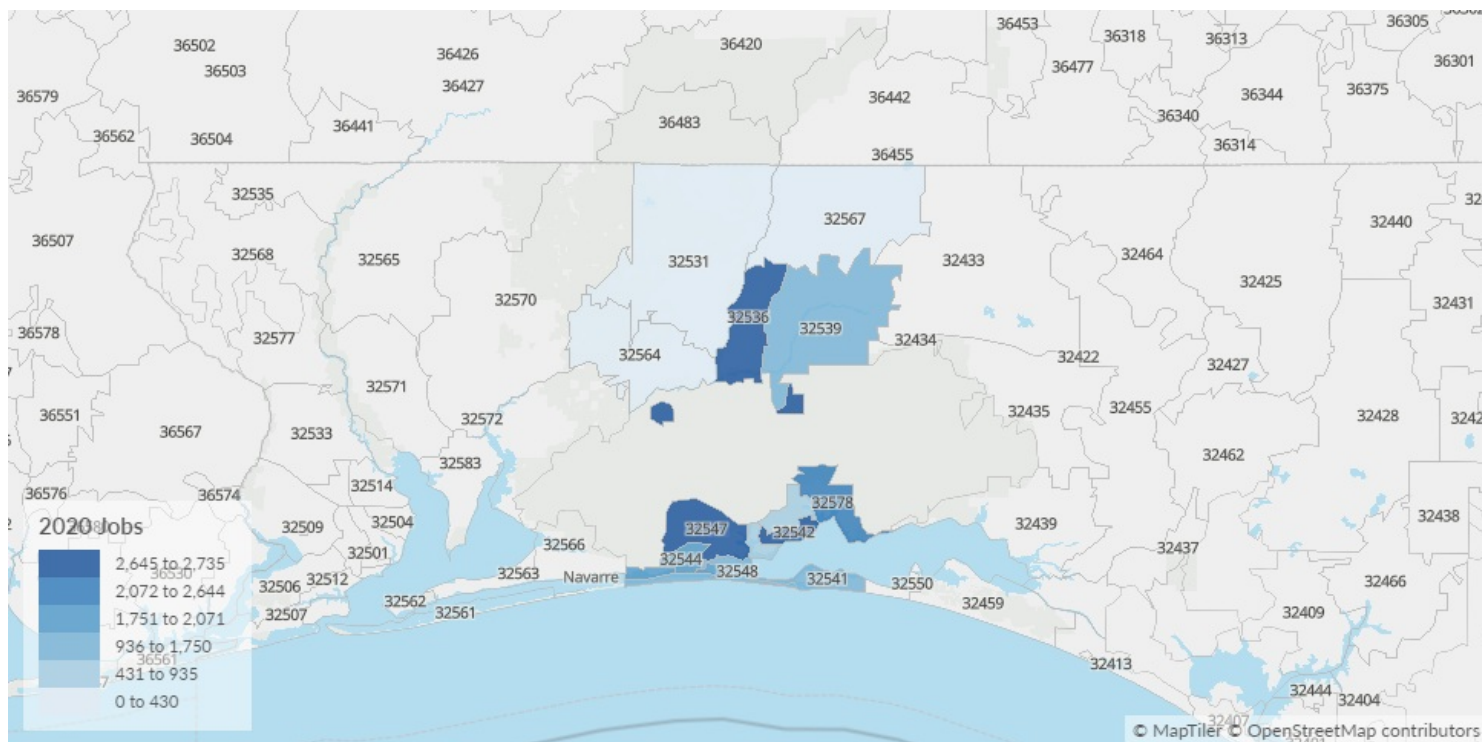
| | |
|-------|---------------------|
| 12091 | Okaloosa County, FL |
|-------|---------------------|

Class of Worker

QCEW Employees, Non-QCEW Employees, and Self-Employed

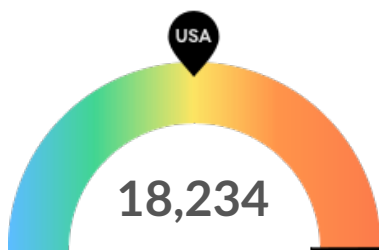
The information in this report pertains to the chosen industry and geographical area.

Workforce Map



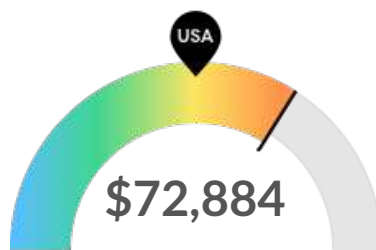
Executive Summary

Aggressive Hiring Competition Over a Deep Supply of Regional Talent



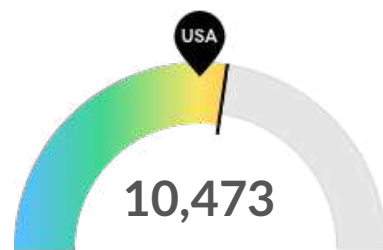
Supply (Jobs)

Okaloosa County, FL is a hotspot for this kind of talent. The national average for an area this size is 1,372* employees, while there are 18,234 here.



Earnings Per Job

Earnings per job are above the national average. The national average salary for Federal Government, Military in an area this size is \$51,652, while in Okaloosa County, FL it is \$72,884. Earnings per jobs is the total industry earnings divided by the number of jobs in the industry.



Demand (Job Postings)

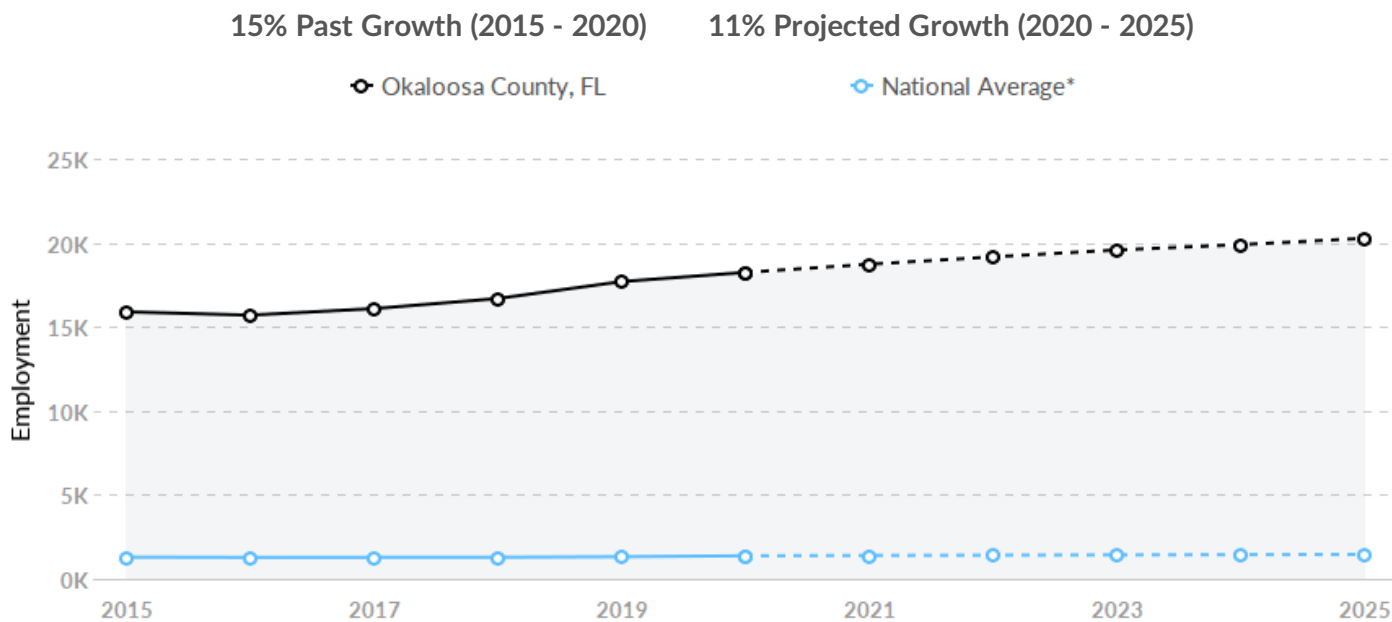
Competition from online job postings is high in Okaloosa County, FL. The national average for an area this size is 9,175* job postings/mo, while there are 10,473 here.

*National average values are derived by taking the national value for Federal Government, Military and scaling it down to account for the difference in overall workforce size between the nation and Okaloosa County, FL. In other words, the values represent the national average adjusted for region size.

Supply (Jobs)

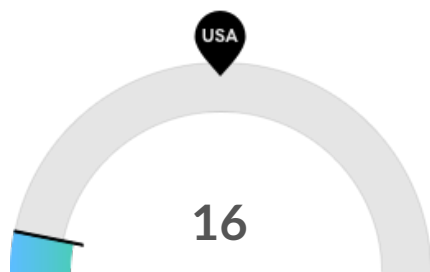
Supply Is Higher Than the National Average

The regional vs. national average employment helps you understand if the supply of Federal Government, Military is a strength or weakness for Okaloosa County, FL, and how it is changing relative to the nation. An average area of this size would have 1,372* employees, while there are 18,234 here. This higher than expected supply may make it easier to find candidates. The gap between expected and actual employment is expected to increase over the next 5 years.



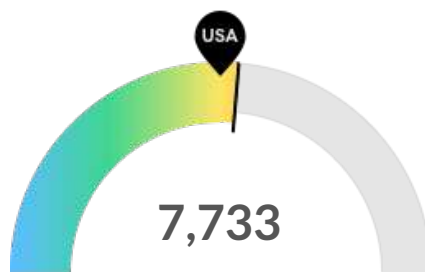
*National average values are derived by taking the national value for Federal Government, Military and scaling it down to account for the difference in overall workforce size between the nation and Okaloosa County, FL. In other words, the values represent the national average adjusted for region size.

Retirement Risk Is Low, While Overall Diversity Is About Average



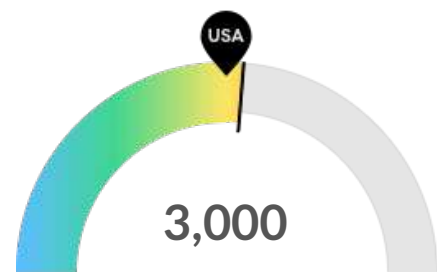
Retiring Soon

Retirement risk is low in Okaloosa County, FL. The national average for an area this size is 169* employees 55 or older, while there are 16 here.



Racial Diversity

Racial diversity is about average in Okaloosa County, FL. The national average for an area this size is 7,146* racially diverse employees, while there are 7,733 here.



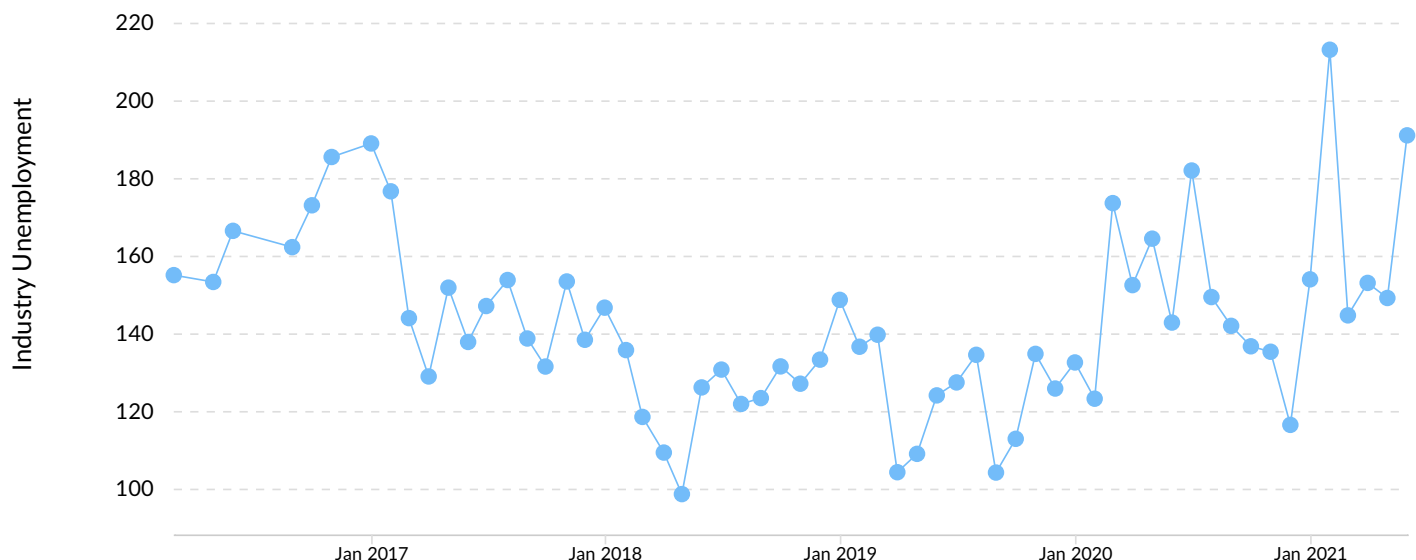
Gender Diversity

Gender diversity is about average in Okaloosa County, FL. The national average for an area this size is 2,786* female employees, while there are 3,000 here.

*National average values are derived by taking the national value for Federal Government, Military and scaling it down to account for the difference in overall workforce size between the nation and Okaloosa County, FL. In other words, the values represent the national average adjusted for region size.

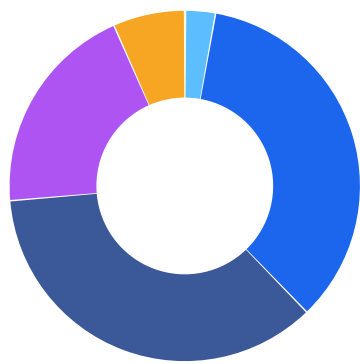
Unemployment Rate Trends

Unemployment shown at the 2-digit sector level.



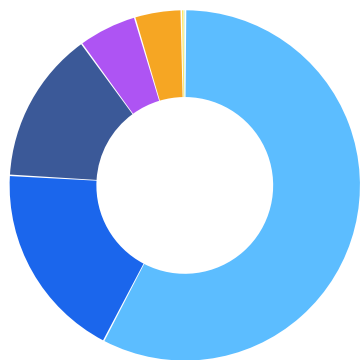
Demographic Details

Industry Age Breakdown



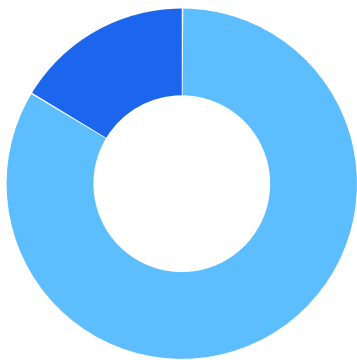
| | % of Jobs | Jobs |
|-------|-----------|-------|
| 14-18 | 2.7% | 501 |
| 19-24 | 35.0% | 6,373 |
| 25-34 | 35.9% | 6,543 |
| 35-44 | 19.7% | 3,597 |
| 45-54 | 6.6% | 1,205 |
| 55-64 | 0.1% | 16 |
| 65+ | 0.0% | 0 |

Industry Race/Ethnicity Breakdown



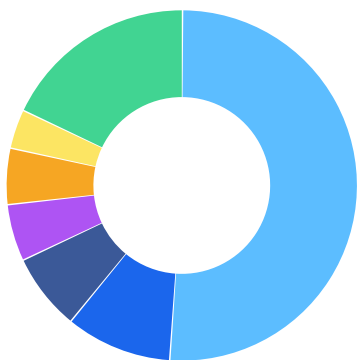
| | % of Jobs | Jobs |
|---|-----------|--------|
| White | 57.6% | 10,501 |
| Black or African American | 18.3% | 3,330 |
| Hispanic or Latino | 14.1% | 2,566 |
| Two or More Races | 5.4% | 983 |
| Asian | 4.3% | 783 |
| American Indian or Alaska Native | 0.3% | 50 |
| Native Hawaiian or Other Pacific Islander | 0.1% | 22 |

Industry Gender Breakdown



| | % of Jobs | Jobs |
|-----------|-----------|--------|
| ● Males | 83.5% | 15,234 |
| ● Females | 16.5% | 3,000 |

Most Jobs are Found in the Military-only occupations Industry Sector



| Occupation | % of Industry in Occupation (2020) |
|---|------------------------------------|
| ● Military-only occupations | 51.0% |
| ● Installation, Maintenance, and Repair Occupations | 9.8% |
| ● Transportation and Material Moving Occupations | 7.1% |
| ● Management Occupations | 5.3% |
| ● Business and Financial Operations Occupations | 5.2% |
| ● Protective Service Occupations | 3.6% |
| ● Other | 18.0% |

Demand

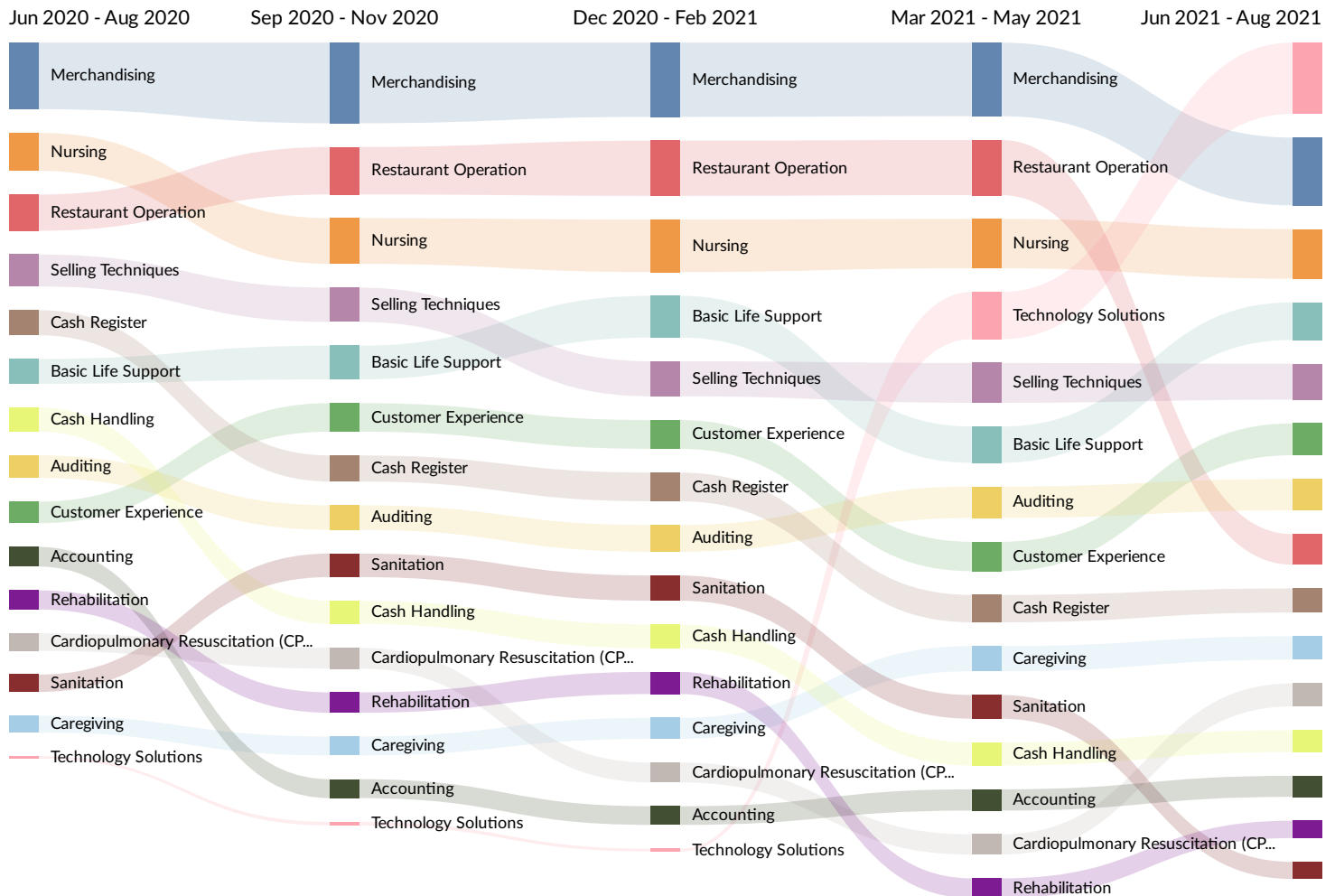
Industry Gain and Drain

Reliable Gain and Drain information is not available for the currently selected industry.

What skills are they posting for?

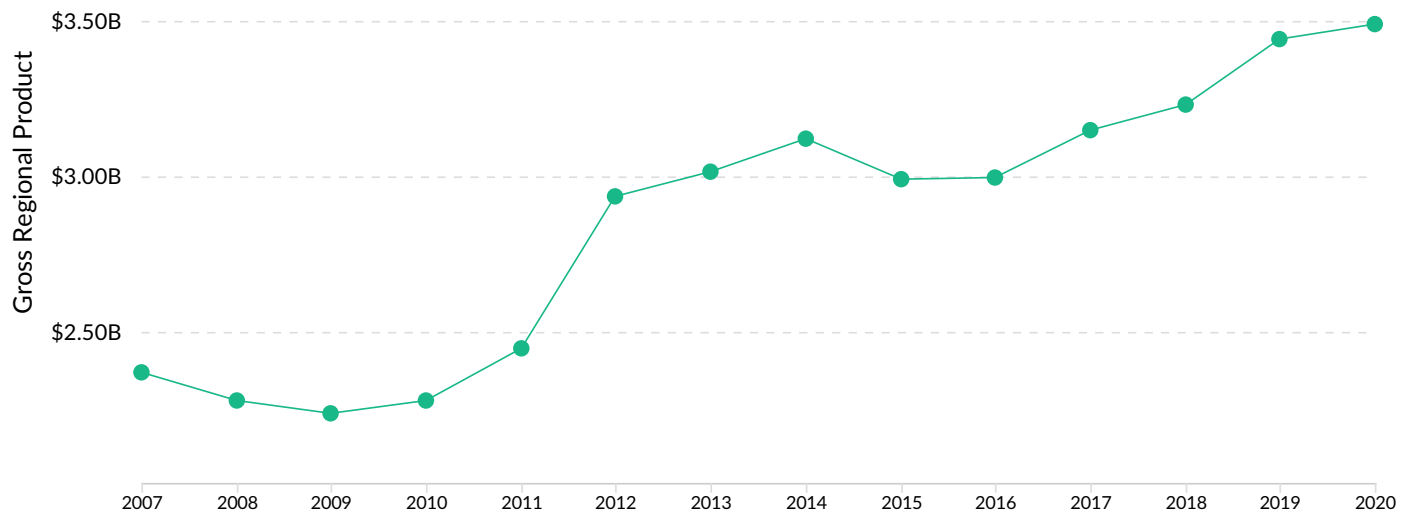
Top 15 Skills for All Job Types by Quarter

Skills help us understand the direction an industry is headed.



Gross Regional Product (GRP)





Industry Requirements

| Purchases from | In-region Purchases | Imported Purchases | Total Purchases |
|--|---------------------|--------------------|-----------------|
| Aircraft Manufacturing | \$38,371,317 | \$430,391,052 | \$468,762,369 |
| Data Processing, Hosting, and Related Services | \$19,597,144 | \$237,284,059 | \$256,881,203 |
| Engineering Services | \$244,827,583 | \$3,473 | \$244,831,056 |
| Computer Systems Design Services | \$144,915,747 | \$87,711,266 | \$232,627,013 |
| Petroleum Refineries | \$0 | \$232,041,669 | \$232,041,669 |



PORT PANAMA CITY

November 3, 2021

Chairman Don Gaetz
Triumph Gulf Coast
P.O. Box 12007
Tallahassee, Florida 32317

Re: Annual Report on East Terminal Expansion

Dear Chairman Gaetz,

Please find enclosed the Panama City Port Authority's annual report to Triumph Gulf Coast for the East Terminal project. The East Terminal, in its second year of operations, helped the Port Authority achieve record revenues and attract additional new business through the Port.

We continue to work diligently on the three performance goals as mentioned in our agreement. The Port appreciates the work done together with Triumph in September 2021 to extend the deadline of the three metrics. The after effects of hurricane Michael and the Covid-19 pandemic created a difficult environment. However we are seeing improvements in our community, and the economy, leading to growth opportunities for the Port.

The Panama City Port Authority appreciates the support of Triumph Gulf Coast, and is looking forward to successfully completing the goals of the East Terminal project.

Sincerely,

Alex King
Executive Director

Cc: Cori Henderson
Enclosures

Panama City Port Authority & Foreign Trade Zone 65

One Seaport Drive • Panama City, Florida USA 32401
850/767-3220 • Fax: 850/767-3235
www.portpanamacityusa.com

November 3, 2021

Port Panama City's Annual Report on the East Terminal Expansion Project

The grant agreement between the Panama City Port Authority and Triumph Gulf Coast requires the Port Authority to achieve one of three performance measures. This report provides an update of the Port's progress towards achieving these goals.

New Jobs

The Port agreed to generate 148 new jobs directly related to traditional port activity and another 250 port-related manufacturing jobs. Due to the setbacks of Hurricane Michael and the COVID-19 pandemic, Triumph has granted us the 18-month extension to March 30, 2025 in meeting this metric.

In the past year of operations at the East Terminal, the Port handled twenty-two vessel calls and 189,000 tons of cargo. Based on the Port's 2015 economic impact study of the direct jobs related to specific cargo activity, this level of cargo would equate to approximately 119 full-time jobs. The Port's goal is to continue to grow the level of cargo activity at the East Terminal to produce the 148 jobs by March 2025.



The port-related manufacturing jobs have not materialized due to the previously mentioned setbacks. Clark & Son, a cabinet importer who leased warehouse space at the Intermodal Distribution Center, was not able to capitalize on their forecast commercial opportunities. Clark & Son dissolved their operations in Panama City in July. The Port did re-lease the space to Aadvantage, and is expected to create an additional fifteen jobs with this opportunity. The Port is also working with the Bay Economic Development Alliance on a large project focused on distribution. We anticipate announcing this project in the coming weeks. This company will generate 244 jobs within five years.

New Cargo Activity

The Port is committed to adding 500,000 tons of new cargo activity at the East and West Terminals by March 2025. The Port recorded near record tonnage in 2021, handling 1.95 million tons of cargo between the two facilities. We are approximately 225,000 tons above the base tons of 1,700,000 in 2018, with a balance of 275,000 tons the Port needs to add in order to meet this goal by March 2025. We have budgeted 165,000 tons of cargo activity for the East Terminal in the coming year.

The Port continues to work with shippers and steamship lines to handle additional cargo trade to our new Terminal. The Port attracted a new service in the fourth quarter of 2021, with a steamship line adding Panama City to its service between the US Gulf and South Africa. We anticipate the new cargo growth goal budgeted on new opportunities through the East Terminal.

Additional Port Revenues

FY2021 was a record year for revenues, with the Port recording \$17.4 million. We have increased revenues from \$15 million in 2018 by \$2.4 million in three years. With the anticipated growth in cargo activity, the Port should be on trend to meet the goal of \$18 million in revenues by March 2025.



Summary

The Panama City Port Authority is coming off of a strong year in tonnage and revenue growth. We continue to see unprecedented changes in the current ocean shipping markets. Ocean freight rates are steadily increasing without improvements to service and congestion. The current shift in energy sector strategies continues to suppress the outlook for our on-port manufacturing tenants. However, the ongoing service issues at larger ports may create additional opportunities for more cargo to shift through Panama City. We look forward to the year ahead in commercial activity, and progress on each of our goals.



SANTA ROSA COUNTY BOARD OF COMMISSIONERS

Administrative Offices | 6495 Caroline Street, Suite M | Milton, Florida 32570-4592

SAM PARKER, District 1
ROBERT A. "BOB" COLE, District 2
JAMES CALKINS, District 3
DAVE PIECH, District 4
COLTEN WRIGHT, District 5

DEVANN COOK, Interim County Administrator
BRAD BAKER, Interim Asst. County Administrator

October 12, 2021

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

RE: Annual Report for Project #72 Whiting Aviation Park

Dear Chairman Gaetz and Triumph Board Members:

In accordance with s. 288.8016, F.S. Santa Rosa County is pleased to provide an annual report on Project #72 Whiting Aviation Park. A grant agreement was executed on January 17, 2019 providing \$8,523,655 in Triumph funding for infrastructure improvements to 40 acres at Whiting Aviation Park. The completion deadline (grant end date) is December 31, 2021.

We are happy to report that the project is progressing on budget and according to schedule. Design was completed in February 2020 and construction commenced in May 2020. Metrics for the project include meeting one of the following criteria within three years of project completion: (a) creation of 200 net new jobs greater than 150% of the average county wage; (b) creation of 300 net new jobs at greater than 115% of the average county wage; or (c) \$25,000,000 in capital investment. Santa Rosa EDO is on track to satisfy the metric requirements, as evidenced by Leonardo Helicopters committing to opening a helicopter support center at the Aviation Park. Further details are included in the third quarter report attached along with monthly construction reports throughout the year.

Please do not hesitate to contact Shannon Ogletree, Executive Director of Santa Rosa Economic Development Office, at Shannon@santarosa.fl.gov with any questions related to this report.

Sincerely,

DeVann Cook
Interim County Administrator

Enclosures: Q3 2021 Report for Project #72 Whiting Aviation Park
Construction Reports



MEMORANDUM

TO: Chairman Gaetz and Triumph Board Members

FROM: Erica Grancagnolo, Associate Director

DATE: October 12, 2021

SUBJECT: Q3 2021 Report for Project #72 Whiting Aviation Park

- Cost Incurred to Date is \$8,102,669.03.
- Project is on schedule for completion December 2021.
- Electrical work at the Utility Tank Site is underway connecting the controllers to the potable & fire protection water storage tanks and pumps, and sewer lift station
- Gravel and Concrete surfaces were established in the Utility Site
- Additional concrete ditch work was constructed to address erosion areas
- Road base material was installed and compacted throughout the limits of the project
- Concrete curb and gutter were installed through 90% of the project
- Curb inlet tops are being formed up on previously installed inlet bottoms
- The first layer of asphalt has been installed on roughly 90% of the project
- Irrigation lines were installed in the medians of Don Salter Blvd. and Davinci Way
- Landscape trees and shrubs were installed in the medians
- The earthwork under the base bid is 95% complete
- Grassing of the pond bottom and infield of the "loop road" is being performed
- Sodding and grassing disturbed areas onsite continues to address erosion control
- Construction of the items under Bid Alternate 4 are underway
 - Temporary Pond Outfall into the undeveloped area of Phase 2
 - Earthwork operation on the Leonardo Site and Bid Alternate E Site
- Gulf Power began installing the onsite power poles

WHITING AVIATION PARK CONSTRUCTION PROGRESS PHOTOS





Aviation Park Entrance



Whiting Aviation Park – Phase I

Monthly Progress Report

| | |
|---|--|
| M & N Project Manager: | Jeff Helms, P.E. |
| M & N Project Number: | 10442 |
| Santa Rosa County Project Manager: | Erica Grancagnolo |
| Reporting Period: | October 1 – November 30, 2020 |
| Total Project Cost: | \$950,524.40 |
| Revised Post Design Services: | \$171,383.40 (Moved \$41,336.40 from Gas services into Post Design) |
| Post Design Services Percent: | <u>Fee Breakdown/% Complete</u> |
| Bidding | \$ 7,258.00/100.00% |
| Grant Coordination (Construction) | \$ 3,500.00/50.50% |
| Construction Observation (M&N) | \$100,509.90/83.88% (Moved money to Volkert, Tierra, & Southeastern) |
| Survey (Southeastern) | \$ 3,705.50/100.00% Moved \$3,705.50 from M&N CO fee above) |
| Additional Geotech monitoring (Tierra) | \$ 5,000.00 (M&N moved \$5,000 from M&N CO Fee above) |
| Construction Observation (Volkert) | \$ 48,280.00/91.70% (Moved \$10,000.00 from M&N CO fee) |
| Final Plan Approval & Certifications | \$ 3,130.00/0.00% |

Describe milestones/work achieved during reporting period:

- Mr. Stuhr attended an Oct 7th meeting with NASWF & SRC EDO staff to give an update of construction efforts and address perimeter site access questions from the NAVY.
- M&N team continued reviewing shop drawing submittals from Roberson, including; storm structures and utility submittals.
- Pond earthwork operations and sanitary sewer construction were the major focus of construction this month.
- The gravity sanitary sewer system is completed.
- Construction of the concrete drainage ditches along East Gate Road, both sides of the entrance road, and the off-site ditch inflow into the pond have begun.
- Storm sewer materials have been ordered and were beginning to show up onsite at the end of October & throughout November. Installation of the storm items is anticipated to begin in early December.
- A suitable material was located and approved for use to begin the clay core construction in October, and the clay core construction is underway. Tierra Inc. was contracted to provide geotechnical construction oversight for the clay core.
- During the construction of the pond berm an area ponding upstream of the pond was created. This was a known issue that was created by awarding Bid Alternate E to keep the project under budget for the county. This issue was planned to be addressed during construction to locate the best approach to drain the area. This location is the Alternate E deduct location that eliminated earthwork for Lots 14 & 15. M&N is working with the contractor to provide a solution to address this issue. A design utilizing a single ditch bottom inlet, 18" pipe, and minor grading was prepared and provided to the contractor to get a price quote for the Change Order.
- Construction of the offsite ditch and ditch blocks surrounding site including sodding these areas and steeper slopes has been completed.
- The Gulf Power access easement clearing from CO#1 has been completed and grassed.

Provide a schedule for the work to be performed next period work:

- M&N will continue Construction administration & monitoring, with on-site field review meetings.
- Roberson will continue stormwater pond grading and continue moving earthwork to balance site.
- Roberson will complete pond clay core work.
- Roberson will initiate storm sewer construction.

Describe any problems or circumstances affecting completion date, milestones, scope of work or costs:

- Post storm impacts from Hurricane Marco leading into Hurricane Sally dumped several inches of rain onto the project site creating numerous rain days that will impact the overall completion date.

Activities that require Santa Rosa County review or action:

- Consider adding money to M&N Construction Administration and Monitoring to cover work effort by M&N and Volkert for utility construction administration. **Volkert is out of money for CA services so M&N moved \$10,000 from M&N's allocated construction administration funds to Volkert's subcontract (Amendment #2).** M&N also added Tierra to Construction administration services to provide limited construction inspection and testing for the stormwater pond clay core construction monitoring. M&N moved \$5,000 from M&N's CA funds to Tierra. These changes will show up on the October invoice. Helms to provide CA burn rate to Erica.

Whiting Aviation Park – Phase I

Monthly Progress Report

| | |
|--|--|
| M & N Project Manager: | Jeff Helms, P.E. |
| M & N Project Number: | 10442 |
| Santa Rosa County Project Manager: | Erica Grancagnolo |
| Reporting Period: | December 1, 2020 – January 31, 2021 |
| Total Project Cost w/CO #1: | \$1,023,520.85 |
| Revised Post Design Services: | \$244,379.90 |
| <u>Post Design Services Percent w/CO #1</u> | <u>Fee Breakdown/% Complete</u> |

| | |
|--|---------------------|
| Bidding | \$ 7,258.00/100.00% |
| Grant Coordination (Construction) | \$ 3,500.00/50.50% |
| Construction Observation (M&N) | \$148,506.40/70.91% |
| Survey (Southeastern) | \$ 3,705.50/100.00% |
| Additional Geotech monitoring (Tierra) | \$ 5,000.00/38.60% |
| Construction Observation (Volkert) | \$ 73,280.00/70.11% |
| Final Plan Approval & Certifications | \$ 3,130.00/0.00% |

Describe milestones/work achieved during reporting period:

- Earthwork operations continue to be performed on site. Roberson had a progress LIDAR survey flown in mid-December to check the status of earthwork remaining. This survey was submitted to M&N for review and comparison with pre-construction and post-clearing surveys to verify the earthwork progress and remaining fill material needed to complete the project.
- A meeting was held on Jan 15th between Roberson, SRC EDO, SRC Engineering, and M&N to discuss the steps the contractor has at their disposal to control earthwork during the project and find a path forward to complete the earthwork that remains. The solution settled upon involved steeping the 15:1 back slope of the pond to 10:1 to gain onsite materials and utilize the remaining earthwork quantities in the approved Bid Alternates to cover the cost of needed borrow material.
- Onsite watermain construction efforts were started in January with the construction of portions of the 12" fire line and 4" potable water line along the entrance road and loop road.
- During December, the drainage structures continue to be delivered to the site in the wrong order and are being stockpiled in their proposed locations until the downstream structures are available to work from.
- In January, the most downstream drainage structure was delivered to the project site, and drainage pipe and structure installation has begun starting at the pond and working upstream.
- The issue regarding standing water in the area of Bid Alternate E was discussed more at the meeting on January 15th and placed on hold pending the outcome of a future source of fill material that would be generated during the construction of the City of Milton wastewater treatment facility.
- Continued coordination with Gulf Power regarding extending power line into park and cost estimates.

Provide a schedule for the work to be performed next period work:

- M&N will continue Construction administration & monitoring, with on-site field review meetings.
- Roberson will continue stormwater pond grading and continue moving earthwork to balance site.
- Roberson will continue storm sewer construction.
- Stake R/W for Gulf Power powerline extension into WAP – Phase I.

Describe any problems or circumstances affecting completion date, milestones, scope of work or costs:

- Rain events continue through December and January.

Activities that require Santa Rosa County review or action:

- Review and approve Change Order #2 regarding site planning for SRC focused on Leonardo's new MRO and opportunities for other companies to locate within Phase I.

Whiting Aviation Park – Phase I Monthly Progress Report

| | |
|--|--|
| M & N Project Manager: | Jeff Helms, P.E. |
| M & N Project Number: | 10442 |
| Santa Rosa County Project Manager: | Erica Grancagnolo |
| Reporting Period: | February 1, 2020 – March 31, 2021 |
| Total Project Cost w/CO #1 & CO#2: | \$1,062,440.85 |
| Revised Post Design Services: | \$283,299.90 |
| <u>Post Design Services Percent w/CO #1</u> | <u>Fee Breakdown/% Complete</u> |
| Bidding | \$ 7,258.00/100.00% |
| Grant Coordination (Construction) | \$ 3,500.00/50.50% |
| Construction Observation (M&N) | \$148,506.40/79.81% |
| Survey (Southeastern) | \$ 3,705.50/100.00% |
| Additional Geotech monitoring (Tierra) | \$ 5,000.00/38.60% |
| Construction Observation (Volkert) | \$ 73,280.00/81.16% |
| Final Plan Approval & Certifications | \$ 3,130.00/0.00% |
| Leonardo Civil/Site Concept and Costs | \$ 38,920.00/67.86% |

Describe milestones/work achieved during reporting period:

- M&N team continues to provide Construction Administration Services including visiting site and processing contractor invoices. Roberson continued drainage work and started tank construction.
- M&N submitted Change Order #2 to assist SRC develop site concepts and costs for a Leonardo MRO facility to insure SRC future needs are protected. The SRC Commission Board approved CO#2.
- M&N developed several concepts for a 100,000SF MRO facility including future MRO facilities so SRC could review and evaluate. M&N made minor changes based on SRC comments.
- M&N prepared a Power Point presentation for illustrating the concepts to Leonardo staff.
- M&N and SRC traveled to Philadelphia on February 21, 2021 to present alternative site concepts and tour the Leonardo MRO hangar complex. Leonardo selected a preferred concept and offered comments
- After receiving additional comments from Leonardo and SRC, M&N modified the preferred concept and coordinated with Mike Consentino, architect for Leonardo.
- M&N prepared a preliminary cost estimate for site plan and submitted to SRC for review.
- M&N updated the proposed Taxiway construction cost estimate and submitted to SRC for review.
- Mike Consentino sent M&N an updated Floor plan and M&N updated site plan with new floor plan.
- Continued coordination with Gulf Power regarding extending power line into park and cost estimates. County received Distribution Line invoice from Gulf Power (Gabe Post) for \$162,388.
- M&N staked the R/W on March 10, 2021 for Gulf Power to extend the distribution line along Marty Martin Way.
- M&N met on site (March 10, 2021) with SRC and NASWF Commander and staff to discuss the Leonardo and Taxiway projects and issues to be coordinated with future meetings.

Provide a schedule for the work to be performed next period work:

- Waiting on Jason Benton with Gulf Power to submit Transmission line invoice/costs to SRC.
- Waiting on Lighting Costs from Douglas Gardner for adding lights to GP poles.
- M&N will continue Construction administration & monitoring, with on-site field review meetings.
- Roberson will continue storm sewer construction and concrete ditch work including bringing the entrance road to final embankment grading prior to adding graded aggregate base material.
- Stake R/W for Gulf Power powerline extension into WAP – Phase I.
- Follow up meetings with NASWF Commander and staff regarding Taxiway project.
- M&N will take another look at the Leonardo site costs for potential cost savings.
- SRC will initiate development of the Triumph grant application for the Taxiway.

Describe any problems or circumstances affecting completion date, milestones, scope of work or costs:

- Continues to rain frequently on site causing additional rain delays.

Activities that require Santa Rosa County review or action:

- Attend upcoming meetings with NASWF and Leonardo.

Whiting Aviation Park – Phase I Monthly Progress Report

| | |
|---|------------------------------|
| M & N Project Manager: | Jeff Helms, P.E. |
| M & N Project Number: | 10442 |
| Santa Rosa County Project Manager: | Erica Grancagnolo |
| Reporting Period: | April 1, 2021 – May 31, 2021 |
| Total Project Cost w/CO #1 & CO#2: | \$1,062,440.85 |
| Revised Post Design Services: | \$283,299.90 |

| | |
|--|--|
| <u>Post Design Services Percent w/CO #1</u> | <u>Fee Breakdown/% Complete</u> |
| Bidding | \$ 7,258.00/100.00% |
| Grant Coordination (Construction) | \$ 3,500.00/53.12% |
| Construction Observation (M&N) | \$148,506.40/90.46% |
| Survey (Southeastern) | \$ 3,705.50/100.00% |
| Additional Geotech monitoring (Tierra) | \$ 5,000.00/72.00% |
| Construction Observation (Volkert) | \$ 73,280.00/83.94% |
| Final Plan Approval & Certifications | \$ 3,130.00/0.00% |
| Leonardo Civil/Site Concept and Costs | \$ 38,920.00/85.49% |

Describe milestones/work achieved during reporting period:

- M&N team continues to provide Construction Administration Services including visiting site and processing contractor invoices. Tanks complete but need to replace manual valve with automatic valves at some point. Drainage work is approximately 85% complete. Need to pay Roberson for 42-inch pipe constructed as per plans. Under Alternative B the 42" pipe was removed from the schedule of values.
- Received lighting cost alternatives from Douglas Gardner with Gulf Power. Forwarded costs to SRC.
- M&N attended multiple virtual conference calls with Leonardo regarding concepts and made requested changes and revised cost estimates.
- M&N, at the request of Leonardo, conducted a mini value engineering review of the site work to identify cost reduction opportunities while maintaining core mission. M&N resubmitted cost reductions to Leonardo and SRC.
- Gulf Power completed transmission line transition work over the Memorial Day weekend. Gulf Power, (Jason Benton) still has not submitted invoice to SRC.
- Roberson completed clearing work for Gulf Power extension line ahead of planned GP work.
- M&N continued coordinating closely with Timothy Gleason with NAVFAC. Sent him layout of taxiway so NAVFAC can review and update NEPA CATEX document. Filled out data forms for requested data needed from NAVFAC. Responded to request for information from Mr. Gleason.
- M&N submitted elevation data for proposed hangar to NASWF and received a response that the hangar would not have aviation impacts to the base.
- Timothy Gleason forwarded NAVFAC Cost Estimate required for NAVFAC to oversee taxiway design and construction process. Erica can now add to County budgeting costs.
- M&N updated Taxiway typical sections and overall cost estimate based on meeting with NASWF/NAVFAC and resubmitted those costs to SRC.
- Erica prepared Triumph Grant Application and forwarded to Triumph Board for review.

Provide a schedule for the work to be performed next period work:

- Schedule meeting with Roberson regarding final construction items and discuss Alternate E
- Roberson will continue finalizing pond work by adding all underdrain work in June.
- Attend Triumph Board meeting.
- Continue Security Fence interface layout options with NAVFAC/NASWF. Develop concept.
- Work with Shannon and Erica to determine next steps with Taxiway after Triumph Board decision regarding grant application.

Describe any problems or circumstances affecting completion date, milestones, scope of work or costs:

- Continues to rain frequently on site causing additional rain delays.

Activities that require Santa Rosa County review or action:

- Attend upcoming meetings with Roberson regarding Alternate E and outstanding construction items.

Whiting Aviation Park – Phase I Monthly Progress Report

| | |
|--|--|
| M & N Project Manager: | Jeff Helms, P.E. |
| M & N Project Number: | 10442 |
| Santa Rosa County Project Manager: | Erica Grancagnolo |
| Reporting Period: | June 1, 2021 – August 31, 2021 |
| Total Project Cost w/CO #1 & CO#2: | \$1,062,440.85 |
| Revised Post Design Services: | \$283,299.90 |
| <u>Post Design Services Percent w/CO #1</u> | <u>Fee Breakdown/% Complete</u> |
| Bidding | \$ 7,258.00/100.00% |
| Grant Coordination (Construction) | \$ 3,500.00/53.12% |
| Construction Observation (M&N) | \$148,506.40/97.26% |
| Survey (Southeastern) | \$ 3,705.50/100.00% |
| Additional Geotech monitoring (Tierra) | \$ 5,000.00/72.00% |
| Construction Observation (Volkert) | \$ 73,280.00/100.00% |
| Final Plan Approval & Certifications | \$ 3,130.00/0.00% |
| Leonardo Civil/Site Concept and Costs | \$ 38,920.00/97.78% |

Describe milestones/work achieved during reporting period:

- M&N team continues to provide Construction Administration Services including visiting site and processing contractor invoices. Work is approximately 90% complete. Retention Pond is 96% complete with underdrain work completed. Roadway, curb and gutter, graded aggregate and first lift of paving nearing completion. Irrigation and landscape of entrance median initiated.
- Gulf Power, (Jason Benton) submitted Transmission Line invoice to SRC and SRC approved payment of invoice.
- Gulf Power initiated construction of Power Poles onto WAP site.
- Met with Roberson regarding improving erosion control on site and continued to monitor those improvements.
- Prepared and submitted Change Order #4 for Alternate E and additional Leonardo Site grading plus miscellaneous value-added improvements for drainage and SCADA systems. SCADA automatic valves have been ordered. Submitted M&N CO #3 for additional construction admin time.

Provide a schedule for the work to be performed next period work:

- City of Milton to extend gas line to backup generator.
- Initiate equipment startups and testing.
- Work with Shannon and Erica to determine next steps with Taxiway after Triumph Board decision regarding grant application.
- Need to make sure lights to be installed by Gulf Power meet NASWF perimeter lighting standards.
- Roberson to finish road work, irrigation, and ditch work adjacent roadway.
- SRC to approve Roberson CO #4 and M&N CO #3.

Describe any problems or circumstances affecting completion date, milestones, scope of work or costs:

- Continues to rain frequently on site causing additional rain delays and regrading of un-stabilized areas.
- Sent letter to Roberson on July 8, 2021 to address erosion control issues at project site. Significant erosion had left site due to lack of stabilization along with minor flooding downstream due to no water getting to the pond. We requested Roberson stabilize the site before restarting new construction efforts and direct stormwater to pond as designed asap. Follow up review showed significant progress by Roberson to stabilize site as per M&N letter. Will continue to monitor.

Activities that require Santa Rosa County review or action:

- Approval of Change Order #4

GROVER C. ROBINSON, IV
Mayor

MEMORANDUM

TO: Triumph Gulf Coast, Inc. Board of Directors

FROM: Grover C. Robinson, IV, Mayor

DATE: October 31, 2021

RE: Triumph Annual Review – Project Titan, Project #120 (City of Pensacola Comm. Aircraft Maintenance Campus (Escambia))

The following information is an update to the status of progress made regarding the development of Project Titan.

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 for 2021.

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 |
| Governor's Job Growth Fund | \$4,875,000 |

Full funding for the project was completed with the additional grant of \$4,875,000 announced by Governor DeSantis on February 19, 2020. Further, City Council has authorized a borrowing capacity of up to \$20,000,000 for this project to provide interim financing as needed.

II. SELECTION AND EXECUTION OF CONTRACTS FOR CONSTRUCTION AND DESIGN TEAM PROFESSIONALS

- a. Construction Manager at Risk (CMaR) – City issued 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 entered into a final contract for CMaR services with Brasfield & Gorrie on February 28, 2020 and issued them a Notice To Proceed for design phase services for Element 1 of Project Titan on April 15, 2020.
- 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 entered into a final Work Order #27 for A&E services with Atkins on March 13, 2020 and issued them a Notice To Proceed for design phase services for Element 1 of Project Titan on April 15, 2020.
- 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 as a Construction Administrator for Hangar 2. City entered into a final Work Order #39 for Program Management and Construction Administration Services with Mott MacDonald on March 2, 2020 and issued them a Notice To Proceed for design phase services for Element 1 of Project Titan on April 15, 2020.

III. KEY MILESTONES

The following key milestone events were reported in the 2019 annual report:

- 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.

The following key milestones were reported in the 2020 Annual Report:

- Atkins has completed Concept Verification drawings for Element 1 (Hangar 2). On the basis of Concept Verification drawings, estimated costs have been prepared by both U.S. Cost and Brasfield & Gorrie and value engineering activities have been conducted to work toward alignment of scope and budget. All parties have collaborated to develop a design for Hangar 2 that aligns scope and budget more closely.
- On the basis of an acceptable Concept Verification design, Atkins has completed architectural plans and specifications to the level of 60% design. On the basis of 60% design, Brasfield & Gorrie has submitted bid packages to qualified subcontractors for the purpose of determining a preliminary GMP on Element 1 (Hangar 2). Simultaneously, U.S. Cost has performed an independent cost estimate on the basis of the 60% design drawings. Preliminary GMP from Brasfield & Gorrie has been received. The independent cost estimate from U.S. Cost has also been received and the material differences between preliminary GMP and the independent cost estimate have been identified and resolved. The parties continue to collaborate to work toward a final design for Hangar 2 that aligns scope and budget. Once scope decisions are made and design is finalized, Atkins will be instructed to proceed to 95% design. It is expected that 95% design drawings will be completed before the end of calendar 2020.
- Preliminary planning has begun regarding the design and development of Element 2 (Hangars 3, 4, support services center and administrative office space). This activity includes commencement of Environmental Assessment work for the proposed site, preliminary site layout planning, preliminary design for the components of Element 2 and the preparation of independent cost estimates for Element 2. All parties are working in concert to align scope and budget for Elements 1 and 2.

Key Milestones – October 31, 2021

- 95% design plans and specifications were completed by Atkins on March 26, 2021.

- As noted above, the construction contract between City and Brasfield & Gorrie was entered into on February 28, 2020. Based on the 95% drawings that were completed on March 26, 2021, a GMP amendment to the construction contract was entered into on May 27, 2021. The GMP amendment provided for a construction GMP of \$51,753,277.
- Also on May 27, City and VT MAE executed the Amendment to Project Development Agreement. Section 5(a) of the Amendment to Project Development Agreement provides that (1) the City and VT MAE “unconditionally, unequivocally and irrevocably” agree to cause Element 1 (Hangar 2) to be completed for a total cost not exceeding the Element 1 Maximum Project Cost (defined to be \$63,300,000, composed of soft costs of approximately \$11,541,000 and a construction budget of approximately \$51,759,000) and (2) that City and VT MAE agree to take “any and all actions necessary” to complete Element 1 within such allocated budget.
- The City issued a Notice to Proceed for the construction of Element 1 to Brasfield & Gorrie on June 1, 2021.
- Final Issued for Construction plans and specifications were submitted on June 4, 2021.
- The official groundbreaking for Hangar 2 was held on July 1, 2021 and construction Hangar 2 has been progressing since that time.
- With regard to the planning and development of Element 2 (Hangars 3, 4, support services center and administrative office space), the City will use a Design-Build contractor for the balance of the project. In that regard, City has conducted a process for the selection of a professional firm to provide design criteria and program management services, to bring the design of Element 2 up to 30% design and to assist with the administration of the design-build process. RFQ’s were issued and an independent selection committee was formed to review and evaluate the responding firms. A short list of 3 firms was chosen by the selection committee and each firm was invited to make an oral presentation regarding their approach and qualifications. Oral presentations were held on October 14, 2021. The three firms selected for oral presentation were Atkins North America, Inc., EXP U.S. Services, Inc., and Mott McDonald of Florida, LLC. Based on the oral presentations, the independent selection committee chose Atkins as the professional firm to provide program management services. The City and Atkins are in process regarding contracting for these services.

IV. SCHEDULE

A preliminary and estimated 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.

The timeline for the construction of Hangar 2 and the overall development of Project Titan continues to be impacted by uncontrollable events. It was previously reported that the impacts of COVID 19 have affected timing associated with this project and a 6-month extension was previously granted by Triumph. It was also reported that the



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Project Management Office

A Division Reporting to the City Manager

To: Cori Henderson, Triumph Gulf Coast

From: Tim McGuffin, City of Panama City Director of Project Management Office

Date: November 4, 2021

Ref: Amended Annual Report – City's Triumph Agreement for the Eastern Shipbuilding Project #185

The City and Eastern are communicating daily to ensure all projects are monitored and all grant requirements are accurately managed.

This quarterly report is submitted as an amendment to the annual report submitted on October 29, 2021 for the annual period October 1, 2020 through September 30, 2021 and the quarterly period from July 1, 2021 through September 30, 2021. This report is amended to include information related to the status of the USCG Offshore Patrol Cutter project and progress towards achieving the performance metrics defined in Section 8.3 of the Triumph Grant Award Agreement. No other changes have been made to the annual report filed October 29, 2021.

As required by section 5.4 of the grant award agreement, the most recent audited financial statements of both the City of Panama City and Eastern Shipbuilding Group have been submitted via smartsheet.

During the quarter ended September 30, 2021, the City submitted to the Triumph board of directors, and received approval of, budget amendment #2. This amendment did not impact the overall project cost or the Triumph grant award amount of \$20,000,000. Rather, the amendment effectively re-allocated budgeted match dollars, reducing amounts to be provided by public sources and increasing the amount to be provided by Eastern Shipbuilding Group, as detailed in the table below.

| Responsible Party | Match Budget Per Contract | Proposed Budget Amendment | Proposed Revised Budget |
|------------------------------|------------------------------|------------------------------|----------------------------|
| Eastern Shipbuilding | \$ 33,900,000 | \$ 1,741,000 | \$ 35,641,000 |
| State of Florida | 15,500,000 | (1,550,000) | 13,950,000 |
| The City and Bay County | 450,000 | (190,000) | 260,000 |
| U.S. Maritime Administration | 530,000 | (1,000) | 529,000 |
| Total | \$ 50,380,000 | \$ - | \$ 50,380,000 |



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Project Management Office

A Division Reporting to the City Manager

The impact of this budget amendment was that Eastern's required match percentage for each grant reimbursement request was reduced from 23% to 18.7%. In addition, all match required prior to funding by Triumph has been reviewed and approved by Triumph staff.

As of September 30, 2021, the City had filed two funding requests totaling \$599,498.19 for construction related costs incurred in relation to Project #185. Funding request #1 in the amount of \$171,727.22 has been approved fully funded by Triumph. Funding request #2 in the amount of \$427,870.97 has been approved by Triumph staff and is currently pending final authorization for payment. As of September 30, 2021, additional costs had been incurred related to the project totaling \$3,495,741.41, of which \$2,842,037.74 is being requested from the Triumph award in Funding request #3 which was submitted in October 2021. A summary of costs incurred to date follows:

| | Total Construction Costs Incurred | Triumph Portion | ESG Match |
|------------------------------|--------------------------------------|--------------------|---------------|
| Funding Request #1 | \$ 222,892.50 | \$ 171,627.22 | \$ 51,265.28 |
| Funding Request #2 | 526,286.55 | 427,870.97 | 98,415.58 |
| Funding Requested to date | 749,179.05 | 599,498.19 | 149,680.86 |
| Pending Request #3 | 3,495,741.41 | 2,842,037.74 | 653,703.67 |
| Total Costs Incurred to date | \$ 4,244,920.46 | \$ 3,441,535.93 | \$ 803,384.53 |

As of September 30, 2021, Eastern Shipbuilding Group has been invoiced for and has remitted to the City its full required match in the amount of \$149,680.86 for costs included in funding request #1 and 2 and has also been invoiced for \$653,703.67 and remitted \$567,630.84 of its required match for additional construction costs incurred that will be included in funding request #3 to be submitted in October 2021.

Updates for projects in process are as follows:

Phase 2 Aluminum Fabrication Building

Weekly contact with Birkshire Johnstone, ESG, and Anchor CEI to monitor progress on this phase of the project. The spray insulation is complete. The cranes are installed by Ace, we have an interference issue that is being worked through. The cranes will need to be load tested to complete commissioning. The building is lacking some trim, a few brackets, and installation of the doors. Electrical has to complete installation of exterior lights and the bathrooms. The Contractor is focused on completing the building



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Project Management Office

A Division Reporting to the City Manager

then will fall back and finish the drainage. Pipe services have been run and tested to the valve, all tested good.

Phase I Uphill Bulkhead

HG Harders and Sons have submitted change order as requested by ESG to extend the wall to the east to complete this section of uphill bulkhead. This has been approved by The City, ESG, and Triumph. They have also submitted a change order to demo a pier that is in the dredge area that also has been approved by all parties. Harders is working on the engineering of the wall extension and they are gearing up to mobilize to start the Uphill Wall in November. DRMP has been involved in the process.

FIN Dredge Project

Diamond Services has been on location and should be finished with the first section of dredging 10-27-21 after a little clean up in the dredge area. The delay in completing the project has been due to weather making the transit from the off load area to the spoil pond an issue. Diamond has been awarded two change orders to complete two more sections of the dredge permit area.

Select pictures of projects are attached.

Status of USCG Offshore Patrol Cutter Project

ESG continues to make excellent progress on the OPC project. ESG is currently in the process of constructing OPC's #1, #2, and #3. Construction is currently on schedule and delivery of OPC #1 is expected in late 2022, with OPC #2 delivery following approximately one year later and OPC #3 delivery following approximately one year after OPC #2. ESG was also awarded the contract for the Long Lead Time Equipment (LLTM) for OPC #4 earlier this year.

The USCG is currently on schedule for an award of the construction of OPC #4 to ESG in March of 2022. ESG submitted its detailed proposal to the USCG for Stage 2 of the OPC Program this past June and the USCG is on schedule to make the award for Stage 2 (OPC's 5-15) in the spring of 2022. ESG has successfully executed the construction of the OPC's under contract to date and has positioned itself well to win the Stage 2 contract. The OPC program is currently fully funded and continues to receive wide bipartisan support in Congress, as the need to replace the existing aged medium endurance cutter fleet remains the USCG's top acquisition priority.

Progress towards achieving performance metrics



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Project Management Office
A Division Reporting to the City Manager

With the construction of the first three cutters well underway, ESG has made significant progress towards achieving the performance metrics agreed to in the grant award agreement. ESG is currently still in the "Ramp Up" period of the project and is not in the job maintenance period of the grant agreement at this time. However, ESG has grown its employee headcount significantly and currently sits at approximately 1356 employees as of 10-31-21 (not including full time onsite ESG systems subcontractor employees and the full time onsite USCG inspection team). At this stage of the project ramp up period, ESG has created approximately 856 of the 900 net new jobs required by the grant agreement. Using a direct to indirect job creation ratio of 2.5:1 for the shipbuilding industry sector, this equates to an increase of nearly 3,000 new direct and indirect jobs in the local economy.

Signature: _____

A handwritten signature in blue ink, appearing to read "Mark McQueen", written over a horizontal line.

Date: _____

11/08/21

Mark McQueen – City Manager

City of Panama City

WALTON COUNTY, FLORIDA
Board of County Commissioners

Boots McCormick, District 1,
Danny Glidewell, District 2
Michael Barker, District 3 - Vice Chair
Trey Nick, District 4, - Chairman
Tony Anderson, District 5
www.co.walton.fl.us



P.O. Box 1355
DeFuniak Springs, FL 32435
Phone: (850) 892-8155
Fax: (850) 892-8454

Date: November 4th, 2021

Cori Henderson
Program Administrator at Triumph Gulf Coast, Inc.
P.O. Box 12007
Tallahassee, Florida 32317

Dear Ms. Henderson,

This letter is to serve as the 2021 annual report for the Walton County US 331 Water and Sewer project Triumph Project #190. On June 17th of 2021, The Walton County Board of County Commissioners (BOCC) received bids for the construction of water and sewer mains on US 331 southward for approximately 4 miles to serve the Northwest Florida Commerce Park at Woodlawn. There were five (5) qualified responsive bidders. The successful selected contractor was L&K Contracting (Contractor) with a base bid of \$3,482, 160.00. The BOCC issued a Notice of Award to the Contractor for ITB# 021-018 on June 24th. The BOCC was presented with Contract and Bid for ITB 021-018 on July 13th, 2021 with L&K Contracting. The BOCC executed the Contract on July 20th, 2021. L&K Contracting executed the agreement on August 2nd, 2021. Contract bonds and evidence of insurance from the Contractor was furnished to the County.

Due to the construction industry material and supply chain disruptions, the County issued a "Limited" Notice to Proceed on August 11, 2021. The Limited Notice to Proceed allowed the Contractor to procure the long lead time materials. Long lead materials included PVC water mains, valves, fire hydrants, pumps and electrical components for the sanitary sewer pump stations. This allowed the Contractor to purchase materials under contract without starting the contract time on the project. It is anticipated that a "Complete" Notice to Proceed will be issued on or about November 15th, 2021. This will start the contract duration of 150 calendar days to substantial completion.

The estimated substantial completion date is on or about April 15th, 2022 and final completion in May of 2022. As of the date of this report, the Contractor has procured some materials under their Limited Notice to Proceed and has installed approximately 500 lf of water main and sewer main via directional drilling, trenchless technology methods. There is full time construction engineering inspection by the design engineering firm, DRMP, Inc. All permits that are required have been obtained by both the BOCC and the Contractor. All necessary easements have been obtained by the BOCC.

The Triumph grant has two performance metric requirements 1) creation of at least 100 Florida Qualified Targeted Industry jobs and 2) the creation of the 100 jobs must be accomplished within four years of the commencement date of December 31, 2020. To date, the County and the Economic Development Alliance have sold a 10 acre parcel of land to a manufactured home business that is in operation and a 5-acre parcel to an unmanned aerial vehicle manufacturer to Eglin Air Force base. The jobs created as a part of these developments will count towards the New Job definitions and as part of the Florida Qualified Target Industries.

Sincerely,

A handwritten signature in blue ink that reads "Dave Sell".

Dave Sell, Project Manager
Walton County Board of County Commissioners

FRANKLIN COUNTY

REPLY TO: □
BOARD OF COUNTY COMMISSIONERS
33 MARKET STREET, SUITE 203
APALACHICOLA, FL 32320
(850) 653-8861, EXT. 100
(850) 653-4795 FAX



REPLY TO: □
PLANNING & BUILDING DEPARTMENT
34 FORBES STREET, SUITE 1
APALACHICOLA, FL 32320
(850) 653-9783
(850) 653-9799 FAX


QUARTERLY PROGRESS REPORT

| | | | |
|------------------------------|---|----------------|--------------------|
| Project Number: | #191, Franklin County Apalachicola Regional Airport | | |
| Grantee Name: | Franklin County Board of County Commissioners | | |
| Grantee Address: | 33 Market Street, Suite 203, Apalachicola, FL 32320 | | |
| Grantee's Agreement Manager: | Erin Griffith | Telephone No.: | 850-653-9783 x 158 |
| Project Title: | Triumph – Airport Fuel Farm Project | | |
| Report Date: | 10/29/21 | | |
| Reporting Period: | July 1, 2021 – September 30, 2021 | | |

Summary of project process for this reporting period:

Franklin County awarded a task order for the planning, design, bidding and construction phase services for the Fuel Farm Replacement Project at the Apalachicola Regional Airport on February 2, 2021. The total amount of this task order to Avcon, Inc. Engineers and Planners is \$188,455.

To date, Franklin County has paid \$26,659.50 of the awarded task order for services provided through July 31, 2021. At this time, 100% of the preliminary design is complete and 10% of the design is complete.

Certified by:  Date: 10/29/21
Erin Griffith
Fiscal Manager / Grants Coordinator

RICKY D. JONES
DISTRICT ONE

BERT BOLDT
DISTRICT TWO

NOAH LOCKLEY, JR.
DISTRICT THREE

JOSEPH PARRISH
DISTRICT FOUR

JESSICA V. WARD
DISTRICT FIVE



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BRAD BAKER, Interim Asst. County Administrator

October 26, 2021

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

RE: Annual Report for Project #209

Dear Chairman Gaetz and Triumph Board Members:

In accordance with s. 288.8016, F.S. Santa Rosa County is pleased to provide an annual report on Project #209. A grant agreement was executed on October 12, 2020, providing \$3,484,728.00 in Triumph funding to provide partial funding for an infrastructure project that will construct approximately 2,300 linear feet of roadway, a retention pond, and sewer improvements serving the Grantee's I-10 Industrial Park. The completion deadline is December 31, 2023.

We are happy to report that the project is progressing on budget and according to schedule. Design is underway; however, the total cost incurred to date is \$0 as some design was conducted in house. Santa Rosa County is in the process of selling 50 acres in the I-10 Industrial Park to Project Unstoppable, a distribution company that will satisfy the job creation metrics for this project. We expect to close in the upcoming weeks, with facility construction beginning first quarter 2022.

Please do not hesitate to contact Shannon Ogletree, Executive Director of Santa Rosa Economic Development Office, at Shannon@santarosa.fl.gov with any questions related to this report.

Sincerely,

DeVann Cook
Interim County Administrator

Enclosure: Pensacola News Journal Article

SANTA-ROSA

'Project Unstoppable' coming to Santa Rosa industrial park after \$2.5 million bid approved

Published 12:19 p.m. CT Sept. 22, 2021 | Updated 12:30 p.m. CT Sept. 22, 2021

Alex Miller Pensacola News Journal

Santa Rosa County residents should expect to know the name of the new large distributor coming to the Northwest Florida Industrial Park by early 2022.

After the Santa Rosa County Commission last week unanimously approved a bid for "Project Unstoppable," the unnamed Fortune 500 company is now working to finish its "due diligence," according to Santa Rosa County Economic Development Office Director Shannon Ogletree.

"We're expecting to announce who it is by February, but that would be the latest," Ogletree said. "They're investing tens of millions of dollars, and if they make a wrong decision, it could really hurt the company."

On Sept. 14, the Board of County Commissioners agreed to accept a \$2.5 million bid from a developer in the Midwest to establish the unnamed company on 50 acres of the 88-acre Northwest Florida Industrial Park off Interstate 10.

"I think 'Project Unstoppable' will be a big surprise to everybody," said Santa Rosa County Commission Vice Chairman Bob Cole.

But he added that the project's distribution center is not a new concept to the county's other industrial parks.

In addition to the Northwest Florida Industrial Park, Santa Rosa County also has the Whiting Aviation Park, where Leonardo Helicopters is building a multi-million dollar aviation maintenance facility, and Santa Rosa Industrial Park East, where Gulf Cable has invested \$3 million to build a 160,000-square-foot manufacturing facility.

Another new \$36 million industrial park called the Milton Interchange Industrial Park is also in the works and got a boost last week after the Triumph Gulf Coast Board agreed to fund \$15.9 million toward the project, expanding the county's growth even more.

Cole said he enjoys how diverse the industrial parks have become and added that he believes it is best for the county to support the economic competition.

"(Each tenant) has their own place. They give a variety of skill sets," Cole said. "But it's just the way it happened. It wasn't planned."

Ogletree echoed the idea that this industrial expansion is the only way forward for Santa Rosa.

"The only way to continue the economy is to grow more. If we do not grow, we'll shrink," Ogletree said.

Both Ogletree and Cole said they want to see Santa Rosa County become a regional and even national economic force. They both emphasized the county is competing outside the state with places like Texas and Georgia, not only with Northwest Florida or southern Alabama.

"We work as a region together. What helps (nearby communities), helps us," Ogletree said.

Ogletree said one of the largest factors attracting companies to Santa Rosa is its "built-in veteran labor force" that provides a reliable workforce. More than 34,000 military retirees live in the Northwest Florida area, according to the Santa Rosa County Economic Development Office.

In terms of other items that could attract more investment, Cole said he would like to see a medical facility added specifically to East Milton. Cole said limitations in crossing the bridge into downtown Milton have made this especially important.



PORT PANAMA CITY

October 29th, 2021

Chairman Don Gaetz
Triumph Gulf Coast
P.O. Box 12007
Tallahassee, Florida 32317

Re: Annual Report for Improvements of the Panama City Port Authority's Intermodal Distribution Center Award #227

Dear Chairman Gaetz,

We are pleased to submit the Panama City Port Authority's annual report on grant project No. 227 to the Triumph Gulf Coast Board of Directors.

The Port was awarded a \$3,000,000 grant on October 7th, 2020 for site improvements to be performed at the Port Authority's Intermodal Distribution Center, with the Port providing a \$1,500,000 match. The total amount of funding will support future development opportunities at the IDC, including the engineering, site improvement, and the extension of Commerce Boulevard and utilities to the improved site.

The Port selected McNeil Carroll Engineering as the engineer of record for the project. The Port published a request for bids on June 29th, 2021 and received five bids for the project on August 3rd, 2021. The range between the low and high bidder was \$9,606,059.00. Contributing factors included an ongoing high demand for contractor site work projects and current site conditions affected by high levels of rainfall in 2021. The Port Authority Board unanimously approved negotiations with the apparent low bidder, ECSC LLC., with a bid of \$4,660,941 at the August Board of Director's meeting.

Following the conclusion of a thorough review of the project between the Port and ECSC, including current site and soil conditions, the Port staff recommended moving forward with ECSC and the original bid amount. The approval was subject to receiving the FDEP construction permit, approval of contract documents by Triumph, and the closing on the sale of 36.42 acres of IDC land for an economic development project.

The Port received the environmental construction permit from the FDEP on October 27, 2021. The Port expects to finalize the land transaction for a major economic development project in November and proceed with ECSC to begin the site improvement project.

Panama City Port Authority & Foreign Trade Zone 65

One Seaport Drive • Panama City, Florida USA 32401
850/767-3220 • Fax: 850/767-3235
www.portpanamacityusa.com



PORT PANAMA CITY

The Port will plan a ground breaking ceremony prior to the commencement of work in January of 2022. The site improvements will take 180 days to complete. To date, project expenses total \$54,500.00 in engineering and design fees.

The project will create additional "pad-ready", rail-served sites zoned for heavy industry. The Port will continue working with the Bay Economic Development Alliance to attract large manufacturing and distribution prospects to the IDC. These efforts will further job creation, increase port cargo activity, and continue developing Northwest Florida as the premier destination for large, advanced manufacturing and logistics companies to locate.

We appreciate our strong partnership with Triumph Gulf Coast. Please do not hesitate to reach out to me with any questions.

Sincerely,

Alex King
Executive Director

Cc: Ms. Cori Henderson
Ms. Susan Skelton
Dr. Rick Harper



SANTA ROSA COUNTY BOARD OF COMMISSIONERS

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DEVANN COOK, Interim County Administrator
BRAD BAKER, Interim Asst. County Administrator

October 26, 2021

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

RE: Annual Report for Project #240 SRIPE

Dear Chairman Gaetz and Triumph Board Members:

In accordance with s. 288.8016, F.S. Santa Rosa County is pleased to provide an annual report on Project #240 Santa Rosa Industrial Park East. A grant agreement was executed on December 31, 2020, providing \$6,000,000 in Triumph funding to construct 1.5 miles of roadway and utility-related infrastructure servicing the Santa Rosa Industrial Park East located at Highway 87 approximately 2 miles north on Interstate 10 to support Project Induction and/or other companies as well as other future tenants of the park. The completion deadline is December 31, 2024.

We are happy to report that the project is progressing on budget and according to schedule. Design is underway and the total cost incurred to date is \$12,658.49. Construction is anticipated to begin spring 2022. Santa Rosa EDO is on track to satisfy the metric requirements, as evidenced by letters of intent received for all available acreage at the park.

Please do not hesitate to contact Shannon Ogletree, Executive Director of Santa Rosa Economic Development Office, at Shannon@santarosa.fl.gov with any questions related to this report.

Sincerely,

DeVann Cook
Interim County Administrator



October 25, 2021

Mrs. Cori Henderson
Program Administrator
Triumph Gulf Coast
PO Box 12007
Tallahassee, FL 32317

RE: 2021 Annual Report for Project #213

Dear Ms. Henderson,

It is with great pleasure that Florida's Great Northwest (FGNW) submits this annual report on the progress we have made in 2021 with our grant that was awarded to us on March 3, 2020. Please see the outline below of the progress made this year.

- **As stated under Section 4.2 (1) of the Grant:** FGNW executed a contract with ABLE Operations to perform the labor supply and demand analysis study as outlined in the grant agreement. ABLE Operations has completed its analysis of Northwest Florida's labor market conditions and identified opportunities for educational institutions in the region to supply workforce needs. Dr. Aaron Schmerbeck with ABLE Operations presented the report findings at Triumph Gulf Coast and Florida's Great Northwest board meetings in the first quarter of 2021. FGNW published the report on its website as well. We will begin working with ABLE Operations in the first quarter of 2022 to update the labor supply and demand analysis.
- **As stated under Section 4.2 (2) of the Grant:** FGNW executed a contract with VisionFirst Advisors to produce execute a marketing campaign on Triumph Gulf Coast. VisionFirst Advisors has created numerous marketing and promotional pieces about the Triumph Gulf Coast fund, including videos, photos, fact sheets, a white paper and social media posts. The campaign was officially kicked off in early September and these marketing pieces have been shared with the local economic developers for their use in also promoting the benefits of Triumph Gulf Coast and doing business in Northwest Florida.
- **As stated under Section 4.2 (3) of the Grant:** Since the grant's original execution date, an amendment agreement was made to allow FGNW to fund a position to through the Florida Education Foundation to extract data from the Florida Department of Education's (FDOE) education data warehouse (EDW). The amendment to the grant was executed in August 2020 to receive up to \$225,000 of additional funds to allow for extraction of industry certification data. A contract between the Florida Education Foundation and FGNW is under review to begin this work.

FGNW is focused on continuing to promote the assets found in Northwest Florida to site location selectors and company decision makers, including the unique opportunities with the Triumph Gulf Coast fund. If you or any member of your staff or board have questions or need additional information, please don't hesitate to contact me.

Thank you again for the opportunity to perform the work outlined in the grant and for entrusting us with this award.

Sincerely,

A handwritten signature in blue ink that reads "Jennifer Conoley". The signature is fluid and cursive, with a large loop at the end of the last name.

Jennifer Conoley
President & CEO
Florida's Great Northwest
jconoley@fgnw.org