Representing:

DIVISION OF BOND FINANCE

FINANCIAL SERVICES COMMISSION, OFFICE OF INSURANCE REGULATION

DEPARTMENT OF REVENUE

ADMINISTRATION COMMISSION

DEP SITING BOARD

BOARD OF TRUSTEES, INTERNAL IMPROVEMENT TRUST FUND

The above agencies came to be heard before THE FLORIDA CABINET, Honorable Governor Bush presiding, in the Cabinet Meeting Room, LL-03, The Capitol, Tallahassee, Florida, on Tuesday, December 19, 2006, commencing at 8:50 a.m.
APPEARANCES:

Representing the Florida Cabinet:

JEB BUSH
Governor

CHARLES H. BRONSON
Commissioner of Agriculture

CHARLIE CRIST
Attorney General

TOM GALLAGHER
Chief Financial Officer

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GOVERNOR BUSH: On June 19th, 2006, the State of Florida completed one of the largest and most unique conservation purchases in Florida's history, nearly 74,000 acres of the Babcock Ranch property was purchased, spanning both Lee and Charlotte Counties in Southwest Florida.

As part of that purchase, the Babcock Ranch Corporation was created to keep in place the historic working ranch while maintaining natural resource values and public access.

The Board of Trustees of the Internal Improvement Trust Fund has to make four appointments to the board of directors in the Babcock Ranch Corporation. We have four names before us today: Manley Fuller, who has an expertise in wildlife populations; Mr. Sandy Safley, expertise in financial management; Mr. Cary Lightsey, expertise in livestock management; and Dr. Hilary Swain, expertise in forest land management.

Is there a motion?

CFO GALLAGHER: I move it.

GOVERNOR BUSH: Is there a second?

ATTORNEY GENERAL CRIST: Second.

GOVERNOR BUSH: There's a motion and a second.
Without objection the board of trustees is created, or the board of directors is created.

All right. The next Cabinet meeting will be January 18th, 2007. I look forward to watching it, the rivetting Cabinet meeting on the Florida Channel. Those that are interested in watching the workings of state government, I commend the Florida Channel to you. It is a great source of information. And I actually will probably watch it occasionally, believe it or not, if I can find the right channel down in Miami.
GOVERNOR BUSH: Division of Bond Finance. Ben.

CFO GALLAGHER: Motion on the minutes of December 5th.

COMMISSIONER BRONSON: Second.

GOVERNOR BUSH: There's a motion and a second.

Without objection Item 1 is approved.

MR. WATKINS: And Item 2 is a report of award on the competitive sale of $53.2 million in Community College Capital Improvement Revenue Bonds. The bonds were awarded to the low bidder at a true interest cost of about 4.13 percent.

CFO GALLAGHER: Motion on 2.

COMMISSIONER BRONSON: Second.

GOVERNOR BUSH: There's a motion and a second.

Without objection the motion passes. Thank you, Ben.

Thank you for your service.

MR. WATKINS: Thank you, Governor.

GOVERNOR BUSH: You've done wonderful work.

MR. WATKINS: If I could just take a minute just to recap, and I know this is -- I wanted to thank the board for -- it's not often we have the opportunity to reflect on accomplishments. And looking back over the last eight years where you all have served as the board, the governing board of the Division of Bond Finance, presiding over 166 bond issues totaling about

ACCURATE STENO TYPE REPORTERS, INC.
$24 billion. Approximately 9 billion of those were refinancings that saved the State $1.1 billion.

So in presiding over that and doing that, we've actually improved the State's debt position relative to our ranking to the ten most populous states, moving from the third highest to the fifth highest in debt per person and debt service as a percentage of personal income.

And then more importantly, with respect to our benchmark debt ratio, we've improved from the second highest of the ten largest states to the fourth highest. So moving down in our world is a good thing. And the reserve levels that have been accumulated are just off the charts relative to other states.

So all of that has culminated, been recognized by the credit markets and the rating agencies. Because of the fiscal discipline and the conservative financial management practices, the State's ratings have been upgraded to a triple A for the very first time in the State's history.

So I just wanted to thank you all, my board of the Division of Bond Finance, for supporting us and placing the confidence in us to conduct the State's business.

CFO GALLAGHER: Did the press get that? Triple A bond rating?
GOVERNOR BUSH: Yeah. They've been covering it pretty extensively recently. Not.

CFO GALLAGHER: Thank you, Ben.

MR. WATKINS: So thank you all very much. I appreciate the support.

GOVERNOR BUSH: Actually, they have. To their credit, they have covered it. It was a lonely struggle for a while, but they have mentioned occasionally that we have a triple A bond rating.

By the way, this is not advice to the next governor because he doesn't need it, but one of the great joys of being governor is the creative tension that comes with dealing with the beloved members of the Tallahassee press corps, and it's one of the things I'm really going to miss.

CFO GALLAGHER: Me, too.

COMMISSIONER BRONSON: Up until now you've always told the truth.

GOVERNOR BUSH: God bless you, Charlie.

ATTORNEY GENERAL CRIST: Thank you, brother.

GOVERNOR BUSH: Thank you, Ben.

MR. WATKINS: Thank you, gentlemen.

GOVERNOR BUSH: That didn't sound sincere?

CFO GALLAGHER: Sure.
GOVERNOR BUSH: Office of Insurance -- Butter Bean.

CFO GALLAGHER: This is Financial Services Commission, motion on the minutes of October 3rd.

ATTORNEY GENERAL CRIST: Second.

GOVERNOR BUSH: There's a motion and a second. Without objection the item passes. Item 2.


CFO GALLAGHER: Motion on 2.

ATTORNEY GENERAL CRIST: Second.

GOVERNOR BUSH: There's a motion and a second. Without objection the item passes.

MR. McCARTY: Agenda Item Number 3, Governor, is the adoption of amendments to Rule 69O-138.001.

CFO GALLAGHER: Motion on 3.

ATTORNEY GENERAL CRIST: Second.

GOVERNOR BUSH: There's a motion and a second. Without objection the item passes. Thank you, Kevin.

MR. McCARTY: Thank you, Governor.

GOVERNOR BUSH: Enjoyed working with you.

MR. McCARTY: Likewise, sir.

ACCURATE STENOLOGY REPORTERS, INC.
GOVERNOR BUSH: Department of Revenue.

CFO GALLAGHER: Motion on the minutes of November 14th.

ATTORNEY GENERAL CRIST: Second.

GOVERNOR BUSH: There's a motion and a second.

Without objection Item 1 is approved. Item 2.

DR. ZINGALE: Item 2 is our legislative concepts for 2007. This culminates a 12-month process. We review auditor general reports, OPPAGA reports, federal oversight bodies, lots of stuff out there.

GOVERNOR BUSH: You actually review the OPPAGA reports?

DR. ZINGALE: Yeah. Federal oversight stuff. They glean out concepts. We vet the concepts for a number of months. A number of concepts drop out. A number are modified. They range from please extend the meritorious service recognition program to the piggyback bill that comes out every year. One of the ones the Governor had an interest in, the electronic filing versus the mail filing, trying to get those synchronized so that they're even. That's a concept moving forward.

These still have to find sponsors in the Legislature. We will continue to work with the outside world to make sure they're as good as we can get them.
before the process ends. With your permission, please
approve the second item.

    CFO GALLAGHER: Motion on 2.

    ATTORNEY GENERAL CRIST: Second.

    GOVERNOR BUSH: There's a motion and a second.

Without objection the item passes. Good luck with the
Legislature.

    DR. ZINGALE: Thank you. Governor and Cabinet,
it's been an honor and a privilege --

    GOVERNOR BUSH: What about Item 3? There's no
Item 3?

    DR. ZINGALE: No Item 3. I don't have an Item 3
here.

    CFO GALLAGHER: Item 3 is him thanking us for all
the wonderful --

    DR. ZINGALE: We thank you for everything. It's
been an honor and a privilege to serve you, and have a
happy holiday. Thank you.

    GOVERNOR BUSH: I have Item 3, 4 and 5. What's up
with that?

    CFO GALLAGHER: That's last week's, Governor.

    COMMISSIONER BRONSON: Would you like for me to
bring the rocking chair up?

    GOVERNOR BUSH: Yeah, exactly. Wow.
GOVERNOR BUSH: Administration Commission.

CFO GALLAGHER: Governor, on the minutes I would like to move to amend the minutes by adding the following sentence to item two. And that would read, materials relating to years seven and eight were received for informational purposes only. And with that change, I would --

GOVERNOR BUSH: Can you explain?

CFO GALLAGHER: Yes. Last meeting, when we had our meeting, there was a discussion about moving people out of the Keys and how long it would take. The goal for year eight or nine was to be and looked like it was projected that they could do 18-point-something hours.

And some people might have thought that we were including that in the motion. And I wanted to clarify that we did not mean for that to be part of the motion. And so what this does, it says that it was for information only, not a part of the --

GOVERNOR BUSH: I got you. So you're requesting approval of the minutes as amended.

CFO GALLAGHER: As amended. And it will say work program for year nine. Those words will be added, "for year nine." And then a new sentence, materials relating to years seven and eight were received for informational purposes only. And so I move the minutes
as adopted, or as amended.

ATTORNEY GENERAL CRIST:  Second.

GOVERNOR BUSH:  There's a motion and a second.

Without objection the minutes are approved as amended.

MS. TINKER:  Thank you.

GOVERNOR BUSH:  Item 2.

MS. TINKER:  Item 2, recommend approval of
proposed Rules 28-22.210, 211 and 212, amending the
City of Apalachicola's land planning regulations and
zoning codes and authorize the secretary to finalize
rulemaking.

CFO GALLAGHER:  Motion on 2.

ATTORNEY GENERAL CRIST:  Second.

GOVERNOR BUSH:  There's a motion and a second.

Without objection the item passes.

MS. TINKER:  Thank you, Governor. Best wishes to
all of you.

GOVERNOR BUSH:  Thank you, T Squared. Merry
Christmas.
GOVERNOR BUSH:  DEP Siting Board.

CFO GALLAGHER:  Governor, before we get started in that, there were some other people here that have been with me for a long time. One of them was Paul Mitchell. I think he may have left. But he had been with me since when I first got on the Cabinet, and that was reminded to me by Colleen Castille, who started her career as a Cabinet aide right in the middle her high school years, I think.

MS. CASTILLE:  Absolutely.

GOVERNOR BUSH:  As an intern?

CFO GALLAGHER:  And has moved on. Yeah. And has moved on to do wonderful things. And she and I are heading out together. So good luck to you, Colleen.

MS. CASTILLE:  Thank you. Good luck to you, too, sir, and to you, Governor. Item 1 is Florida Power & Light Company West County Energy Center. This is consideration of an order to adopt the administrative law judge's recommended order to grant full and final certification to Florida Power & Light Company for the location, construction and operation of the West County Energy Center and certify the West County Energy Center site for an ultimate capacity of up to 3,300 megawatts, fueled by natural gas with light oil as a backup fuel, typically used during hurricanes and other energy
crisis periods. And it's subject to supplemental
application review.

This site is located in an unincorporated area of
western Palm Beach County on 220 acres five miles west
of Wellington. The site is currently undeveloped,
disturbed land with no vegetation, no wetlands, no
significant wildlife habitat or threatened endangered
species.

A berm has been constructed on the southern
boundary of the site, providing a planted visual
barrier where the property abuts State Road 80. FPL's
proposed County Energy Center project consists of two
three-on-one combined cycle units. Each unit will
consist of three 250 megawatt gas turbines with a heat
recovery steam generator, including a gas-fired duct
burner, a 500 megawatt steam electrical generator, a
mechanical draft cooling tower and ancillary equipment.

The plant's primary fuel will be natural gas, with
low sulfur distillate oil for emergency backup. The
additional project facilities include water and
wastewater treatment facilities, a deep well injection
system, a stormwater collection and storage system, an
operations center and transformers and switching gear
to connect the transmission system at the adjacent
Corbett Substation.
The Public Service Commission found that there are no energy conservation measures reasonably available to FPL that could deter the proposed project. The last electrical generating unit added by FPL in Palm Beach County was in 1963. And since then the County's electric sales have increased 890 percent.

Construction of the proposed plant will benefit the local and regional economies, an average workforce of 350, with a peak of 1,000 over a three-year construction period will generate $170 million in wages. Ongoing plant operations will employ 30 to 50 individuals, with an annual operating payroll of $2.7 million.

The Division of Administrative Hearings held the certification hearing on September 6th and 7th. In addition to the sworn testimony of FP&L, the Department of Environmental Protection staff, the administrative law judge heard sworn and unsworn testimony from 29 citizens and received letters from seven individuals after the hearing.

This particular plant is located about, a couple thousand feet north of the Loxahatchee Wildlife Refuge. Some of the speakers will say that they believe that this is precedent setting. We have a number of power plants located -- similarly situated. We have a
Florida Power & Light nuclear power plant in Turkey Point, located between Biscayne National Park and Everglades National Park, as well as a local Homestead Bayfront Park and the Crocodile National Wildlife Refuge.

Additionally, there's another plant here adjacent to the St. Marks National Wildlife Refuge. I could go on and on about a number of plants in very similarly situated areas.

The Department feels that the protections, that the improvement in technologies for this particular type of natural gas power plant has decreased emissions per megawatt hour to the best available technology levels, which is what we're required to evaluate and standards are being held to by the industry. And we recommend approval of this. We do have several speakers.

GOVERNOR BUSH: First of all, remind me exactly what the Siting Board's responsibilities are. How are we to look at this? Approve or deny based on what?

MS. CASTILLE: Based on the impacts to the -- I'm going to ask Buck if you'll answer that question. Go ahead.

MR. OVEN: Governor, members of the Siting Board, I'm Buck Oven, the siting coordinator administrator.
You all are sitting somewhat like an appeals court.
You have a record before you. You have the
administrative law judge's recommended order. You have
the final order drafted. You have the record of the
hearing in front of you. So the information that
you're deciding on is that particular record.

GOVERNOR BUSH: Exactly.

MR. OVEN: There are some things being filed that
are outside the record. Now, you have public who
wishes to speak that spoke at the hearing. And since
they spoke at the hearing, they are part of the record,
so this is why they are allowed to be here today.

GOVERNOR BUSH: Thank you. It was more of a
Socratic method of framing the conversation. So now we
have speakers. How many speakers are there, Secretary?

MS. CASTILLE: We have about ten speakers.
Several of them are with the same organization. We
have about -- and I'll let them decide as they come up,
if they're going to say the same things, if they'll
speak together. We're going to limit them to two
minutes apiece. We have first Peter Cunningham
representing Florida Power & Light. He would like to
wait until the end. Sharon Waite, who is a citizen.

GOVERNOR BUSH: Do you want to --

MS. CASTILLE: Can I have all the Sierra Club

ACCURATE STENOETYPE REPORTERS, INC.
members up here, so we can do this quickly, who are

going to speak? I have Ben Fusaro, Drew Martin, John
Koch.

GOVERNOR BUSH: Welcome, everybody. If you could
kind of organize yourselves in a line, and brevity is
always a strong point.

MR. MARTIN: My name is Drew Martin. I live in
Lake Worth. I'm a volunteer with the Sierra Club. I'm
the conservation chair for the Loxahatchee Group of the
Sierra Club. I'm also here today with a resolution
from the Everglades Coalition. This may not represent
all the members, but I believe it represents a majority
of members. Would you like me to hand this to you?

GOVERNOR BUSH: I think we got one already. It
has the coalition heading?

MR. MARTIN: Yes, sir.

GOVERNOR BUSH: We got it.

MR. MARTIN: Yes, sir, Governor. We feel that,
first of all, this power plant is unnecessary. We feel
that alternative sources of fuel have not been looked
into adequately. We believe that this power plant is
moving in the wrong direction. We believe this power
plant will actually increase the cost to the consumer,
and we believe that what we need to do instead is to
reevaluate.

ACCURATE STENOTYPE REPORTERS, INC.
We had hoped to have this power plant decision put off until we had a new governor. We believe the new governor would be more sympathetic to our side. We believe that our due process was denied us, that we went to the hearings but that our opinions were ignored, that from the very beginning that the decision was to approve this power plant and that everything that has happened all along the way has basically been to approve the power plant. All concerns for the environment have been basically completely and totally ignored.

We want to say first of all that the Everglades ecosystem involves far more than Everglades National Park, that this power plant will take 65 billion gallons of water out of the Everglades ecosystem, that this water, although at this point it's considered excess, we do not believe that in drought conditions this water will be excess.

We believe that this will inherently damage the future restoration of the Everglades. Further, we believe that a power plant located this close to the National Wildlife Refuge in such a sensitive area will lead to great damage to the environment.

GOVERNOR BUSH: Thank you, sir.

MR. MARTIN: Thank you for your time.
GOVERNOR BUSH: Thank you for coming.

MR. MARTIN: Thank you. It was my pleasure to be here.

MR. KOCH: I'm John Koch, spelled K-O-C-H. I'm a Sierra member. I live in West Palm Beach. And I'm an officer in our local group, as is Drew. I am also a retired professor of economics. I have a Ph.D. from the University of Arkansas in 1959.

But it seems to me that this plant is not needed at this time at least. The reasons that FPL gave at the previous hearing for building the plant is to supply power to 400,000 new homes. That's homes that are not there now. And this is based on population projections, which are compiled by looking at the past record of population growth and extending that on into the future, which is how most forecasts are done, and usually they work, unless the underlying parameters of the situation change. But they have changed in Palm Beach County.

Right now we have two years' supply of new and used homes on the market. People are leaving in pretty large numbers. The county is just loaded with empty condos. And so I feel that the forecasts are not going to take place. FPL is going to build this. They are going to be stuck with a power plant they don't need,
which they can add to their rate base, which entitles
them to raise the electric rates for everybody who is
already there.

So until -- oh, one thing I neglected. Besides
the homes on the market right now, we've also had three
hurricanes, and my property insurance has tripled in
the last two years. It seems to me that South Florida
is not nearly as attractive to newcomers as it used to
be. I couldn't afford to move to South Florida now. I
could seven years ago but not now. And we don't need
to build this plant, at least not now.

GOVERNOR BUSH: Thank you for coming to
Tallahassee, sir. Good morning.

MS. KING: Good morning. You're going to be
getting a copy of a map.

GOVERNOR BUSH: Could you say who you are for the
record?

MS. KING: Excuse me. I'm sorry.

GOVERNOR BUSH: That's okay.

MS. KING: My name is Jane King, and I'm from
Delray Beach, Florida. I traveled quite a distance to
come up here --

GOVERNOR BUSH: Yes, you did.

MS. KING: -- because I'm very, very concerned
about the construction of this power plant. You're

ACCURATE STENOETYPE REPORTERS, INC.
receiving now a map. And you're asking for brevity. There is nothing more than looking at a picture of the proposed plant location, which if you look in your backup material, it does not go into this.

You'll see this wildlife management area completely adjacent to the proposed power plant. You will see the Arthur Marshall Loxahatchee National Wildlife Reserve right adjacent to the proposed complex.

This is a potential environmental disaster. It is not in our best interest to be constructing this in this particular location. So I want you to think about the potential damage and the impact and consider very, very carefully before you certify this plant. Thank you.

GOVERNOR BUSH: Thank you very much. Who else do we have? All right.

MR. FUSARO: My name is Ben Fusaro. I'm a volunteer for the Big Bend Sierra Club and also the Florida Sierra Club.

GOVERNOR BUSH: Can you move a little closer to the microphone, sir?

MR. FUSARO: Sorry.

GOVERNOR BUSH: That's okay.

MR. FUSARO: I just want to say that this is a
relatively clean plant, but wildlife and wild plants are very sensitive to pollutants. However, so as to not repeat, I'm going to go to just -- if I can figure this thing out. Excuse me for skipping.

GOVERNOR BUSH: That's okay.

MR. FUSARO: But since this will probably -- this has been covered. I want to mention this, that it's not only visitors who like Florida native wildlife. Look at the top four, or four of the top five Florida specialty license plates. Excuse me. This has been covered. Okay.

This is going to be a little bit different, but I think it's perhaps worth looking at. The Governor and Legislature and the Cabinet have helped citizens replace power plant electricity by direct solar heating.

Let's just take then one unit of electricity and go back upstream. I used coal. Gas is similar. Three units of coal to produce that one. Coal comes from, of course, the geology acting on the wood. That takes six of wood. The biology, 120,000, of course comes from the sun. So the ratio, those lines pointing down are just losses and they're not important for this.

The take-home message is it requires 120,000 kilowatt hours of solar energy to produce one kilowatt
hour of electricity. Electricity is ecologically very, very expensive, 120,000 calories, kilowatt hours, it doesn't matter.

Now, let's look at the solar heating. I took a specific number there. I thought I was going to have three minutes, not two.


MR. FUSARO: Thank you. Just to be specific, suppose you want to heat 50 gallons or 400 pounds of water. Water weighs about a pint a pound. If you start at 60 degrees and heat it to 120 degrees, 60 degrees hotter, that's your goal. It takes one BTU of energy -- you all have heard BTUs -- to heat one pound of water one degree Fahrenheit. So, therefore, you have to take the 400 pounds times 60 degrees, takes 2400 BTUs, 24,000 BTUs.

GOVERNOR BUSH: So where are we going with this?

MR. FUSARO: If the solar heater is only 25 percent efficient and yet the input is four times the output, let's compare them. If you go right from sun to hot water, the ratio is four to one. If you go from -- via power plant, for example, from solar to hot water, the cost is 120,000 to one.

GOVERNOR BUSH: Wait a second. You're starting
like from prehistoric times to create the coal?

MR. FUSARO: Yes, because, Governor, that's the actual cost.

GOVERNOR BUSH: Well, don't you think that's an apple to a watermelon comparison?

MR. FUSARO: No, it's not because the cost, the cost that people complain about at the pump reflects this, that you have a -- you essentially have a large bathtub of oil or a bin of coal, and as it goes down, the prices are going to go up. So rather than look at money as an economist would do, Dr. Koch, I looked at energy.

GOVERNOR BUSH: Okay. That's an interesting -- I've never looked at it that way.

MR. FUSARO: Thank you.

GOVERNOR BUSH: I have to admit. Thank you very much. I appreciate it.

MS. CASTILLE: Sharon Waite.

MS. WAITE: Good morning, Governor, Cabinet.

Sharon Waite, Loxahatchee, Florida. It's my observation that with the invocation that Mr. McGhee gave, that you place your honorable justice above everything that you do. You want your work to be honorable and forthright. And this is exactly where I'm coming from.
FP&L provided a map to the public that didn't even show us. We are 50,000 people out there, just a matter of half a mile or less from this proposed site. We were shown on their map as a cloud. Loxahatchee, Deer Run, Fox Trail, White Fences, those are five-acre and ten-acre horse farms. Lion Country Safari is immediately adjacent as well. I call that fraud.

GOVERNOR BUSH: Help me out here. Loxahatchee, the community is west of -- thank you. That's not going to help me, though. It's west of what? It's east of this plant, west of --

MS. WAITE: Just east of it, just, 50,000 --

GOVERNOR BUSH: West of Royal Palm?

MS. WAITE: West.

GOVERNOR BUSH: West of Wellington?

MS. WAITE: Yes.

GOVERNOR BUSH: Okay.

MS. WAITE: And the closest community that they cited was five miles away called Wellington.

GOVERNOR BUSH: So you didn't count in the --

MS. WAITE: They didn't count that. They didn't even send us notices. We got nothing, absolutely nothing. The way it seems to me, we're calculated casualties. They don't care about us out there. We are so much land to be gobbled up like Pac-Man. I
resent that. That is fraud in the way that they
proposed this, and it's just wrong.

We went to a meeting in Royal Palm Beach. They
told us we had to have a court order to get a tape of
that meeting. They bussed in workers from Miami that
were drunk, falling down drunk almost when they got
there, to shut us up and to make us look bad. That's
fraudulent. They did that on purpose just to shut us
up.

There were only a handful of us there. If they
would have stayed out of it, it would have been a nice
meeting. But then to tell us we need a court order to
get a tape of that meeting, that's horrible. What are
they hiding? They don't care what they do to us. They
don't care about our wells and septic tanks. They
don't care about those beautiful horse farms right
there in a stone's throw of it. It's horrible.

How can you in good conscience let them have their
way because they are big corporate money with Hopping,
Green & Sams? Are they that scared of us that they've
got to come and get the biggest law firm that they can
find?

GOVERNOR BUSH: We'll find out in a second.

They'll have a chance to --

MS. WAITE: I want our science guy to rebut.
That's why Mr. What's-His-Name wants to come last, so
he can rebut and try to refute everything. That's
wrong.

GOVERNOR BUSH: Thank you, ma'am. One of the
things that -- we're not a county commission, thank the
Lord.

MS. WAITE: Maybe you're glad.

GOVERNOR BUSH: I promise you, I'm glad.

MS. WAITE: But I hope you have the honor to do
what's right in this. Table this.

GOVERNOR BUSH: Thank you very much.

MS. LARSON: Hi, guys.

GOVERNOR BUSH: Hey.

MS. LARSON: Governor, Governor-Elect,
Mr. Bronson, Mr. Gallagher. Two of you are leaving.
Two of you are staying. I hope that it's very easy for
you. This is where I live. I figured you should see a
map of us, because I wanted you to have a prospect of
this.

GOVERNOR BUSH: Lie it down. We'll put a camera
on it.

MS. LARSON: Is that okay? I'm sorry. I'm new at
this. I'm not a --

GOVERNOR BUSH: Not a problem. We're going to get
dizzy if you keep doing that.
MS. LARSON: I don't want to make you dizzy. But this is the Arthur Marshall, this little spot where I'm pointing my little finger here. That's the Arthur Marshall. This is the power plant. The power plant is only 220 acres. I went online last night to look at the average size of where FPL puts their plants. The average is 1900 acres, not 220. Let's get that clear now, you know, the space away from human consumption.

Two nights ago the Port Everglades, their transformer blew up and caught on fire. The firemen could just stand there and watch the blaze. They can't put out oil. They have to look at it burn. This thing is going to have 12.6 million gallons of diesel on site. You put that with a 35-mile natural gas pipeline and two blasting permits, what does that tell you guys? Now, this is common sense here. It's called a Molotov cocktail. It's blowing up. And it's not a matter of if. It's when.

No, really, common sense. This is the setup. Two blasting operations, the 35-mile natural gas pipeline and 12.6 million gallons of diesel stored on site. Anybody with an ounce of brains -- I could talk to a two-year-old. I could bring one in today and say, this is what's going on. They'd say, this ain't good, guys, this doesn't look good, I don't think it's good common
sense. And I'm trying to do this jovially because I
know people come up and yell at you and make noise.

GOVERNOR BUSH: Not often.

MS. LARSON: I know. But, I mean, you've got the
Arthur Marshall, it's 147,000 acres. You've got the
J.W. Corbett, it's 60,388 acres just above this puppy.
I mean, my God, guys, this is the last refuge in Palm
Beach County, and God knows we have toiletized the
state. And we are all guilty. Every citizen is
guilty. You know, we all live here. We all consume.
We all do everything. But this thing wants to take 6.5
billion gallons of water.

Another thing, Governor, for God's sake, CERP is
the biggest thing in your life and this is going to sit
on a pit that your taxpayers paid 212 million bucks
for. We paid Enrique Tomeu and Palm Beach Aggregates
$212 million for 1200 acres, $178,000 an acre for CERP,
the CERP. Everybody connects their name to CERP, the
whole world.

GOVERNOR BUSH: All right.

MS. LARSON: If I was going to build a new condo,
I would connect it to CERP, I'm going to have outflow
for CERP.

GOVERNOR BUSH: I got you.

MS. LARSON: I mean, for God's sake, Governor --
GOVERNOR BUSH: We've got the red light there.

MS. LARSON: I understand, but this is important.

GOVERNOR BUSH: Can you close it down?

MS. LARSON: I don't know if this has been represented to you in any way, shape or form. I don't know that. I don't know if it's gone to Elect-Governor Crist. I don't know about Mr. Bronson. I've talked to your aides. I've been told they understand.

One woman spoke to me and said I understand 27 times. It was like she was trying to make the patient calm. It didn't work. The patient is not calm. I want to thank you, Governor, because all the things I've been involved in for the last three years has been a college education for me. I never learned more in my life about the state of Florida until I started on my neighborhood, because my neighborhood was Scripps, too, you know. And, I mean, we've got to work on this, Governor.

And CERP, just the fact that this sits on CERP, it should not be built, not if it's a part of CERP.

GOVERNOR BUSH: All right. Thank you. Appreciate it. Okay. Who is next?

MR. CHRISTENSEN: Boy, I don't know if I can follow that.

GOVERNOR BUSH: Oh, yeah, you can.
MR. CHRISTENSEN: She's a wonderful -- she cares a lot. Thank you all for the privilege of being here.
My name is Michael Christensen.

GOVERNOR BUSH: Thank you, Michael.

MR. CHRISTENSEN: It's a duty for citizens to come before -- for this republic. And I'd like us to turn to the backup. And on page 14 of the judge's recommended order, the judge states that FPL's rebuttal witness estimated the plant to be somewhere around a thousand feet from the edge of a national wildlife refuge.

This is a 220-acre site. I think these are precedents. Contrary to what Ms. Castille was saying, I don't think you could come up with anything that resembles this plant anywhere in the state.

I've also noticed that in the traffic impacts, as was clearly stated, they're going to run this unit for 500 hours cumulatively. That's a total of 63 million gallons of light canola oil.

Now, I think we know that these are tankers running on the road, and I calculated it's 31,000-plus tanker trips one way annually to fill these silos. These are tanker trips that were never on Southern Boulevard, never traveling along our wet areas.

GOVERNOR BUSH: What did the County say about

ACCURATE STENO TYPE REPORTERS, INC.
MR. CHRISTENSEN: You know, it's interesting. It started out at 4.3 million gallons, the silos. That's another -- I'm glad you brought that up, sir. This thing has gotten larger and larger. It started out as 4.3 million, the silos. And I would take issue with that also. But nevertheless it's now grown to 12.6 million.

It started out as three injectors. It's now four injectors. Let it be known that the first injector failed. I don't know where we are. Okay. Okay.

GOVERNOR BUSH: There you are.

MR. CHRISTENSEN: The first injector was here, hit 2,000 feet and broke into a gigantic cavern. This site is so tiny, the best that they could do is move it over to here in this general vicinity for the next exploratory, slash, injector well.

This site is clearly too small. It's too close to our last sensitive areas. We need to think of the future generations. We need to consider what we do and the ability not to change it. Once the plant goes in, we've got to -- they've invested all this money. They're going to be forced to, and all the residents, to have to deal with it. I thank you very much for your time.
GOVERNOR BUSH: Thank you, sir.

MR. CHRISTENSEN: I pray you consider it carefully. Thank you.

GOVERNOR BUSH: Thank you for being here.

MR. CHRISTENSEN: Thank you.

MS. CASTILLE: Echo Steiner and Evie Grachow.

GOVERNOR BUSH: Good morning.

MS. STEINER: Good morning. My name is Sara Echo Steiner. I'm a national co-chair of the Green Party of the United States. I live near the proposed ecological disaster, and I'm also a third generation Floridian.

I understand yesterday, Governor, that you made a public commitment to champion renewable energy. It is quite poetic that one day later this is your opportunity to lay the foundation for a legacy of renewable energy in Florida.

I ask you to reject this dependent -- oil dependent plant and demand that FP&L cleans up their existing plant in our area, which is one of the most polluting in the region. I ask that this Cabinet and the future Cabinet demand that all future power plants in the Sunshine State are powered by renewable energy.

I would like to note that the Lake Worth City Commissioner Cara Jennings has asked that her opposition to this plant, based on environmental,
economic and growth expansion concerns, be considered. She also joins the Greens in their call for this body to deny this plant and to protect our river of grass, our aquifer and the quality of life of the South Florida region.

Yesterday you made a commitment to Florida. Today I ask for you to fulfill that commitment. Protect our Everglades, a body so precious and unique that it's the recipient of the largest environmental restoration in history.

I ask you to demand sustainable energy concurrency for new construction in Florida, and I ask that you give the citizens of this region a proper opportunity to be informed of what's going to happen and be informed of the actual details of this plant before it's approved.

They keep changing the plans. They went to the County Commission with one idea. We're talking about two, possibly another one in the future. And I don't think that the people in my area know about it. I talk to them all the time, and the press coverage has been extremely minimal on this issue. It's something that's going in people's backyards and they don't know it's happening.

And you can stop it, and I'm taking you at your
word yesterday, and I hope you fulfill your commitment.

GOVERNOR BUSH: Thank you.

MS. CASTILLE: Evie Grachow.

MS. GRACHOW: I'm Evie Grachow. I live in West Palm Beach, and I'm with the Green Party. Much of what I wanted to say has been covered. The rest of the environmental --

GOVERNOR BUSH: Can you get a little closer to -- move the mike a little closer?

MS. GRACHOW: Yes. The threat to the environment in terms of the animal reserves that are there. The big point I want to make in addition is that at this time of being strapped for funds, cutting back programs that we need and want and reluctantly are cutting back because of lack of funds, that to now be considering a new power plant in an area that does not yet require it, while there is an existing power plant in Riviera Beach, where there's much complaining about the soot that comes into homes and on the automobiles there, that we should give Riviera Beach --

GOVERNOR BUSH: That's a coal-fired plant?

MS. GRACHOW: Pardon me?

GOVERNOR BUSH: The Riviera Beach plant is coal-fired?

MS. GRACHOW: Yes. That we should give
consideration to the existing communities that are suffering from the lack of the clean and efficient power that FPL is suggesting the new power plant would be, clean up that power plant rather than invest in having a power plant built before there is a development and before we have time to consider the consequence of large development and the sewage.

That is my addition, and I would beg that everybody consider the needs of the people before the needs of FPL.

GOVERNOR BUSH: Thank you very much.

MS. CASTILLE: Mr. Tsolkas.

MR. TSOLKAS: Panagioti Tsolkas, Palm Beach County. I want to ask folks to look at their backup material, if you have these documents in front of you.

GOVERNOR BUSH: The one you left us?

MR. TSOLKAS: No. These are the judicial law judge's order. From my understanding, that's the basis of this certification hearing.

GOVERNOR BUSH: Exactly. What page?

MR. TSOLKAS: Looking at, start with page nine.

Hold on.

GOVERNOR BUSH: Okay.

MR. TSOLKAS: I have a couple of different documents here mixed up. Give me a second. It's a
document referring to endangered species. It's nine on
the initial condition of certification, which I believe
is part of the 140-page packet. So start with that one
and go to the judicial law judge. Initially was the
reference to endangered and threatened species. Do
y'all have the condition of certification?

GOVERNOR BUSH: Go ahead. Just make your
presentation. We'll follow along.

MR. TSOLKAS: All right. It's repeated several
times in here, but I want to be able to identify it for
you, that specifically the species that are of concern
have not been taken into consideration. There's not
sufficient information regarding the wildlife impact.

As you might have heard from the initial
presentation, that there's no endangered or threatened
species, in fact, there's almost nothing there at all,
a previous rock mine. But like it was also mentioned,
a thousand feet south is a national wildlife refuge.
And, of course, animals traverse the area surrounding
them, for example, to significant natural wild areas.
And these studies were not referenced within either the
initial condition of certification nor the judicial law
judge's statement.

So I'm trying to understand. You know, for
example, it was referenced that some of these tests in
the past have been run on hamsters and mice and
laboratory animals for the impact on wildlife. And it
just seems like that's not sufficient considering there
are 70 endangered and threatened species on both state
and federal lists a thousand feet to the south that
utilize these natural areas, including the Everglades
Agricultural Area, which is within -- it was in the
area, so we all know that animals don't just utilize
national wildlife refuges. That's usually -- the
refuge is a safe spot, but of course they're going to
go out to the ag areas and the wildlife management
areas north of them.

So in the revised staff analysis report that was
put out right before the judicial law judge's hearing,
there was a reference to all the organizations and
agencies that had been contacted. This is page five
under agency comments. And it references copies being
sent to the Environmental Protection Agency. Then two
pages later, after going through the rest of the
agencies, you see no response from the Environmental
Protection Agency.

And so I think that would lead one to believe that
either they hadn't commented or it was left out of the
paperwork, so the public is not aware of the data and
impact on wildlife.
Look at the Department of Health. This one just sticks out at me because I consider humans part of the habitat in the state. No report was filed. The Department of Health, how could they not file a report on this 3,500 emissions? They say it's comparatively low, but taking into account the potential effect, the fact that -- I don't know, the last I heard, a report, an older one, 50,000 people have died directly related to cancer, air pollution in the state of Florida. It was a PIRG report that came out. It was a couple of years old.

But I was looking at it and thought, I'm concerned about wildlife, but if the Department of Health isn't even weighing in on the potential impacts of this power plant, well, then I don't know where to turn, thinking that we all at least are concerned about our friends and families and hopefully the other species as well.

The final thing I want to end on is that I think it's just not the time to certify this power plant. There's the deep well injection permits and the pipeline permits both pending, which both have sufficient obstacles in front of them. The first test well failed. There is insecurity that they're going to be able to figure out how they're going to store their water. And so I don't know how you can certify a plant
when you don't know what you're going to do with the millions, billions of gallons of wastewater.

Also this pipeline coming through has got variances and requesting degradation of wetlands. And the --

GOVERNOR BUSH: If you could close it up, sir, I'd appreciate it.

MR. TSOLKAS: Okay. And so I hope that's considered, that this thing isn't ready to be certified.

GOVERNOR BUSH: Thanks for coming.

MS. CASTILLE: Just for the record, Governor and members of the Cabinet, the U.S. Fish & Wildlife did comment on it and they gave us no comment. They told us that they would --

GOVERNOR BUSH: What do you mean? How could they comment and say no comment?

MS. CASTILLE: They wrote us a letter and said, "Thank you very much for the information. If we have further comments, we will contact you." And no contact has been, either by letter or --

GOVERNOR BUSH: How about EPA, the same?

MS. CASTILLE: We are delegated the EPA responsibility for the air permit, under DEP. I have three final speakers, Eric Draper, Al Taylor and then
Peter Cunningham.

GOVERNOR BUSH: Okay.

MR. DRAPER: Eric Draper, Audubon of Florida. We did not participate in the siting process in any way, and I'm not going to be able to provide you with any additional information here. I'm only up to speak because you may have been given a copy of a notice from the Everglades Coalition, and one of the previous speakers spoke on that.

We're a leading member of the Everglades Coalition, a founding member, and we don't agree with this resolution, and actually asked that it not be submitted to you.

We dispute some of the issues in here. I won't get into them. But, frankly, just to simplify the issue, if this was a coal-fired power plant like the one they're proposing on the other side of the state, we might be up here raising some concerns. But we have been outspoken on Senate Bill 888 and other places with suggesting that, along with fuel diversification, that you reduce the impact on global warming from power plants, and we see natural gas as an appropriate way to go in this situation. Thank you very much.

GOVERNOR BUSH: Thank you, Eric.

UNIDENTIFIED SPEAKER: Can I respond to that?

ATTORNEY GENERAL CRIST: Thanks. Eric, so you support the plan?

MR. DRAPER: Well, I didn't say that, because this is a site certification.

ATTORNEY GENERAL CRIST: I know. I'm trying to pin it down.

MR. DRAPER: Well, what I wanted you to -- because you've got a list on this of a number of environmental organizations here, and because this did not really get a chance in a group of people that really try and carefully consider the recommendations that we make to you on Everglades issues, which there are many, we just didn't get a chance to do this. Now, I would dispute a number of the comments that are in this.

ATTORNEY GENERAL CRIST: Could you tell us which ones you would dispute?

MR. DRAPER: Sure, I will. I would dispute that the -- I can't read this thing.

UNIDENTIFIED SPEAKER: I have a pair of glasses. Are you having trouble reading? I can read it to you.

GOVERNOR BUSH: That's all right. Why don't you please sit down. As I tried to describe to you, we're not a county commission. Those kinds of things happen
all the time. That's why we're grateful we're not.

And this is a little bit different format.

MR. DRAPER: Okay. On the 3,000 tons of annual emissions that will be transported nearby wildlife areas and the Everglades National Park, I just don't think that we've been presented or given any information that suggests that the emissions from the power plant, for the stack, which will primarily be nitrogen oxide and carbon dioxide, will necessarily impact Everglades National Park and the wildlife refuge.

We find the statement about the diesel fuel storage, which is -- you know, you've got a tremendous amount of development within the Everglades Agricultural Area, and we find that the question of the siting of that fuel that's just -- you know, it's not clear that that would cause massive damage, and we would not have made a statement like that.

The point that no power plant should be constructed adjacent or in the Everglades Agricultural Area, there are already power plants in the EAA. Now, if you were going to site additional plants, we may or may not take a specific objection to those, but there are already power plants out there. There are sugar factories, refineries. There's a considerable amount
of industrial activity going on out there already. I'm not going to go through the rest of this thing. But I just wanted to make the point here, and my only point, which is Audubon of Florida and other credible environmental organizations that are leaders of the Everglades Coalition -- we're the host of the Everglades Coalition meeting in Orlando this year. And, Governor-Elect Crist, you've been invited to that coalition meeting. We hope that you come.

We just want to make sure that when we're presenting you with information, that it's the most credible information that we can provide to you. Thank you very much.

GOVERNOR BUSH: Thank you very much.

MS. CASTILLE: And the last speaker is Peter Cunningham representing FP&L.

MR. CUNNINGHAM: Good morning, Governor, members of the Cabinet. I am Peter Cunningham with the law firm of Hopping, Green & Sams, representing FPL. I would like to make three points for emphasis, and I will be brief. First of all, this plant is needed. As determined by the Public Service Commission, this project is needed to maintain a reliable electric system in the state.

Without the first unit, West County Unit One, FPL
will not have the necessary generating capacity in the
year 2009. Without the second unit, West County Unit
Two, FPL will not have the necessary generating
capacity in the year 2010. These findings were
undisputed in the Public Service Commission need
proceedings.

Second, this project has been reviewed for more
than a year and a half by a wide range of agencies at
the local, regional, state and federal level. Some of
those agencies include Palm Beach County, the Treasure
Coast Regional Planning Council, the South Florida
Water Management District, the Department of Community
Affairs, Department of Transportation, Florida Fish &
Wildlife Conservation Commission, the Florida
Department of Environmental Protection, the U.S. EPA,
the National Park Service and staff of the United
States Fish & Wildlife Service, who are responsible for
the Loxahatchee National Wildlife Refuge.

This process, which normally takes about 14 months
from the application to this point, has in this case
taken 20 months. And after a thorough review by all of
those agencies and others, no agency has objected to
certification of the project. And, third, all of the
issues that you've heard from the concerned citizens
today were raised at the certification hearing before
Administrative Law Judge Maloney in the beginning of September of this year. Judge Maloney heard from more than 25 members of the public. He considered all of that testimony in his recommended order, explicitly so. And in the end, the judge who heard all of the evidence found, among his many, many findings, first of all that this project meets all of the standards established by the reviewing agencies. Those are the standards that have been established to protect public health, welfare and the environment.

And secondly, as to the criteria under the Power Plant Siting Act, the judge found, in Finding of Fact 87, that the project utilizes reasonable and available means to minimize adverse impacts on human health, the environment, the ecology of the land and its wildlife and the ecology of state waters and their aquatic life.

He further found that the project includes operational safeguards that are technically sufficient for the welfare and protection of the citizens of Florida. That's all I planned to say. I would be happy to answer questions if you have any.

GOVERNOR BUSH: I think we might. General, do you want to start us off?

ATTORNEY GENERAL CRIST: Go ahead, Governor.
GOVERNOR BUSH: My question related to the professor from the University of Arkansas, I thought asked a pretty good question, which related to population projections, how one goes about -- how the PSC goes about its approval process, how you go about your planning process to determine capacity, since there has been a shift demographically in the last couple of years.

Clearly, the growth trends have changed. South Florida is no longer growing. There's been -- at least the leading indicator that I'm aware of is the student population. There's been a decline for the first time in Palm Beach County. So if your planning process started two or three years ago and now there's a new projection, have y'all taken that into consideration?

MR. CUNNINGHAM: Yes. I believe that the Public Service Commission's need process did take into account the latest planning effort, which FPL really does on a continuous basis, but certainly on an annual basis they reach conclusions. The PSC proceeding culminated in a hearing in June of 2006. And I'm confident that both FPL's data and the Commission staff were looking at the latest population projections, among the other things that they look at, in trying to estimate future load growth.
I think it -- you're right, Governor, that this is something that the utilities really have to look at on a continuous basis. But that need determination would have been based on the latest population projections, among the other factors that go into a load growth projection.

GOVERNOR BUSH: Okay. Yes, Commissioner.

COMMISSIONER BRONSON: One of the things that I'd like to find out, is there -- was there a projection of a decrease in power of the nearest power plant to that area because of age or determination that would also require needed power sources to boost up what may be lost in the current plants? Was that part of the discussion?

MR. CUNNINGHAM: I'm not sure I understood your question.

COMMISSIONER BRONSON: I probably need to be asking Florida Power & Light and not the attorney representing them.

GOVERNOR BUSH: The question is, if there's outdated capacity that needs to be taken down, is this supplanting that capacity or is this purely for growth?

MR. CUNNINGHAM: This is, in that sense, purely for growth. There is no assumption that any of FPL's existing capacity will go out of service in the time
frame that we're talking about. FPL needs all the
megawatts that they've got, plus additional megawatts
to meet the need that's projected.

GOVERNOR BUSH: General.

ATTORNEY GENERAL CRIST: Thank you. Do you know
if alternative sites were considered?

MR. CUNNINGHAM: I do know that originally
numerous alternative sites were considered.

ATTORNEY GENERAL CRIST: How was this one decided
upon?

MR. CUNNINGHAM: This one was decided upon for a
range of factors. It is very close to an existing
large substation. It had relatively close access to
natural gas. It was a mined-out lime rock mine area
that had been backfilled to meet the needs of a
development such as this. I think those were many of
the major factors.

The other ones were environmental screening
criteria. I want to emphasize -- and you might not
realize this, although it's all in the judge's order --
that this plant will have the lowest emissions of any
power plant in Florida, any power plant that you have
certified or that is operating in Florida.

The impacts of the air emissions that it will have
have been closely studied, including the impacts on the

ACCURATE STENOTYPE REPORTERS, INC.
Loxahatchee National Wildlife Refuge. And as the judge found, there was no basis to find any adverse impacts from the air emissions. They are really very low.

GOVERNOR BUSH: What about the question that was brought up about noticing, that the residents, the nearest residents were not given the chance to attend any of the hearings in the Loxahatchee area?

MR. CUNNINGHAM: Based on anything I know, that wouldn't be so. All the required notices were given. The judge made explicit findings on this as well. So all of the legal notices were clearly made in this case.

GOVERNOR BUSH: What does the law require as it relates to noticing?

MR. CUNNINGHAM: It requires publication of public notice, in this case in the Palm Beach Post, and a half-page ad three different times during this process, including first when the application was filed, second when the land use hearing was coming up. And I'd remind you, you all actually voted on this unanimously, to determine that the use of this site was consistent and in compliance with the land use plans and zoning ordinances of Palm Beach County back in November of last year.

That was noticed, and then the certification
hearing was noticed again in a half-page ad in the Palm 
Beach Post. There were other notices as well, but 
those were the large ones that appeared in the papers. 

MS. CASTILLE: Ms. Waite would like to make a 
response on that?

GOVERNOR BUSH: Yeah. Please come up to the 
microphone.

MS. WAITE: Thank you, honey, so much. I want to 
tell you --

GOVERNOR BUSH: Did you just call me honey?

MS. WAITE: Yes. I appreciate -- listen, I 
appreciate your work.

GOVERNOR BUSH: Well, sweetie.

MS. WAITE: Listen, I wouldn't envy your position 
for all the money in this country, I've got to tell 
you. I wanted to just respond to one thing. Do you 
know where those notices were? One was in the obits. 
You want to look in the obituaries, look for the FPL 
notice. The other one was in the sports page, and 
everybody knows not everybody is a sports fan. Now, 
who would look in sports or the obituaries unless 
you're looking for your own name in there?

GOVERNOR BUSH: You know, the only place that I 
wouldn't read that paper is the editorial page. The 
sports page, heck, yeah. They've got a fine sports --

ACCURATE STENO TYPE REPORTERS, INC.
MS. WAITE: I figure, if I wake up in the morning and I'm not being poisoned or somebody else isn't after my land, because in the acreage we have nearly two acres --

GOVERNOR BUSH: But is there no other notice provisions, like a zoning hearing where you're noticed by putting --

MS. WAITE: They make it really difficult to follow that stuff. It's not online.

GOVERNOR BUSH: I want to make sure that the procedures that -- apart from paying the Palm Beach Post for advertising, there are other means to communicate with residents. And were those complied with?

MS. WAITE: I don't have a computer.

GOVERNOR BUSH: Hang on a second. I'm going to ask Colleen now.

MS. CASTILLE: We have no requirements or the company has no requirements to notify people next door, to write letters. In some cases where our rules --

GOVERNOR BUSH: In some part of the process -- I'm not talking about this part of the process. I'm talking about -- because clearly the word got out for here.

MS. CASTILLE: There are three noticing
requirements; the newspaper, a couple of -- several times in the newspaper, two or three times. I'm not sure.

GOVERNOR BUSH: The land use process doesn't require --

MS. CASTILLE: The land use does not -- no letters are required to be sent to the existing -- to the adjacent landowners in this process. But there is also an FAW notice, and it was also on the DEP Internet.

ATTORNEY GENERAL CRIST: Everybody goes there every day.

MS. CASTILLE: I know. That was actually my response.

MS. WAITE: There was one other way, and I had forgotten about that momentarily. But it was said that there were notices also in the public libraries, which were not there. One of our friends went and circulated himself to every library in our area, never to be found, those notices. Oh, and the other thing, the speaker before me, before Mr. -- the attorney for Hopping, Sams & Green, that gentleman. I don't recall his name right now.

MS. CASTILLE: Peter Cunningham?

MS. WAITE: Yes. He forgot to mention that -- gosh, how do I say this? I'm trying to be very
delicate. Thank you. That's the word. FPL, Henry Dean and Enrique Tomeu gave them money. Now, it doesn't shock me a lot that they didn't come out with any response.

GOVERNOR BUSH: We're not here to cast aspersions on a fine environmental organization. Treasurer?

MS. CASTILLE: Could I have Mr. Cunningham respond on the notice requirements in more detail?

CFO GALLAGHER: They only require notices when certain things are going to happen, and none of them are letters to people, like local zoning changes have, and that may be something that should be changed, but it's not certainly something we could do on this particular application.

MR. CUNNINGHAM: And that is correct. But I did want to mention -- and the judge made a finding on this point. It's finding number seven on page eleven, that FPL undertook an extensive public outreach program in connection with this project, which they certainly did. And the goal was to provide information about the project. They had meetings with numerous homeowners associations, including those in this area that some of these residents live in, provided presentations, provided information and had a Web site about the project as well.
GOVERNOR BUSH: Does anybody else have a question? I have another question, which relates to, where to from here? What is the next part of this journey as it relates to permits? There was no mention of -- are there any other additional permits, the gas line permit, the -- there was another -- someone else mentioned another permit that's required.

MR. CUNNINGHAM: There are two other permitting processes that --

GOVERNOR BUSH: The injection well.

MR. CUNNINGHAM: -- that FPL has to complete. One is the injection well permit. They had received an exploratory permit for an exploratory well. That will then have to turn into -- FPL will have to apply for and obtain a test well permit, and assuming that all tests out, they will apply for an operating permit for the underground injection control --

GOVERNOR BUSH: And then the siting for the gas line?

MR. CUNNINGHAM: The siting for the gas line is being pursued by Gulfstream Pipeline separate from this, but they have to go through both a federal process before the Federal Energy Regulatory Commission and a series of state and local permitting processes.

GOVERNOR BUSH: And is this the normal sequence of
events for siting the power plant? Is it done
typically in advance of the securing of these
additional permits?

MR. CUNNINGHAM: Yes, it is.

GOVERNOR BUSH: Okay. Any other questions?

Colleen?

MS. CASTILLE: Governor, members of the Cabinet,
this is -- as you know, DEP looks at -- has been
looking at global warming overall and energy
overall based on our actions. We have two speakers
whose names we did not get on the list yesterday.

GOVERNOR BUSH: All right. Very, very briefly.

If you've got something new to say, it will be most
interesting, I'm sure.

MS. CASTILLE: Jason Misner and Ms. Keany.

MR. MISNER: Hello. Thank you for allowing me the
opportunity to speak. My name is Jason Misner. You
might remember my name from some work I did with
University of Central Florida, with an operation called
Project Darfur, a human rights advocate for stopping
the genocide in Darfur in Africa.

I'm here today to talk a little bit about our
future. It's important to consider the long-term
effects of any new energy production center. With our
current energy crisis, granting approval to
nonrenewable and unsustainable methods of providing energy will have a far-reaching and devastating effect on future generations.

With recent developments in solar photovoltaic technology, solar production has never been more viable fiscally and environmentally than they are today. I'd also like to mention that there is currently a zero emissions power plant by JEA. It is a solar parabolic generator. It has zero emissions.

That being said, you have the opportunity to set new precedence for the state of Florida and leave a legacy of children come first, and I urge you strongly to do that, and I know that you have done that in the past, to put children first, and I know you are a great person for doing those things.

GOVERNOR BUSH: Thank you, sir.

MR. MISNER: I appreciate everything the board has done.

GOVERNOR BUSH: Thank you for coming up. We have one more speaker? Good morning.

MS. KEANY: Good morning, Governor Bush. Good morning, Future Governor Crist. My name is Yasmin Keany, and I am a life-long resident of Florida. I'm here today to implore you to please avoid a hasty decision in regard to the proposed Florida Power &

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Light plant. I have been living with asthma for seven years, and it is a condition which has severely hampered my quality of life. Merely the thought of another 3,500-plus ton set of emissions, carcinogenic emissions, makes my bronchials quiver in trepidation.

I would like to point out that as signatories to the 1992 Rio Declaration, the U.S. has a legal obligation to enact sustainable development practices. A natural gas power plant is hardly the best available technology. Solar photovoltaic technology is both economically viable and fiscally conservative and, quite frankly, a compassionate and logical alternative to polluting natural gas.

Also, I understand that the certification process was sped up in regards to this proposed power plant, and I would like to know if anyone can speak to that, if that's possible. And thank you so much for allowing me to speak, and it's a pleasure to be here, my first time ever. Thank you.

GOVERNOR BUSH: Appreciate you being here. Okay.

MS. CASTILLE: To speak to Ms. Keany's question, the process actually was longer than the typical power plant siting process, which is about 14 months. This one took 20 months.

GOVERNOR BUSH: All right. Any other discussion?
MS. CASTILLE: Some of the questions, there was a
question about the usage of the water here. Governor,
as you know through your efforts in the Everglades, one
of the issues that we have in the Everglades is too
much water. We're still trying to accommodate four and
a half million -- or four million gallons of -- four
million acre feet of water in only two million acre
feet left in the Everglades.

And so water and where to put it has been one of
our biggest issues. Except, as always anywhere in
Florida, the drought is a time when we have a problem
with water. And in this case the consumptive use
permit requires that surface water from the canals
cannot be used during the drought period, that water
from the Floridan Aquifer that needs to generally be
highly treated for drinking water, if it's going to be
used for drinking water, will be used during drought
periods.

ATTORNEY GENERAL CRIST: Governor.

GOVERNOR BUSH: Okay. Yes, General.

ATTORNEY GENERAL CRIST: Secretary, I've got a
letter here from, well, I guess two current members of
Congress and one soon-to-be member of Congress. And
just talking about the time line issue that you just
spoke of, they include in their letter, "We are
genuinely concerned that shortening the time line has
disenfranchised our constituents by limiting their
opportunity to comment on a major energy project in
Palm Beach County with significant environmental
implications." Do you think they're wrong?

MS. CASTILLE: I believe that this process has
taken longer. Now, we have -- in accordance with the
new laws on power plant siting, we have shortened the
process for power plant siting. However, this power
plant was prior to that change, and therefore it has
been -- it has taken more than the typical time frame.
Fourteen months is the typical time frame for power
plant siting. This has taken 20 months.

GOVERNOR BUSH: All right.

MR. TSOLKAS: Can I offer a rebuttal to that, to
clarify?

GOVERNOR BUSH: Real brief, real brief.

MR. TSOLKAS: On April 21st there was -- it's on
paper and I can get it to you. It's not in my hand
right now, but it's in the public record in DEP's
office. April 21st there was a document saying that
this process was scheduled to have the final
certification in February. And then a few months later
it was re-released that the schedule was intended to
come out in November.
That was a four-month leap that people that had been following this process all of a sudden were looking at this cramped time period. I just think it's not fair to look at -- it's disingenuous to say that it wasn't sped up, because it was communicated to members of the public that this certification hearing wasn't expected until February, and this is a good bit earlier than February to be in the final certification, especially given the fact there's two existing permits not dealt with yet.

GOVERNOR BUSH: All right. Is there a motion? First of all, are there any other questions or comments? Is there a motion?

CFO GALLAGHER: Our responsibility is to take the hearing officer's recommendations, and unless we find that there's something in his finding that is not true or wrong, we have the obligation to approve it. And not finding anything there, I'll move that we approve Item 1.

COMMISSIONER BRONSON: I'll second.

GOVERNOR BUSH: There's a motion and a second. Any discussion? All in favor say aye. Aye.

CFO GALLAGHER: Aye.

ATTORNEY GENERAL CRIST: Aye.

COMMISSIONER BRONSON: Aye.
GOVERNOR BUSH: All opposed?
(No response)
GOVERNOR BUSH: The ayes have it.
MS. CASTILLE: Thank you, Governor, members of the Cabinet.
GOVERNOR BUSH: Thank you all very much.
GOVERNOR BUSH: Board of Trustees.

MS. CASTILLE: Board of Trustees, Item 1, Sarasota Yacht Club. This is an application to modify a five-year sovereignty submerged land lease for an existing private yacht club docking facility, to increase the preempted area from 244,137 square feet to 285,264 square feet.

CFO GALLAGHER: Motion on 1.

COMMISSIONER BRONSON: Second.

GOVERNOR BUSH: There's a motion and a second. Any discussion? Without objection the motion passes.

MS. CASTILLE: Item 2, SID Clearwater Marina, LLC. This is an application for a five-year sovereignty submerged land lease for a private residential multi-slip docking facility containing 49,903 square feet. The applicant is in Pinellas County, is requesting a lease to convert a 17-slip commercial marina to a 17-slip private residential multi-slip docking facility to be used in conjunction with an upland 133-unit condominium and town home development.

CFO GALLAGHER: Motion on 2.

COMMISSIONER BRONSON: Second.

GOVERNOR BUSH: There's a motion and a second. Without objection the item passes.

MS. CASTILLE: Item 3 is Mariner Cay Property
Owners' Association. This is an application for a
ten-year sovereignty submerged land lease to increase
preempted area from 60,117 square feet to 79,895 square
feet for an existing commercial marina in Martin
County.

CFO GALLAGHER: Motion on 3.
ATTORNEY GENERAL CRIST: Second.
GOVERNOR BUSH: There's a motion and a second.

Without objection the item passes. That's in beautiful
Stuart, Florida, by the way.

MS. CASTILLE: Item 5.
CFO GALLAGHER: Item 4.
GOVERNOR BUSH: Item 4, because I just approved 3.
At least I thought I was --

MS. CASTILLE: This is JIB Yacht Club and Marina
Condominium Association, Inc., an application for a
modification of an existing ten-year sovereignty
submerged land lease to request a change of use from
commercial to private cooperative yacht club, to remove
special lease condition 31d regarding the 90 percent
open to the public requirement, to reduce the current
lease area from 42,055 square feet to 37,590 square
feet and to reduce the term to five years.
CFO GALLAGHER: Motion on 4.
ATTORNEY GENERAL CRIST: Second.
GOVERNOR BUSH: There's a motion and a second.

What was the -- what did we get in return for the public interest?

MS. CASTILLE: For the public interest? I am moving so quickly --

GOVERNOR BUSH: Refresh my memory because everything you described there sounded like it inured to the benefit of the --

CFO GALLAGHER: Jonathan Dickinson State Park is going to have 85,000 --

MS. CASTILLE: Yes. Thank you. Jonathan Dickinson State Park is going to have a --

GOVERNOR BUSH: We got cash, is that what you're saying?

MS. CASTILLE: We got cash to help public access in Jonathan Dickinson State Park.

GOVERNOR BUSH: There's a motion and a second. Without objection the item passes. Thank you. Yet another property near your district.

MS. CASTILLE: Item 5, Destin Beach, Inc. This is an application for a five-year standard term sovereignty submerged land lease containing 34,025 square feet for a proposed commercial cargo loading and off-loading facility associated with an upland revenue generating cargo operation.
The applicant, Destin Beach in St. Lucie County, is requiring authorization to operate a commercial cargo facility with a temporary mooring for loading and off-loading cargo, consisting mainly of rocks and other aggregate material. There are three existing mooring dolphins within the proposed lease area and a sheetpile bulkhead that runs along 150 feet of shoreline.

An engineering study found the structures to be old and in need of minor repairs. However, they are structurally sound for the intended purpose. The project does not propose any new structures. The applicant has identified vessels with an average length of 225 feet, 36-foot beam and 18-foot draft to transport cargo from the Bahamas and other Caribbean islands, mainly aragonite. Tugboats will be required to maneuver the vessels.

Governor, members of the Cabinet, Mr. Gallagher, you may remember that about ten years ago there was a request to create a port in Fort Pierce and to dredge this area. It was very controversial, but it was ultimately approved for a port in this area.

A port master plan was adopted and included in the comprehensive master plan for St. Lucie. The issue that we have in this area is that the area around, immediately adjacent to the port is within the
jurisdiction of the City of Fort Pierce. And the comprehensive plan was adopted by the County of St. Lucie.

What we have done here, what we have done is to evaluate three documents.

GOVERNOR BUSH: Are we going to change the picture here? Thank you.

MS. CASTILLE: What we have done is -- this is just for viewing purposes. We have evaluated three documents. Under the Trustees' Rule 1821, there is a requirement for the project not to be contrary to the public interest, that the lease contain conditions to protect the sovereignty submerged land and that the use must be water dependent.

Additionally, there shall be no significant impacts to the environment and no adverse fish and wildlife impacts as well. And it should meet general consent conditions for lease, that they need to take care of the property, that they need to make sure that they control pollution, et cetera, et cetera.

There are two other issues that we generally look at when we bring a project before you. One is the comprehensive plan and if that's consistent with what the applicant is planning to do. And in this case we have a port and whether it's consistent with the port
The County has adopted a plan, and the port master plan says two things, that in berth one there is flexibility for marine industries and industrial usage. On berth one -- on berth four it says that there shall -- or all the other berths, it says there shall be gentrification of usage, meaning a change from industrial to more recreational.

GOVERNOR BUSH: Gentrification, is that a legal word?

MS. CASTILLE: That is the word that is used. That is the word that is used in the -- and so the County has adopted that plan. The City of Fort Pierce was in the process of adopting the very same port master plan. They adopted it in 2006, and they forwarded it to DCA.

Unfortunately, they are also in the middle of their evaluation and appraisal reports, and DCA has a tendency to not look at any applications for amendments until the evaluation and appraisal reports are completed. And so DCA sent it back without review.

So what you have before you is a city and a county who has determined a change in use that they would like to accomplish through their appropriate planning measures, and you have a rule that essentially
establishes whether there will be environmental impacts.

We have found that there will be limited or no environmental impacts. And, therefore, we propose to you that the conditions on this lease should be that the applicant must receive local comprehensive plan approval and/or ordinances that are required by the local governments in order to proceed with their proposal.

GOVERNOR BUSH: Repeat that again now.

MS. CASTILLE: We are proposing that there are no environmental impacts on this because it was -- the environmental impacts actually occurred when we built the port, and that was a decision that was made. So it's adjacent to an inlet. It has the appropriate -- it needs to have some dredging in the area, and then it has to -- and then essentially what we're requiring is a special condition that the local governments must approve the applicant -- I mean, not must approve, but before they can start using the lease, local approvals must be gotten, received.

GOVERNOR BUSH: That sounds like what I would refer to, to use a football analogy, as a punt. But we'll see. We'll have a conversation with --

COMMISSIONER BRONSON: Governor, I kind of hate to
hear that term, too, because it's not only a punt. I
think it's been blocked already. Obviously, from what
I could see in this, and while the County and the City
are working very hard to get a master plan that looks
exceptional, in my opinion, that property at this time
that we're talking about adjacent to those facilities
is owned by a private landowner who is trying to
legally use their property for legal purposes without
creating environmental or any other impacts.

And in my opinion, until such time the County and
City make a deal for the land or whatever they're going
to do so that they can make their comprehensive plan,
to me it seems, since you're not finding any
environmental impacts -- holding this private citizen
up from legally using their property is against my
better judgment to go with that, simply because until
we can show otherwise, he should be able to use his
property until that master plan is put into play and
is bought.

GOVERNOR BUSH: He can use his property. He just
can't use ours. That's the question at hand here.

COMMISSIONER BRONSON: But my understanding was
that the facility was --

GOVERNOR BUSH: "Ours" the people, not "ours" like
ours personally.
COMMISSIONER BRONSON: My understanding was the
facility and the use of that property for what that
person wants to use it for is within our side of
approval, potential approval, because he's not going to
have major negative impact.

GOVERNOR BUSH: I've got a sneaking suspicion we
have a few people that want to speak, and we may have a
diverse range of opinions from them and from the
Cabinet itself. And I've got to go to Pensacola for
the opening of the I-10 bridge, which is one of the
highlights of my tenure as governor, to see that bridge
open up after Hurricane Ivan.

CFO GALLAGHER: Well, you were here when it went
down.

GOVERNOR BUSH: So if you can be respectful of the
time, because I've got -- I know we've got a few
speakers.

MS. CASTILLE: Yes, sir. We have a recommendation
for limiting time.

GOVERNOR BUSH: Plus we've got some guys on the
third row that I've not seen what that sign says. If
you guys could just stand up. All right. That's what
I thought it said. I just hadn't seen it. You've been
patiently holding it up. Okay. You can sit down now.
Thank you. We have some speakers?
MS. CASTILLE: We do, sir. And I recommend time
limitations.

GOVERNOR BUSH: Please.

MS. CASTILLE: I'd like ten minutes per side for
the advocates and ten minutes for the applicant and
then --

GOVERNOR BUSH: Okay. How many speakers do we
have for the advocates?

MS. CASTILLE: We have actual representatives of
the advocates and then we also have citizens who are
here.

GOVERNOR BUSH: So are you talking about ten
minutes for people who are supportive, ten minutes for
people who are opposed? Does everybody understand
that? Ten-minute rule? All right. Let's do it.

MS. CASTILLE: All right. Larry Sellers.

MR. SELLERS: Thank you, Governor. Thank you,
Cabinet.

GOVERNOR BUSH: If you'd move the mike up a little
bit.

MR. SELLERS: Yes, sir. Thank you. My name is
Larry Sellers. I'm an attorney with the Holland &
Knight law firm, here on behalf of the applicant,
Destin Beach. I will make some remarks, and then for
purposes of our presentation, we will also have

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remarks, brief remarks from the applicant's engineer, from the applicant's biologist, and then we'll also hear from some citizens who support the project and live in the affected area.

GOVERNOR BUSH: All in ten minutes.

MR. SELLERS: Yes, sir. The requested lease, as you've heard, would authorize the use of existing moorings at berth four for limited cargo operations. Mark, you want to show them where berth four is? Berth four is one of four berths on 67 acres owned by the applicant Destin Beach on the Indian River in the City of Fort Pierce.

The property is immediately adjacent to the existing container operations to the south. In other words, there are existing cargo or container operations already there. To the north is Taylor Creek. The County has been dredging Taylor Creek. And in fact you'll see on our site that the applicant has allowed the County to place some spoil from that dredging on our site, and it has not yet been removed.

The property is part of an area that has historically been used as a cargo port for many years. And particularly it appears that berth four was used for much of the last 40 years for cargo operations. The water at berth four is relatively deep. It could
easily accommodate the proposed barges.

The secretary suggested that some dredging might be necessary. We're here to tell you that we do not propose any dredging at this facility. An existing rail spur comes right up to berth four, so there is convenient rail access.

As to the cargo operations themselves, the barges will bring in aggregate materials, such as rock from the Bahamas. You see the kind of rock that would be brought in. It's washed before it's brought in so it doesn't present any kind of environmental issue.

Only one barge will come in at a time. It's usually off-loaded in five or six hours and then departs. Only about three barges a week will come in.

As your staff has indicated to you, the application meets the requirements for the granting of a lease. The Department has conducted a comprehensive site survey on a couple of occasions at least and reviewed the application carefully and determined that the lease should be granted.

In particular, as the Secretary said, the project will have no significant environmental impacts. We'll have a few remarks from our environmental consultant to address those, Mr. Mark Youmans. The staff also considered and reviewed questions about the integrity
and the functionality of the existing moorings and
bulkheads.

They're a little bit older, so they look like
things look that have been out in the environment for a
while. But the engineer and a detailed engineering
report show that these structures are all functional
and sound. They may not look pretty, but they work
very well.

In addition, it is clear that a proposed lease is
not contrary to the public interest. In fact, the
granting of the lease is in the public interest. It
will provide needed jobs in this area, needed building
materials as well as needed port capacity with rail
access.

In the time that we have left, you will hear from
some of the local citizens who work in this area, live
in this area who support the project for the jobs and
opportunities it will create.

Most of what you will hear today from the
opponents concerns compliance with local requirements;
in particular, whether the project complies with the
port master plan. But, frankly, there is no need for
you folks to consider these local issues. No state --
no statute or rule requires you to consider these in
determining whether to grant a lease. And I would

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suggest to you that historically you do not do that. But in any event the applicant well understands that it must comply with applicable local requirements. But if the Trustees would like to hear about some of the local issues, we would like for you to consider four points regarding the master plan.

First, as indicated by the Secretary, this port master plan, while it was adopted by the County, is not currently in the City's comprehensive plan. The project is in the City of Fort Pierce. It is subject to the City's comprehensive plan. The City has not adopted this in its comprehensive plan and it doesn't look like it will be able to do so in the immediate future. So the port master plan legally is not applicable to the project.

If and when the City does properly amend its comprehensive plan to adopt a port master plan, then the City will be able to apply this, just like any other parts of its comprehensive plan, to applications for local approval that are filed after that date.

Secondly, the port master plan does in fact provide a mix of uses, including industrial, commercial, residential and recreational uses. Third, the applicant well understands that it must comply with all the local requirements and set about trying to do
so.

In particular it asked the City to identify what local approvals would be required for this operation at berth four and what particular provisions of the code, local code apply. Unfortunately, the City has not responded to that request.

Finally, the applicant also followed up on the County and the City's request that the applicant consider moving the cargo operations from berth four to berth one. You will note that this item has been deferred twice. And that is so the applicant can review and try to obtain from the City the approvals that would be required or some indication that the approvals would be granted if in fact the operations were moved to berth one.

The County came and at the aides' meetings both times indicated that the County at that time was opposed to operations at berth four but was not opposed to them at berth one. So we spent some time trying to get that done.

Before this was scheduled to be considered at the November meeting, the City indicated to us, if we would defer the item, they would have it considered by the City Council on November the 20th. So we deferred it until today, December the 19th, so it could be
considered by the City.

Unfortunately, the City did not act on the application, hasn't acted on the application. And when the City and County did recently discuss the application for berth one, it would not allow the applicant to answer questions from other commissioners about the application. So to date we have no -- no application for berth one has been approved, so we're back before you today for berth four.

In summary, the staff has carefully reviewed the application and determined that it complies with your applicable rules. We, therefore, ask that the Trustees approve the application and issue the lease. I'll be happy to answer questions. We also have folks --

GOVERNOR BUSH: Let's get the rest of your speakers in so we can comply with the ten-minute rule.

MR. SELLERS: Yes, sir. The next speaker will be Brian Root, a marine engineer, who can talk about the integrity of the structure.

GOVERNOR BUSH: The ten-minute rule still applies.

MR. ROOT: Good morning, Governor and Cabinet. My name is Brian Root. I'm an ocean and marine engineer with CSM Engineers, and I have 15 years' experience in the marine engineering and construction field. CSM was hired to conduct the inspections and engineering for
the mooring dolphins and bulkhead at berth four facility.

Upon the inspection, investigation and evaluations, CSM has determined that the three mooring dolphins and steel bulkhead are not in imminent danger of failure but in fact can perform within their allowable structural geotechnical capabilities and performance for many years to come.

Each complete mooring dolphin is structurally competent and viable to be able to easily withstand both full berthing, engineering and line loads applied by the barge and tug vessels berthing at this facility. The steel bulkhead allows enough cross-sectional area, thus thickness and penetration depth to withstand earth pressure that is being acted upon it without any bending of the bulkhead.

The steel for the pump house and the bulkhead have no cracks, holes or missing sections to compromise the structural integrity.

CSM Engineers' suggested repairs are to optimize these structures' performance but are not necessary to make the structures functional. The shoreline and bulkhead soils are stable and competent. And there are no major soil erosion or subsidence concerns.

In conclusion, based upon my 15 years' experience
and the evaluation report, the appearance of both
structures are consistent with other similar marine
industry facilities with this many years of existence
and still can provide berthing operations many years to
come.

GOVERNOR BUSH: Thank you, sir.

MR. ROOT: Thank you.

GOVERNOR BUSH: Who else is speaking? We're
getting near the ten-minute rule. I feel it.

MR. YOUMANS: Good morning, Governor. My name is
Mark Youmans. I'm a biologist for Jerner & Associates,
hired by the applicant. Very quickly, I'd like to kind
of do a preemptive strike against concerns coming up.

GOVERNOR BUSH: There's no critters on the
property, right?

MR. YOUMANS: There's no seagrasses in berth four.
The nearest seagrass is at 390 feet to the north on the
County property. They're in two feet of water. There
is no basic water quality concerns of any consequence
coming from a barge operation at this port. The barges
do not have props like has been said. There's a
ten-foot draft -- excuse me. There's a ten-foot
clearance between the bottom of the barges and the
bottom of the basin in that area; therefore, no
turbidity, and they're moving too slow to have a wake.
And the ballast water concerns, there's concerns of exotic species being introduced into the Indian River from barges discharging ballast water. That's illegal. There is a U.S. Coast Card station right there monitoring all of this. If ballast water was to occur because of a hull breach, it's local water from the Bahamas. They share the same species that we do. There can't be any introduction of new species because there are no species over there that aren't already here. I'm here to answer any questions afterwards if you need. Thank you.

GOVERNOR BUSH: Okay. We're running out of -- we're on the yellow.

MR. SELLERS: We have some citizens who support the application. I'd be happy for you to hear from representatives of the local stevedores' union. Although they say our time is up.

GOVERNOR BUSH: Please.

MR. SELLERS: Mr. Matthews, do you want to come up?

MR. MATTHEWS: Good morning.

GOVERNOR BUSH: Very briefly, if you could.

MR. MATTHEWS: Governor, staff, members of the Cabinet, I live in Fort Pierce, but generally we work in Cape Canaveral, so that's like 89-mile travel one
way every morning. And there's a desperate need for us
to continue to work at the port of Fort Pierce to relax
some of our elderly gentlemen that work on the docks.
That's brief enough. Thank you.

GOVERNOR BUSH: Thank you for coming up, sir.

MR. SELLERS: And lastly, Mr. Newberry.

MR. NEWBERRY: My name is Gerald Newberry. I
represent the Port Canaveral stevedores, Fort Pierce
stevedores. I've been working around the port for 25
years. And in the last 18 years we started off with
like 18 ships, and then we seen them drop down from 18
to 15 to five to zero now.

Many of our workers work around the port in the
local area. We need 750 employees in the four-county
area that I work. Five hundred of those are from Fort
Pierce.

Fort Pierce is the most unique place on the east
coast, where the railroad, airport and train station is
all five minutes apart. Thank you.

GOVERNOR BUSH: Thank you, sir. Thanks for being
here.

MR. SELLERS: Governor, I see that you graciously
allowed us to exceed our time. I would just ask that
the folks that are here to support it stand up, and
that will conclude our presentation.
GOVERNOR BUSH: Would you like to speak?

MR. SELLERS: He had a letter he was going to read. We'll be happy --

GOVERNOR BUSH: If you feel compelled to speak.

MR. BLACK: Good afternoon, Governor, members of the Cabinet. I'm Ransford Black with the International Longshoremen 1359 out of Fort Pierce. I've got a letter here from a prominent citizen, Baker Management Service Incorporation, Dixon Harvest (phonetic). He's not available to attend. He said, "To whom it may concern, due to family illness that prevents me from attending in person, I'm submitting the following letter to express my support for the submerged land lease for Destin Beach Incorporation.

"I am a life-long resident of Fort Pierce and I have been in business for over 30 years in the citrus industry. I have seen many changes throughout the citrus industry, many of them very recent due to hurricane damage and the growing demand for housing development on the Treasure Coast.

"Because of this, the industry has become less stable than in my early years in business and has sent me looking for other opportunities. This brings me to the point of this letter, to have had the pleasure of working with Destin Beach Incorporation on several
occasions and have seen tremendous opportunities to expand my business with them on future projects. I have many employees that have been with me from the beginning, and I feel that I have an obligation to them to provide -- to provide a means of income for their families.

"The opportunities I see with the submerged land lease will bring about a way for my company to diversify itself and thus keep these hard-working people gainfully employed.

"In closing I would like to reiterate that I am in full support of the submerged land lease for Destin Beach Incorporation. From what I can see, it will have a very positive influence on the economy of the city."

Thank you.

GOVERNOR BUSH: Thank you, sir.

MR. SELLERS: Thank you, Governor. Appreciate your indulgence.

GOVERNOR BUSH: If you guys could be ready to answer a few questions once the other folks have a chance to speak.

MS. CASTILLE: Mr. Terry Lewis, and he's going to call up members representing the opposition.

GOVERNOR BUSH: All right.

MS. CASTILLE: Including Representative Gayle
Harrell and the mayor.

GOVERNOR BUSH: Ten minutes. I don't know why that's hard, but it seems to be just impossible. All right, Gayle. Ten minutes.

MS. HARRELL: Ten minutes, yes, sir.

GOVERNOR BUSH: Everybody speaking -- let's just put it in perspective. If everybody that has got a notepad is going to speak, that means that you're going to have to speak for about 45 minutes.

MS. HARRELL: You're taking my ten minutes.

GOVERNOR BUSH: So if you take three minutes, you're taking away from somebody else.

MS. HARRELL: I am Representative Gayle Harrell. I am incoming chairman of the St. Lucie County delegation. And I am here today in opposition to this submerged land lease. I and, as you can see, many people from our community are absolutely opposed to this. We have developed a vision on the Treasure Coast of becoming the research education coast. And I can tell you the expansion of port -- of cargo in the port does not meet that vision. It is not part of the unified vision that has really been developed over the last ten years, not just for the City of Fort Pierce or not just for St. Lucie County but for the entire Treasure Coast.
This is the first time that you have the City of Fort Pierce, the City of Port St. Lucie and St. Lucie County and delegation all agreeing on one thing.

GOVERNOR BUSH: That is the first time I'm aware of.

MS. HARRELL: And we will ask, please, do not, do not give this lease.

MR. LEWIS: Mayor Bob Benton, and he's speaking also for City Councilperson Christine Coke.

MAYOR BENTON: Governor and Cabinet, thank you for having us here. I've got Commissioner Christine Coke and Commissioner Eddie Becht.

GOVERNOR BUSH: Good to see you guys with suits on.

MAYOR BENTON: Yes. Well, the electric is on again. I want to say that your decision today will affect our future. The City of Fort Pierce, like Port St. Lucie and like St. Lucie County, 15 elected officials agreeing for the first time probably in history, but they see what we're doing in Fort Pierce, our rebirth, and last year property values going up 47 percent, probably the highest of any city in the state of Florida. We're doing something right. Please let us continue that. Thank you.

GOVERNOR BUSH: Thank you.

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MR. RECOR: Good morning, Governor and Cabinet.

My name is David Recor. I'm the deputy city manager in Fort Pierce. The City and County stand here united before you today expressing our opposition to the proposed submerged land lease at berth four in the port.

In fact, Governor and Cabinet members, I can think of no other issue that has mobilized our community like this one. Fifteen locally elected officials in St. Lucie County, in addition to various citizens-based organizations, as well as leadership in the State House and the Senate.

When the City first testified in this matter in July we characterized the application as a moving target and that we'd not been provided plans depicting the proposed upland activity. The export of fruits and vegetables to the Bahamas changed over the months to the import of aggregate material from the Honduras.

Now that we've had an opportunity to review the applicant's upland activity in more detail, we have more questions than answers, more concerns than assurances. Sixty thousand tons of aggregate material a week, 5,000 trucks per week, five to six hundred trucks per day. That's one truck every minute to a minute and a half.
As one of Florida's oldest communities, the City has been challenged in rebuilding its aging infrastructure. And to that degree our local officials have committed tens of millions of dollars in infrastructure improvements as well as land acquisition in the port area. And we believe this application is not in the best -- in the public interest, is inconsistent with the criteria for approval, and accordingly ask that you deny the application this morning.

MR. SCHWERER: Governor, Members of the Cabinet, I'm Rob Schwerer, city attorney and litigation counsel for the City. I'm here to talk about three things. First, there are any number of reasons that you can deny this application outright as being contrary to the public interest. There are other speakers who are going to discuss that.

It is noncompliant with the port master plan. The port master plan governs all activities over this property because that is the port authority, which is the St. Lucie County Commission. It is binding. There are unresolved environmental issues. You'll hear from others on that. And there is an extreme and flagrant violation history on this property. The record is replete with that violation history. I have provided
your aides with that. It has been in the testimony before your aides on at least two or three prior occasions.

That is the reason for seven months that we have had a special condition of this lease in there and recommended by the Department of Environmental Protection, that is due solely to this applicant's extensive and flagrant violation history to assure that he will comply with all local zoning codes, all site plan approvals and get his permits that are required by the law. We're only asking that you -- if in the unlikely event you grant this lease, that you stand firm in providing that this will be a special lease condition so that we can assure that this applicant will follow the law.

We're only asking him to do what he's legally required to do anyway and get all of his local approvals, because I can assure you, the second you give him this lease, he will take it down to the shoreline and he will wave it in the face of the local officials and start operating just like he did two times this year, as so found by the special master, in violation of the City's own rules and the County's rules.

So I ask you and urgently request that you make

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that a special condition of this lease should you so
choose to grant it.

GOVERNOR BUSH: All right. Thank you. The
ten-minute rule, I think we're not complying with it.

MR. CRAFT: Governor, Cabinet members, my name is
Chris Craft. I'm the chairman of the Board of County
Commissioners and also the chairman of the port and
airport authority of St. Lucie County.

GOVERNOR BUSH: Welcome, Chairman.

MR. CRAFT: Thank you. My board unanimously would
like for this to be denied. And I would just like to
point out that in St. Lucie County we do things
different. We invite the public to participate in
every decision that we make. We bring them in, have
community visioning, what do we want to be when we grow
up. And we've decided as a community that we want to
be a marine and bioscience research community.

This, it flies in the face of everything that the
community has put together. You, yourself, Governor,
thank you for all your contributions to that and
Senator Pruitt for the leadership that he's provided
and Representative Harrell.

We're at a point now, we've identified where
limited cargo may continue to take place, where we
would like to see it --
GOVERNOR BUSH: Where is that?

MR. CRAFT: It's at berth one. It is identified in our port master plan. And we would like to see it move -- move the application from berth four to one, if they're willing. Thank you very much.

CFO GALLAGHER: Well, let me ask a question. If everybody wants to do that, why didn't you all in either the City or the County vote for that to happen? You had two chances.

MR. CRAFT: I'm sorry?

CFO GALLAGHER: Why didn't you make some kind of a vote for it to be at berth one and he wouldn't be here at four, he'd be applying for one?

MR. CRAFT: We -- I'm sorry. I didn't mean to interrupt. There was not a formal submission of the application. We sat down, I sat with Mr. Bell myself on a couple of different occasions to try and work out a plan that can work for berth one and basically help set a footprint for the entire port area.

And we were unable to do that because the rail spurs that were being put in for berth one severely impacted berth two. We've got to be able to have the plan to come together with expert planners that can show us how they can fit everything into the right locations.
CFO GALLAGHER: Just so you know where I'm looking at this, you have a fellow who owns the land. You all are willing to let him use his land but you tell him over at berth one. The rail spur heads out to four. Nobody can figure out how to get it to one so that you all are comfortable with it.

And my gut says let him have four until you figure out how he can move it to one. And then -- I like your master plan. I think it's wonderful. If y'all want to do that, has anybody -- somebody has got to buy his land to do that, unless he wants to develop it that way himself.

MR. LEWIS: To clarify this, sir, he was asked to make the application to move to berth one. All he submitted was a site plan that essentially used berth one and substantially impinged on everything that could be done at berth two. That was commented on, reviewed, and he was told exactly that by the County and the City. At that point the applicant chose to keep his application before you for berth four.

CFO GALLAGHER: Doesn't he own the land on berth one, two, three and four?

MR. LEWIS: He does indeed.

CFO GALLAGHER: So why should -- I mean, if it substantially affects berth two, that's his problem.
Why are you worried about it?

MR. LEWIS: He has to comply -- by the way, I might as well clarify this for Commissioner Bronson. The Growth Management Act in Florida empowers the County to adopt the port master plan. They did that and the Department of Community Affairs signed off on it. That's a done thing. There's nothing required further of that, except for the City to incorporate it into their plan.

But the fact of the matter is that that plan, if you will, element of the comprehensive plan has been in force for the past three years. Mr. Bell's application would have been prohibited three years ago if he had made it at berth four.

GOVERNOR BUSH: All right. Why don't we finish the -- thank you.

MR. CRAFT: I'm done. Thank you very much.

GOVERNOR BUSH: Thank you. We have a few more speakers, I know. At least say who you are if you're not going to speak.

MR. ANDERSON: Governor, members of the Cabinet, I'm Doug Anderson, county administrator, and I'm also the port director for the Port of Fort Pierce.

GOVERNOR BUSH: You are?

MR. ANDERSON: Yes, sir. Saves the County money.
I wear two hats. St. Lucie County, as was just said, we do have a port master plan approved by the DCA, and it is an element in our comprehensive plan. Last Tuesday, December 12th, the Board of County Commissioners, who sit as the port and airport authority, reaffirmed with a unanimous vote support of the port master plan.

There are six policies that speak to limited cargo operations at the port. The application before you today does not comply with this plan. We have provided each of the Cabinet aides copies of our adopted policies.

In summary, the Board of County Commissioners do not support the use of berths two, three or four for cargo operations, which would create limited jobs, and strongly opposes the berth four submerged land lease application.

The board has -- the board does support the Research Coast and the efforts of Florida Atlantic University, University of Florida, Torrey Pines, Indian River Community College, Harbor Branch, Florida State University and the Smithsonian Marine Station. Thank you.

GOVERNOR BUSH: Thank you.

MR. LEWIS: With your indulgence, Governor, I'll
conclude for the City and County. If I could ask you
to just simply focus on the photograph. That's the
bulkhead and the pilings that exist on that site right
at the moment. The bulkhead was put in in 1947, has
not been maintained since. The pilings are about 10 or
12 years younger that.

I have told the staff here my opinion. There are
at least three Trustees' rules that are on point. So
far as concrete spalling off into the water, so far as
there being exposed steel, that would allow this board
to deny the application simply because of environmental
impacts. But there are three extra rules in addition
to the local government policy that Mr. Anderson has
just outlined for you. And I'll stop at that.

GOVERNOR BUSH: All right. Thank you very much.

MS. CASTILLE: Governor, members of the Cabinet,
Mr. Lewis does not have all of the citizens on his
list. That is a separate list, and so I have two that
I would like to ask come up, Jeanne Hearn and Bill
Hearn, and then there are probably about five others.

GOVERNOR BUSH: Okay. I mean, very, very brief.
I was counting the ten minutes on the opposition and --

MS. HEARN: It's a pleasure to be here. I'm going
to waste that much of my time. I'm Jeanne Hearn. I've
been a resident of St. Lucie County for 55 years, and I

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have worked diligently. I'm the government relations
person for the St. Lucie Waterfront Council that
provided everything in writing that we represent.
Hopefully your aides have shared it with you.

I call to your attention the Honorable Senator
Pruitt's letter, who 100 percent is behind our efforts
to have this application denied. I am a property
rights person. We're talking about property rights of
67 acres versus an entire county. This impact of the
rest of the county is going to be tremendous, and we
ask that this be denied. Thank you.

GOVERNOR BUSH: Thank you very much.
MS. CASTILLE: Susie Caron.

MS. CARON: Good morning. Hope it's still
morning. Governor Bush and Cabinet members, first of
all, thank you for all you've done for the citizens of
Florida, and you're second to none. You have big shoes
to fill and we're expecting it. Thank you very much.

My name is Susie Caron, and I have been a resident
of Indian River County and St. Lucie County for the
past 27 years. St. Lucie County is a diamond in the
raw. Our nucleus includes but is not limited to the
world-renowned Harbor Branch, Indian River Community
College, Florida Atlantic University, as well as the
recent addition of Torrey Pines. The bar is raising at

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a rapid pace in St. Lucie County. It is our responsibility and pleasure to begin applying the polish to this diamond in the raw so that we may fulfill the vision and hard work of Senator Pruitt, our local officials, as well as the citizens of the tri-county area.

This application raises serious concerns of environmental impacts. And just for the record, if you get your fins, snorkel and mask on, I'll take you personally down there and show you some seagrass. Security issues and total disregard of our comp plan. This is a no-brainer. This application does not fit our carefully planned vision.

Please deny this application so that we may move forward with our vision to enhance our community to its fullest potential. Thank you so much for your time. And thank you for the bridge in Pensacola. My daughter is in her third year at their college, and it's a big help.

GOVERNOR BUSH: Thank you.

MS. CASTILLE: Governor, I have four more speakers.

GOVERNOR BUSH: I'm confused. We limited the conversation for people that were in favor of this. Now --
MR. HEARN: Governor, Board of Trustees, my name is Bill Hearn. I am the chairman of the St. Lucie County Planning and Zoning Commission and the local planning agency. I am here to tell you our community has spent the last 12 years diligently working to turn the beast around of cargo development in Fort Pierce. We have better plans. This application is not in the public interest. It hasn't been done in good faith, and it flies in the face of everything our community has worked for in the past 12 years. We do not want cargo expanded.

And I will tell you our environment, according to scientists who have spent the last 25 years studying the Indian River Lagoon, this application of cargo expansion will do extreme environmental damage to our lagoon, despite what your department and our department has said. Thank you very much.

CFO GALLAGHER: One quick question.

MR. HEARN: Yes, sir.

CFO GALLAGHER: Wouldn't doing the same thing at berth one have the exact same effect on the lagoon?

MR. HEARN: No, sir.

CFO GALLAGHER: And why is that?

MR. HEARN: Because it's back in a cove away from the main flow of water and --
GOVERNOR BUSH: We know where it is.

MR. HEARN: And we have stated in our port master plan that there can be limited cargo, so we can limit that cargo to the type of ships, the type of tugs and all of that kind of stuff that we have control over.

So, yes, it is different. Thank you.

GOVERNOR BUSH: All right. Is that it?

MS. CASTILLE: Bob Banger.

MR. BANGER: Good morning, members of the Cabinet, Governor. My name is Bob Banger, and I serve on the St. Lucie County Environmental Advisory Council. I'm not going to go over all the information that you already have in your packet.

GOVERNOR BUSH: Thank you.

MR. BANGER: There's just one thing I want to point out. The County, St. Lucie County held a referendum. One of the questions on that referendum is, how do you want to see your cargo -- or do you want to see your port developed? More cargo, mixed use or no cargo? Ninety-six percent of the people voted in that county, no additional cargo. Period. Thank you.

GOVERNOR BUSH: Thank you.

MS. CASTILLE: And the last speaker is Mary Chapman.

MS. CHAPMAN: Good morning. My name is Mary

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Chapman, for the record. I live in St. Lucie County.
I am chair of the Environmental Advisory Committee and
the Harbor Advisory Committee, which are two citizens
committees designed to provide input to the BOCC in
order to be able to make them able to make correct
judgments.

We have looked extensively at all aspects of this
application, urge you to deny it completely. The
environmental impacts would be incalculable. And you
all heard extensively from Jim Egan at Marine Resources
Council last week, and please heed his concerns and
those of our citizens. This is not a laughing matter.
Anything that might happen as a result of this would
have an impact forever on the Indian River Lagoon.
Thank you.

GOVERNOR BUSH: All right. Thank you very much
for being here. Thank you all. Now, Colleen.

MS. CASTILLE: Yes, sir.

GOVERNOR BUSH: In front of us is a recommendation
to approve this lease subject to special conditions,
which I assume means approval of -- from the local
government. And we've heard from the local government
that there ain't no way, no how. So, I mean, back to
the question of punting here for a second, what's the
point of making that kind of recommendation?

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MS. CASTILLE: Well, the point of making that recommendation is that the local governments have said to us that they -- we believe, they believe that government closest to the people should be making the decision in the planning and zoning. And --

GOVERNOR BUSH: Well, they've already made their decision, it sounds like to me. That's my point.

MS. CASTILLE: Well, they've made a decision of no on this particular issue. And we sat down. We tried to mediate a decision between the two. And we are making a recommendation that we believe is consistent with our rules but allows the City to go back and --

GOVERNOR BUSH: Let me ask a different question. The end result if we voted no on this -- I'm just trying to figure out how I'm going to vote. If I voted no on this, it would be the same as what you're proposing.

MS. CASTILLE: Not exactly. I think it puts the City and the County in the legal position of having to make a legal decision on property rights under the comprehensive plan.

CFO GALLAGHER: That's if we voted yes, not if we voted no.

MS. CASTILLE: You're right. I misunderstood. Okay. If you voted yes.
GOVERNOR BUSH: Okay. You confirmed my thoughts.

Any --

COMMISSIONER BRONSON: And this is one of the tough ones that I've had to deal with because I'm a very strong proponent of private property rights. I certainly understand the City and County's idea of pushing the port the way they would like to see it go, especially with the research groups that you talked about, which are all outstanding research organizations. I support every one of them. I think they do great work.

But it leaves this piece of private property at bay here. And to my knowledge, I keep hearing that he won't sell, and that may be true at this point. But there's no way to implement this plan yet that you're talking about, and I'm trying to figure out, can we give limited -- do a limited lease until such time that you can put this plan into play, so that the person has a right to use their property as long as there's no environmental and other impacts.

However, I think I just heard that the County is going to have to approve it anyway. Even if we voted yes, he's got to meet the County's obligations, which it doesn't sound like they're going to do. So it seems like no matter which way we do, if we voted yes, he's
still got to meet the County's plan, and if we vote no, then of course that means the leases won't be issued, and that's one chunk off of the County's proposed issue.

GOVERNOR BUSH: This is the applicant here. It requires three votes. You're aware of that.

CFO GALLAGHER: Let me ask a question here. Colleen, if in fact we did or didn't approve this and down the road berth one becomes the thing that everybody agrees on, it's got to come back for berth one for a lease? Is that -- I think that submerged water is also owned by the applicant. Am I right?

MR. SELLERS: The proposal that was submitted for berth one, we worked with the Department to pull back on and not have to come in for a sovereignty submerged land lease at berth one, if we could make that configuration work.

CFO GALLAGHER: And the reason is because who owns the submerged land?

MR. SELLERS: We were talking about basically pulling back with our own private property. To address other legal government concerns about berth two, if we weren't able to do that, we may have to come back for a lease. But we tried to submit an application to the City for berth one that would include not having to
come in for a lease because we would dredge on our uplands and not have to do anything on sovereignty submerged lands.

Governor, to answer your question about why go to the trouble of making the applicant apply for berth four, that application -- these folks, with all due respect, can't speak until they have an application for local approval for berth four.

We have a difference of opinion as to whether it should be approved under those conditions. We would ask for you to allow us to go through that local process and if we get the local approval, fine. If we do not, then we don't have the lease.

GOVERNOR BUSH: Well, I've got a sneaking suspicion this is going to be heading towards another branch of government. And I want to make sure that whatever we do we don't -- well, I know what I'm going to do, so it doesn't matter anymore.

MS. CASTILLE: He already has the approvals on berth one. So he has a -- there's a private submerged land lease. He has that lease and he has the uplands on berth one. We proposed to the City that he could, on a temporary basis, use berth one until they work out an agreement between the -- and the City did not want to go with that.
CFO GALLAGHER: Well, I look at it like this. The best way to get this thing moving and the right thing to do for the property owner would be to allow him to use four until he can work out a deal on using one. That way everybody comes to the table to get him over to one, because I don't see a -- there may be a good reason why the City and County want to change their port and everything else. And I like their plan. I think it's wonderful.

But this is privately owned land that they have a great plan for. And the whole community, everybody out there, all the other landowners have a great idea on what somebody ought to do with somebody else's land, which right now can be used as a port to unload things. So whether it's at one or four, I think that needs to get worked out. And, personally, I think it will get worked out a lot quicker if we say four is okay. Now go make it worth his while to put it over on one.

GOVERNOR BUSH: I thought we might have had a disagreement on this because this is -- we're not talking about upland property rights here. We're talking about sovereignty submerged lands, which are not the rights imbedded in this property. They're the State's -- citizens own it. I think that's the distinction.
Plus these guys can't go -- one of the things
thankfully you can't go do now is expropriate the guy's
property, whatever, use eminent domain to take it away
if he doesn't want to sell it. If there was any intent
of doing that in the old days, the people have spoken
on that and have protected the property rights, the
upland property rights in the constitution.

Anyway, is there a -- are we talked out here? Is
there a motion?

ATTORNEY GENERAL CRIST: I'll move that the item
be denied.

GOVERNOR BUSH: You'll move that the item be
denied? Why don't we do it the other way around? Why
don't we see if there's a motion to approve it and
then --

ATTORNEY GENERAL CRIST: Okay.

CFO GALLAGHER: And you can vote no on it.

GOVERNOR BUSH: Is there a motion? If there's no
motion, then --

CFO GALLAGHER: Well, to get it going, I'll make a
motion to approve the application.

GOVERNOR BUSH: Is there a second?

COMMISSIONER BRONSON: I'm going to have to second
it, based on what we've seen.

GOVERNOR BUSH: All right. All in favor say aye.
CFO GALLAGHER: Aye.

COMMISSIONER BRONSON: Aye.

GOVERNOR BUSH: All opposed?

ATTORNEY GENERAL CRIST: No.

GOVERNOR BUSH: No. Then it's denied. That's the first time that's ever happened. Chairman, thank you. Merry Christmas to you all. Item 6.

MS. CASTILLE: Governor, can I take less than two minutes on a quick presentation from Audubon Society?

MR. LEE: Governor, it has come to our attention that this is your last Cabinet meeting. And I couldn't get out of here without, on behalf of myself and on behalf of Audubon, stating a note of sincere personal thanks.

You know, if you look at a satellite photograph of Florida, you can see on the ground, whether it's the Everglades, whether it's Babcock Ranch, whether it's the Wekiva Basin --

GOVERNOR BUSH: Hopefully today.

MR. LEE: Hopefully today. You can see the result, Governor, of the things that you have done during your term to dramatically advance the protection of Florida's environment.

And to me, the thing that really resounds is when you can get that distant satellite photograph and you
can see it at that elevation. And you truly have--
you know, I've worked with Florida governors since
Governor Askew. And I think that the speed with which
the advancement of protecting the environment through
doing real things, through doing consensus things that
have worked and have made those decisions at that macro
level, where you can see the results from a satellite,
has advanced in your administration more than any
other.

And both on my own behalf as Charles Lee
environmentalist and on behalf of Audubon of Florida,
we wanted to thank you today for your essential
leadership role in getting those things done.

GOVERNOR BUSH: Thank you, Charles.

MR. LEE: And we have a presentation to you. You
see it coming.

MR. DRAPER: Governor, Eric Draper on behalf of
Audubon of Florida's board of directors, we would like
to present you with this plaque in recognition of your
service to the State of Florida and the outstanding
conservation leadership.

GOVERNOR BUSH: Thank you. Thank you, Charles.

(Applause)

GOVERNOR BUSH: That's beautiful. One of the
coolest things I got to do was to release that eagle.

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Okay. Thank you. Thank you, Charles and Eric and Audubon. Thank you very much.

MR. DRAPER: We have one more, quickly. Treasurer Gallagher, we appreciate, Audubon of Florida does, your long-standing service to the people of Florida on the Cabinet in your various positions. And we want to also recognize all that you've done for the state of Florida. I think you've been consistently one of the strongest environmental advocates, conservation advocates on the Cabinet. And we want to recognize you also. We gave the Governor the great egret. We've got the little blue egret for you. Thank you very much.

(Applause)

GOVERNOR BUSH: Colleen, Item 6.

MS. CASTILLE: Item 6, St. Joe Timberland Florida Forever Project, 2,843 acres at Lake Wimico. And the purchase price is $5,011,288.

GOVERNOR BUSH: Is there a motion?

ATTORNEY GENERAL CRIST: Motion.

COMMISSIONER BRONSON: Second.

GOVERNOR BUSH: There's a motion and a second. Any discussion? Without objection the item passes.

MS. CASTILLE: Item 7 is Yellow River Ravines, consideration of an agreement for sale and purchase, 11,257 acres within the Yellow River Ravines Florida...
Forever Project from the Nature Conservancy.

CFO GALLAGHER: Motion on 7.

ATTORNEY GENERAL CRIST: Second.

GOVERNOR BUSH: There's a motion and a second.

Without objection the item passes.

MS. CASTILLE: Item 8, Mission San Luis, consideration of an option agreement to acquire 3.55 acres as an addition to Mission San Luis from John G. and Mary Jean Beverly.

CFO GALLAGHER: Motion on 8.

ATTORNEY GENERAL CRIST: Second.

GOVERNOR BUSH: There's a motion and a second.

Without objection the item passes.

MS. CASTILLE: Item 9, Bartow Trailhead at Fort Fraser Trail Project, an option agreement to acquire 8.18 acres within the Bartow Trailhead at Fort Fraser from the Cooperative Fruit Company.

CFO GALLAGHER: Motion on 9.

ATTORNEY GENERAL CRIST: Second.

GOVERNOR BUSH: There's a motion and a second.

Without objection the item passes.

MS. CASTILLE: Item 10 is Angler's Resort at Suwannee, Inc. This is consideration of an option agreement to acquire 2.63 acres to be managed as part of the Suwannee River Wilderness Trail from Angler's
Resort at Suwannee, Inc. The purchase price is an incredible 1.9 --

GOVERNOR BUSH: Incredible in what way?

MS. CASTILLE: It is incredibly low for waterfront property and for an existing seven-room motel.

GOVERNOR BUSH: It's incredibly low, really? It takes two acres on the Suwannee River to -- you've got to pay two million bucks?

MS. CASTILLE: Absolutely, sir.

GOVERNOR BUSH: That's about a million an acre; isn't it?

MS. CASTILLE: This is one of the very few places left for public --

GOVERNOR BUSH: Sounds like South Florida prices in North Florida.

MS. CASTILLE: -- for public acquisition. It includes a seven-room motel.

GOVERNOR BUSH: If I didn't have to go to Pensacola, I'd give you a hard time on this one, Colleen.

MS. CASTILLE: And I would like to recognize Mrs. George Anderson, Oscar Anderson and Robin -- I'm sorry, Robin. I don't know your last name -- who are here in the audience, I think.

GOVERNOR BUSH: Where are they?
MS. CASTILLE: I guess they --

GOVERNOR BUSH: Thank you for offering it up at a very low, low price, as I said.

CFO GALLAGHER: Motion on 10.

ATTORNEY GENERAL CRIST: Second.

GOVERNOR BUSH: There's a motion and a second.

Without objection the item passes.

MS. CASTILLE: Item 11 is the DMS Workplace Management Initiative status report. I do have speakers, if you'd like to hear from them. Mayor Marks is here and Secretary Tom Lewis.

CFO GALLAGHER: We're just going to talk about what we're doing? The next Cabinet ought to be hearing this instead of us but --

GOVERNOR BUSH: I think the mayor wants to --

CFO GALLAGHER: If the mayor wants to talk --

MAYOR MARKS: Thank you very much, Governor and Cabinet. I want to thank you for allowing me to just speak for a very, very short time. What I want to say, first of all, is thank you, Governor and Cabinet and, Charlie, thank you as well for all the support that you all have given to the City of Tallahassee during my initial tenure as mayor of the City, and I obviously look forward to working with the new Cabinet on some other initiatives in the future.

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The City is moving aggressively on the
redevelopment of the properties that have already been
conveyed to us, the Johns property, the Chevron
property. This particular piece, the Bloxham Building,
of course, is another site that we're looking forward
to as a part of the downtown redevelopment process.
And we understand there are some other buildings that
you may want to dispose of in the future, and certainly
the City of Tallahassee and our community look forward
to working with the Governor and the Cabinet on that.
Thank you so very much for all that you're doing, what
you're doing for the City of Tallahassee.

GOVERNOR BUSH: Are you guys going to buy the
Bloxham or are we giving it to you?

MAYOR MARKS: It's not quite giving it to us but
it's a good deal. We like it. Thank you.

CFO GALLAGHER: I think it's going to the school
board; isn't it?

GOVERNOR BUSH: Yeah, it is.

MS. CASTILLE: It's a lease.

CFO GALLAGHER: Some day.


GOVERNOR BUSH: Wait.

MS. CASTILLE: Secretary Lewis.

CFO GALLAGHER: There was no action on this, 11.
MS. CASTILLE: Just acceptance of the report.

GOVERNOR BUSH: I think this is a great policy.

It will enhance the revitalization of an unbelievably beautiful city, but the downtown area, if you had more properties in private hands, you're going to have a more vital, exciting place. And for buildings or pieces of property that we don't use, it just makes all the sense in the world, and I hope it continues on. I appreciate Secretary Lewis's efforts to push this along. All right. Secretary.

MS. CASTILLE: Item 13 is --

CFO GALLAGHER: What about 12?

GOVERNOR BUSH: We skipped 12? That's why Secretary Lewis is here.

MS. CASTILLE: Item 12 is the BOT lease amendment. Here it is. I'm sorry. This is on Southcom.

CFO GALLAGHER: Motion on 12.

MS. CASTILLE: Secretary Lewis.

GOVERNOR BUSH: There's a motion on 12.

COMMISSIONER BRONSON: Second.

GOVERNOR BUSH: And a second. Tom, would you like to --

MR. LEWIS: Governor, Cabinet, I don't need to say anything. This puts the State in a great position to be able to accommodate the retention of the Southern

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Command Headquarters in South Florida. The Congress -- the Armed Services Committee decided they wanted to look at two sites, and this is one of them. And this will give us the ability to be ready if they in fact move forward on this site.

GOVERNOR BUSH: In fact this, I think, puts us in a much better posture than we were when we approved it several years ago. And since that time, by the way, the mission of Southcom has expanded, and the scope and scale of the project has grown. And this is -- this will be a huge opportunity to secure over a long-term basis a very critical command in my hometown. Did I say that out loud?

CFO GALLAGHER: Move it.

GOVERNOR BUSH: There's a motion and a second. Without objection the item passes. Thank you, Tom. Thank you for your hard work on this. Hope to read about it in the Miami Herald tomorrow morning.

MS. CASTILLE: Item 13.

GOVERNOR BUSH: The long awaited Item 13.

MS. CASTILLE: Florida Atlantic University/Boca Raton Community Hospital. This is consideration of an amendment to lease 2724 --

GOVERNOR BUSH: You're losing it, Colleen. Come on now.
MS. CASTILLE:  -- between the Board of Trustees and the Florida Atlantic University to extend the remaining 67-year lease to 99 years on 38 acres.

COMMISSIONER BRONSON:  Motion.

CFO GALLAGHER:  Second.

GOVERNOR BUSH:  There's a motion and a second.  We have some speakers, I think.  Not this guy.

MR. BROGAN:  I'd like to begin my slide presentation, Governor, with --

CFO GALLAGHER:  I'd like to reconsider the vote, the motion that Bronson made.

MR. BROGAN:  Members of the Cabinet and --

GOVERNOR BUSH:  Who are you?

MR. BROGAN:  -- Governor Honey, it's really wonderful to be in front of you all this morning. Young Charlie, it's good to see you.  We just want to say thank you.  It is somewhat ironic that --

GOVERNOR BUSH:  Who are you, for the record?

MR. BROGAN:  I'm sorry.  For the record, my name is Frank Brogan, 555 Northwest 20th Street, Boca Raton. It's that big first house on the left there on campus. You can't miss it.  I want to say thank you to the members of the Cabinet on two scores.

One, it is somewhat ironic that we are here appearing on this last Cabinet agenda for you all as a
group, and it's great to be a part of this. We're going to, with your affirmative vote today, leave you with one more great decision that will forevermore impact the people of the state of Florida in a very, very positive way.

GOVERNOR BUSH: Thank you very much.

MR. BROGAN: Thank you, Governor.

COMMISSIONER BRONSON: He has not lost it yet.

GOVERNOR BUSH: I've always wanted to know this, in all our years together. How do you continue to talk without breathing? You're a little guy. It just doesn't look like you could just speak like for five minutes --

MR. BROGAN: My mother taught me years ago --

GOVERNOR BUSH: You must be able to go underwater and swim around like for hours.

MR. BROGAN: My mother taught me years ago that when you speak, don't take a breath because they'll think you're finished and leave. So I learned to control my breathing years ago.

COMMISSIONER BRONSON: That has never been your problem.

MR. BROGAN: As I now defer to my colleagues, I want to introduce to you Norman Tripp, who is the chair of the Board of Trustees for Florida Atlantic

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University, who is with us today. And now I'm going to invite to the podium Dr. Gary Strack, who represents Boca Raton Community Hospital.

GOVERNOR BUSH: Doctor, welcome.

DR. STRACK: Thank you very much. I just want to echo Frank's comments. Not being quite as articulate as Frank, I do have to breathe, and also recognizing that you, Governor, have to get a -- catch a plane for something also very important.

We just want to thank you for your continued support on this magnificent project, which we think is going to have a huge impact on health care in South Florida. It all started just a couple of years ago when we signed a major affiliation agreement with Florida Atlantic University and the University of Miami to become their primary teaching hospital on their campus. And your action today will further that and your continued support is very important.

I'd also like to introduce my board chairman, who is here with me today, Dick Schmidt, who has challenged us and supported us to make this happen. Dick.

MR. SCHMIDT: Thank you. I'm not going to say anything.

DR. STRACK: So thank you very much.

GOVERNOR BUSH: This is a great venture. We're

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very excited about it.

MS. CASTILLE: We have one member of the Sierra Club who would like to briefly speak, not necessarily in opposition.

MR. MARTIN: Drew Martin. I spoke earlier. We're not opposed to a hospital being at FAU, but we are concerned that there have been some burrowing owls in this area, and also there might be the possibility of some gopher tortoise. I don't know if there are any. But definitely there have been burrowing owls.

So we just hope that whatever is built will be done in careful consideration of the Florida wildlife in the area. Thank you very much for your time. Appreciate it.

GOVERNOR BUSH: Thank you. Is there a motion? There is a motion and a second. All in favor say aye. Aye.

CFO GALLAGHER: Aye.

COMMISSIONER BRONSON: Aye.

ATTORNEY GENERAL CRIST: Aye.

GOVERNOR BUSH: All opposed? Thank you all very much.

MS. CASTILLE: They would like a quick picture.

MR. BROGAN: Would y'all mind if we got a quick picture with you?
(Photographs taken.)

MS. CASTILLE: Governor, members of the Cabinet, we're at Item 14.

GOVERNOR BUSH: Yes, we are.

MS. CASTILLE: Did you vote on 13?

GOVERNOR BUSH: Yes.

MS. CASTILLE: Okay. I'm sorry. Item 14 is the Wekiva-Ocala Greenway Florida Forever Project.

GOVERNOR BUSH: Keep it together for two more items. You can do it, girl.

MS. CASTILLE: This is consideration of an option agreement to acquire 1,584.2 acres within the Wekiva-Ocala Greenway Florida Forever Project from BARN, LLP, in partnership with Orlando-Orange County Expressway Authority, the St. Johns River Water Management District and Lake and Orange Counties.

CFO GALLAGHER: Governor, as my last motion ever, I move Item Number 14.

ATTORNEY GENERAL CRIST: Second.

GOVERNOR BUSH: There's a second. Is there any discussion? No one wants to speak, right? All in favor say aye. Aye.

COMMISSIONER BRONSON: Aye.

CFO GALLAGHER: Aye.

ATTORNEY GENERAL CRIST: Aye.
GOVERNOR BUSH: Opposed? This is a great, great property. Thank you, Eva, for your hard work.

(Applause)

(Whereupon, the proceeding was concluded at 11:50 a.m.)
CERTIFICATE OF REPORTER

STATE OF FLORIDA   )
COUNTY OF LEON     )

I, Jo Langston, Registered Professional Reporter, do hereby certify that the foregoing pages 5 through 124, both inclusive, comprise a true and correct transcript of the proceeding; that said proceeding was taken by me stenographically and transcribed by me as it now appears; that I am not a relative or employee or attorney or counsel of the parties, or a relative or employee of such attorney or counsel, nor am I interested in this proceeding or its outcome.

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of January, 2007.

____________________________
JO LANGSTON

Registered Professional Reporter

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