THE CABINET STATE OF FLORIDA

Representing:

DEPARTMENT OF REVENUE

DEPARTMENT OF LAW ENFORCEMENT

BOARD OF TRUSTEES, INTERNAL IMPROVEMENT TRUST FUND

The above agencies came to be heard before THE FLORIDA CABINET, Honorable Governor Crist presiding, in the Cabinet Meeting Room, LL-03, The Capitol, Tallahassee, Florida, on Tuesday, September 28, 2010, commencing at 9:10 a.m.

Reported by:
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APPEARANCES:

Representing the Florida Cabinet:

CHARLIE CRIST Governor

CHARLES H. BRONSON Commissioner of Agriculture

BILL McCOLLUM Attorney General

ALEX SINK Chief Financial Officer

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1	PROCEEDINGS
2	* * *
3	(Commenced at 9:45 a.m.)
4	GOVERNOR CRIST: Thank you. In August we
5	approved the appointment of Mimi Drew as interim
6	secretary of the Department of Environmental
7	Protection. She's done a great job. And at the
8	last Cabinet meeting we removed the interim part of
9	her title. I would like to ask that the Cabinet
10	confirm this decision. Is there a motion to do so?
11	CFO SINK: Move it.
12	COMMISSIONER BRONSON: Second.
13	GOVERNOR CRIST: Moved and seconded. Show it
14	approved without objection. It is unanimous.
15	Congratulations, Secretary.
16	The SBA meeting will be today at 1:00 p.m. The
17	next Cabinet meeting is Tuesday, October 12th.
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1 GOVERNOR CRIST: Department of Revenue, Lisa 2 Echeverri. Good morning, Lisa. 3 MS. ECHEVERRI: Good morning. We have four items on our agenda today. We respectfully request 4 5 approval of the minutes of the August 10th meeting. 6 GOVERNOR CRIST: Is there a motion to approve? 7 COMMISSIONER BRONSON: Motion to approve Item 8 1. 9 CFO SINK: Second. 10 GOVERNOR CRIST: Moved and seconded. Show it 11 approved without objection. 12 MS. ECHEVERRI: Item 2, we respectfully request 13 approval and authority to publish Notice of Proposed 14 Rulemaking. These are proposed rules for Chapters 12A, 12B and 12C. They are general annual updates 15 16 to our forms for 2011. 17 CFO SINK: Move it. 18 ATTORNEY GENERAL McCOLLUM: Second. 19 GOVERNOR CRIST: Moved and seconded. Show it 20 approved without objection. 2.1 MS. ECHEVERRI: Item 3, we respectfully request 22 approval and authority to publish Notices of 23 Proposed Rulemaking for Chapters 12-22, 12A and 12B. 24 These are 2010 law changes we are implementing in the areas of communications services tax and in the 25

1 sales tax area of admissions, pest control and 2 cleaning services, resale vending machines, 3 productive output for new and expanding businesses 4 and public works contracts. 5 CFO SINK: Move it. 6 COMMISSIONER BRONSON: Second. 7 GOVERNOR CRIST: Moved and seconded. Show it 8 approved without objection. 9 MS. ECHEVERRI: Item Number 4, we request 10 approval and authority to publish a Notice of 11 Proposed Rulemaking for Hotel Reward Points Program. 12 This is Rule 12A-1.0615. These rule amendments will 13 give guidance and clarification to hotel owners on 14 the taxability of certain portions of consideration 15 received under Reward Points Program. 16 ATTORNEY GENERAL McCOLLUM: Move it. 17 COMMISSIONER BRONSON: Second. 18 GOVERNOR CRIST: Moved and seconded. Show it 19 approved without objection. Thank you, Lisa. 20 MS. ECHEVERRI: Thank you. 2.1 GOVERNOR CRIST: You're welcome. 22 23 24 25

1	GOVERNOR CRIST: Florida Department of Law
2	Enforcement, Assistant Commissioner Mark Zadra.
3	Good morning, Commissioner.
4	MR. ZADRA: Good morning. Florida Department
5	of Law Enforcement has four items on the agenda
6	today. The first item is the minutes of the
7	June 8th, 2010, Cabinet meeting.
8	COMMISSIONER BRONSON: Move it.
9	CFO SINK: Move it.
10	COMMISSIONER BRONSON: Second.
11	CFO SINK: Second.
12	GOVERNOR CRIST: Moved and seconded twice.
13	Show it approved without objection.
14	MR. ZADRA: Item 2 are the minutes of the
15	July 29th, 2010 Cabinet meeting.
16	COMMISSIONER BRONSON: Motion for
17	ATTORNEY GENERAL McCOLLUM: Move go ahead.
18	I'll second it.
19	COMMISSIONER BRONSON: Motion for approval of
20	Item 2.
21	ATTORNEY GENERAL McCOLLUM: Second.
22	GOVERNOR CRIST: Moved and seconded. Show it
23	approved without objection.
24	MR. ZADRA: The third item on our agenda today
25	is the Department's annual performance report for

fiscal year 2009-10 and contracts and purchases over \$100,000. This report provides the performance data concerning the General Appropriations Act measures, as well as four additional measures appearing in the Department's performance contract.

2.1

Those four are the number and percent of criminal investigations closed, the number and percent of criminal investigations closed that resulted in arrest, the number of public assistance fraud investigations, and the amount of fraudulent benefits withheld as a result of public assistance fraud investigations.

You remember that CFO Sink specifically requested these four measures be added to the contract at the August 29, 2009, Cabinet meeting. We were happy to include them.

Regarding our public assistance fraud measures,

I'd like to point out that this will be the last

time that we'll be presenting those, as the public

assistance fraud program will be transferring to the

Department of Financial Services in January.

The Department has maintained a steady level of performance throughout this fiscal year. And despite the resource challenges that I know that we face as a state, and many of our sister state

agencies, we've continued to meet or exceed at least two-thirds of those performance measures.

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I believe that this is a testament to not only department leadership and a collaborative effort, the commitment to our mission, but more importantly to our members of the Department who have faced adversity but worked very hard through each of those issues that we've dealt with.

Some highlights from this year include

Florida's implementation of the Adam Walsh Act. The

Department of Justice recognized Florida as the

third state to become fully compliant in the

implementation of that act, which aligns the sex

offender registry standards across states and

tightens the requirements for offender registration

notification.

Part of this implementation is the increased sexual offender predator notifications made to the public, including a free e-mail notification that's made through our Florida Offender Alert System. To date, more than 100,000 people have subscribed to that program, and we've sent out over two million notifications from that system.

In another announcement, we joined forces with the United States Immigration and Customs

Enforcement to announce expansion of the Secure

Communities initiative within the state of Florida

and to all 67 counties. This effort uses our new

biometric identification sharing capability to help

federal immigration officials identify criminal

aliens when they are booked into local custody.

Florida is the third state also to implement this

program statewide. And I would emphasize this only

involves those that are convicted of crimes.

2.1

We've continued to see investigative successes as well. We arrested 21 individuals as part of our Operation Cash Exchange. This was a statewide effort combating public assistance fraud, where retailers were illegally providing cash through the use of the electronic benefit transaction cards. The 15 stores involved committed approximately \$3.5 million in fraud.

Operation Painkiller involved the arrest of 172 individuals in multiple Central Florida counties who sold prescription medications that had been illegally obtained by visiting pill mills. More than 20,000 prescription pills were seized during this operation.

And, finally, we were involved in multiple large-scale fraud cases involving and surrounding

1 stolen ATM card information. One case involved a 2 \$55 million Medicaid fraud scheme and a case 3 surrounding a multi-million-dollar scheme to 4 illegally recruit construction investors. I'd be 5 happy to answer any questions regarding this item. GOVERNOR CRIST: Is there a motion? 6 7 ATTORNEY GENERAL McCOLLUM: Move Item 3. 8 COMMISSIONER BRONSON: Second. GOVERNOR CRIST: Moved and seconded. Do you 9 10 have a question, CFO? CFO SINK: No. I just want to make a comment 11 12 that this is a pretty impressive, very impressive 13 report. And please convey my and I think our thanks 14 to all the members of the FDLE team for the 15 incredible work you do all year long to protect 16 Floridians. This is a very good performance report. 17 MR. ZADRA: Thank you, CFO Sink, and I'll make 18 sure that we personally convey that message to our 19 members. 20 GOVERNOR CRIST: Please do for all of us. 2.1 I think it has been moved and seconded, and show it 22 approved without objection. 23 Thank you, Governor. MR. ZADRA: 24 GOVERNOR CRIST: You're quite welcome. 25 MR. ZADRA: Item Number 4, the Department would

1 respectfully request that this item be withdrawn. 2 GOVERNOR CRIST: We would respectfully allow 3 you to do so. 4 MR. ZADRA: Thank you, sir. 5 GOVERNOR CRIST: Is there a motion to that 6 effect? 7 CFO SINK: Move it. 8 COMMISSIONER BRONSON: Second. 9 GOVERNOR CRIST: Moved and seconded. Show it 10 withdrawn. 11 The last item is a Notice of MR. ZADRA: 12 Proposed Rule, 11D-2.001, Florida Administrative --13 GOVERNOR CRIST: If I might, by doing that, you 14 just saved about 9,000 people \$50 apiece. Thank you 15 on their behalf. 16 MR. ZADRA: Yes, sir. This proposed rule is 17 created to implement Section 893.1495, providing an 18 electronic monitoring system for retailers to record 19 the real-time purchase of products used to 20 manufacture methamphetamine. You may already know 2.1 that the ingredients found in common 22 over-the-counter cold medicines such as Sudafed are 23 used to manufacture methamphetamine. 24 Since 2005 retailers have been required by 25 federal law to manually record purchases of these

types of medicines in their logbooks. New state laws enhance the requirement by providing for the electronic monitoring system, and expanded to include every retailer, even gas stations and convenience stores.

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The rule language specifies how sales must be tracked and provides an exemption process for retailers who meet certain requirements. The benefit of the electronic monitoring is that purchase information will be real-time, so retailers can block the sale if legal limits are exceeded. And the information will be contained within a single system that is more accessible to law enforcement.

We've already seen value of this during a pilot we launched in the panhandle of Florida. And it was determined that a central repository to monitor the purchase of these meth precursor drugs would be very effective. And it will be implemented at no cost to the retailers.

Last month the Department proactively held a series of workshops throughout the state to gather information on the impacted parties. We received excellent input that was implemented within the proposed rule language. And upon approval, the

1	Notice of Proposed Rulemaking will be published in
2	the Florida Administrative Weekly on October 8,
3	2010, and an opportunity for public hearing will be
4	provided. And I would be happy to answer any
5	questions regarding the proposed rule.
6	ATTORNEY GENERAL McCOLLUM: Move Item 5.
7	CFO SINK: Second.
8	GOVERNOR CRIST: Moved and seconded. Show it
9	approved without objection. Thank you, Mark.
10	MR. ZADRA: Thank you.
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GOVERNOR CRIST: Board of Trustees, Secretary
Drew. And I think, CFO, you wanted to recognize a
departing staff member.

CFO SINK: Oh, yes. Sorry, Governor.

GOVERNOR CRIST: It's all right.

CFO SINK: I'd like to -- from the recommendation of my staff and others, I'd like recognize David Clark, with the Office of Cabinet Affairs. David, would you please come forward.

(Applause)

2.1

CFO SINK: And I understand maybe your wife is here, too. Surprise, surprise. This is Ashley.

(Applause)

CFO SINK: David has been with the DEP for the last six years, and most recently -- sorry our generals are not still here -- David has been accepted to the United States Army Officer Candidate School, and he's going to begin his training in October. He was one of just three men selected out of 47 applicants for OCS. Once he has completed OCS, he'd like to attend airborne, air assault and ranger school.

This has been a life-long passion of David's, to join the military to serve his country. In preparation for his departure, he has been seen

running around DEP's parking lot with an Army pack and in boots. It's just an example of the commitment and discipline he has.

David, on behalf of the citizens of Florida who you have so ably served for the last six years and also the citizens of our country, we want to thank you for your selfless service to our country as an American soldier and also as a valued employee of the State of Florida for the last six years and our best wishes to you going forward.

(Applause)

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MR. CLARK: Governor, Cabinet, especially CFO, thank you. Completely unexpected. Thank you. It's been an honor and a privilege to be able to work with the amazing staff that I've been able to work with at DEP and your staff. It's been an incredible journey over the last six years with the State of Florida, and I thank you all for that.

I look forward to serving my country in any capacity I can. Simply, thank you very much on behalf of my wife and myself.

CFO SINK: And I'd like to just mention that Ashley is also a state employee, State of Florida employee working in our Division of Accounting and Auditing. Good team. Thank you.

GOVERNOR CRIST: 1 Thank you both. 2 Congratulations. Why don't we get a shot. 3 (Applause) 4 GOVERNOR CRIST: Board of Trustees. Secretary 5 Drew. 6 MS. DREW: Good morning, Governor, members of 7 the Cabinet. We'll miss David, too. I appreciate 8 your honoring him this morning. He's been a 9 wonderful asset to the agency. 10 The first item, we respectfully request 11 approval of the minutes from the July 29th, 2010, 12 Cabinet meeting. 13 COMMISSIONER BRONSON: Motion for approval of 14 Item 1. 15 CFO SINK: Second. 16 GOVERNOR CRIST: Moved and seconded. Show the 17 minutes approved without objection. 18 Thank you. Item 2, we request MS. DREW: 19 consideration of the September 2010 Florida Forever 20 Five-Year Plan, the Acquisition and Restoration Council's recommended Florida Forever Land 2.1 22 Acquisition Priority List and Work Plan, and the 23 Acquisition and Restoration Council's recommended 24 Florida Forever Capital Improvements Priority List 25 and Work Plan.

Just a little note on that. The acquisition list includes 112 projects containing

1.95 million acres. And this is the first time in ten years that we've actually ranked these into five categories as requested — as required by the legislature. So we have five categories: Climate change lands, critical natural lands, less—than—fee lands, partnerships and regional incentives and substantially complete projects.

We respectfully request approval of that -- of those three items.

CFO SINK: Move it.

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COMMISSIONER BRONSON: Second.

GOVERNOR CRIST: Moved and seconded. Show Item 2 approved without objection.

MS. DREW: Item 3, we request consideration of an execution of a partial release of a lease and the issuance of a 50-year lease to the Leon County School Board for the Bloxham Building. Leon County and the City of Tallahassee have expressed an interest for the school board to utilize the Bloxham Building and sent a formal resolution to us in July of 2009.

The lease would require the school board to -- allow the school board to have five years to occupy.

If we've not received confirmation within five years, the board would have an option to terminate the lease and require the school board to execute a release of that lease.

2.1

With us today is Jackie Pons, superintendent of Leon County Schools, who has asked to address the Board this morning on this issue, with your permission.

GOVERNOR CRIST: Of course, of course. Please come forward, Mr. Superintendent.

MR. PONS: Thank you. I just wanted to come before you first to thank your staff for all the hard work on this and to thank you for your consideration. I'd like to also recognize our former superintendent that's with me today, Bill Montford. Bill is behind me, but this was his original idea when he was superintendent, to come forward, to bring this back into our inventory so we could have a downtown presence related to education here in Leon County.

And we would hope that you would approve this, and we look forward to moving forward with a plan that would meet the needs of this community.

GOVERNOR CRIST: I'll move it.

ATTORNEY GENERAL McCOLLUM: Second.

1 GOVERNOR CRIST: Moved and seconded. Show it. 2 approved without objection. 3 Thank you very, very much for what you're 4 doing. 5 MR. PONS: And thank you, and thank each and 6 every one of you for your service to the State of 7 Florida. 8 GOVERNOR CRIST: Thank you, Jackie. Thank you, 9 Bill. 10 Thank you. Item Number 4 is the Big MS. DREW: 11 Cypress National Preserve and Addition conveyance. 12 We had requested to defer this item. We are fully 13 prepared to talk about the item should it be 14 requested this morning. The reason we asked for a 15 deferral was we had a request from a stakeholder 16 over the weekend who wanted to be here in support of 17 it who could not be here, and he asked us to delay. 18 But we're here ready to talk about it, Governor, at 19 your pleasure. 20 GOVERNOR CRIST: Could you just give us a brief 2.1 overview of what we're talking about here? 22 I'll be happy to do that. MS. DREW: 23 donation and conveyance of a total of 29,000 acres

of state-owned land in the Big Cypress National

Preserve and Big Cypress Addition to the United

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States on behalf of the National Park Service. The Big Cypress Act of 1973, the Florida Legislature set aside this property to become part of the preserve. Congress endorsed it in 1974 and expanded it in 1988.

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We've all worked diligently to try to get to a point where we can transfer that property to the National Park Service for the last, well, 10, 15 years. Most recently the Fish and Wildlife Service and the DEP and FWC and all the agencies involved have worked very hard to reach an agreement on how that property would be managed.

And we were going to bring that issue to you this morning. And as I said, we were asked to delay so that Representative Bergeron — I'm sorry — Commissioner Bergeron could be here, and he can't be here. I have people here who can go into more detail if you'd like detail about that property.

GOVERNOR CRIST: Well, you know, I don't know why we wouldn't do it, but we certainly want to respect everyone's opportunity to be heard. Is there a motion?

COMMISSIONER BRONSON: Well, Governor, I've got — to do this, in my opinion, without the finalized plan from the federal government, I think

may be rushing it a little bit. I'd like to see that final plan. There are three or four issues that were brought up in this report that I think we need to take into consideration.

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Number one, part of this — and I don't know how much of it exactly yet — is going to be designated a wilderness area. Now, our Forestry Division has run into this before, where wilderness areas have been designated by the federal government, and you cannot carry mechanized firefighting equipment into those areas designated by the federal government. This is a problem. And especially since 75 and 41, both evacuation routes in that area, are involved in this. That's the first issue.

The second issue that I have concern with until that final plan does end up in our hands before the vote is taken is, under those same conditions of designating a huge portion of this area as wilderness, that means there will be no going in and taking care of non-native invasive species. It will grow to its maximum without any pressures whatsoever to do those types of things. If there's a major outbreak of disease in the trees of that area, you cannot take those trees out either.

There are some real issues here that I still have concerns, and I'd like to see what that federal plan designs to these issues that could not only affect the adjacent state lands but also affect private lands in that area with some of these issues.

I know how it was originally set up, and to transfer it from state ownership to federal ownership under the right guidelines, I don't know that there would be a problem with that because it's going to be protected just as it is now. But right now we can go in and do those plans of taking out invasive species and looking at the diseased trees and do what we need to do to take care of it.

So I'm concerned, until we see the federal government's final plan on this and how they plan to take care of this land and how it's going to affect state land and private landowners in that area, I don't believe I could vote for this until I see that final plan.

GOVERNOR CRIST: CFO?

CFO SINK: Yes. My staff was doing some briefing with me, and I just have a few questions, because there's some indication that maybe the State, we just can't afford to really effectively

1 manage these lands today and that there may be some 2 benefit -- I understand your concerns. But is there 3 a benefit to going ahead? I mean, this has been 4 going on for 30 years. 5 MS. DREW: Right. What we think about Tallahassee --6 CFO SINK: 7 MS. DREW: Could I respond? 8 CFO SINK: -- takes generations to make things 9 happen. But is there an answer here which would 10 enable us to go ahead and get it out of our 11 responsibility into the feds', where perhaps they do 12 have more resources to effectively manage the lands 13 when we're not, but not have to go through yet 14 months and months and months, or I don't know how 15 the federal government works, to assure --16 GOVERNOR CRIST: Badly. 17 CFO SINK: -- ourselves that they are, in fact, 18 going to be able to have effective stewardship? 19 MS. DREW: May I respond to a few points? 20 GOVERNOR CRIST: Of course you can. 2.1 MS. DREW: First of all, Commissioner Bronson, 22 there are two separate processes, as you all 23 probably know. One is the acquisition of the 24 property, and one is the development and the

management plan. And we're working very hard with

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the federal government to get to a management plan that we can all live with. But there are really two parallel issues there.

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One of the issues is, if we don't take action on this, we're likely to lose the environmental site assessment, which has already been done at the cost of \$35,000, which will expire in December. So, you know, we're quite anxious. It's a great environmental project. It's a great project that unites all of the agencies.

We've worked very hard with the Department of Interior to be good partners with them. As you know, they're critical partners to us in many areas of the rest of the state. So that's one of the reasons we would like to see this moved.

To your specific question about mechanized equipment and firefighting, we have been working with them and they are open to suggestion on what we feel is important for our ability to get in there and manage that property. So I think we can address that issue.

GOVERNOR CRIST: General?

ATTORNEY GENERAL McCOLLUM: I just want to know when this report is due that Commissioner Bronson is talking about. I had heard from my staff it might

be November or December, and they'll actually produce this report. Is that going to — that would be before the deadline you had mentioned to us, I presume. So what is your understanding of when there will be this federal plan that they'll have out about managing it?

2.1

MS. DREW: I don't have a date on that. I know that they've been working hard, and it's going through their federal process. And because of their confidentiality provisions, we haven't been able to see the final plan, but we've been talking to the park superintendent on an almost daily basis, and he's been working with all the stakeholders so that we have a comfort level that what's in the plan is something we can live with. And, again, that plan can be changed if we need to change it after the fact.

ATTORNEY GENERAL McCOLLUM: Well, I think what Commissioner Bronson has asked is fairly reasonable. And my knowledge of how government works at the federal level is if we have a deadline that's responsible here and they're well along the way, they should produce that report, that plan, fairly quickly to us. At least we should try to get it, it seems to me.

So, Governor, I would move that we defer this and ask Mimi and her team to go see if they can't prod the plan along, to see if we can't see the management plan before the end of this year, before the last Cabinet meeting this year, where we could vote on this.

I understand why we should vote on it, but I also agree with Commissioner Bronson. We ought to have a chance to see exactly what it is they're proposing to do. I know I trust DEP a lot. But it's my — I'm a trustee. I've got to look at it, too. And I think Commissioner Bronson has made a very good point.

So I would move we defer this, with a request that it not be brought back this year until we get some word back from the federal government, hopefully with a plan.

COMMISSIONER BRONSON: I'll second that.

GOVERNOR CRIST: Moved and seconded. Did anyone else wish to speak on this issue, Secretary?

MS. DREW: We do have a few people, if you'd like to hear from them today. Andy McLeod is here from the Nature Conservancy and Julie Wraithmell from Audubon have joined us today.

GOVERNOR CRIST: It's up to them, sure.

MR. McLEOD: Thank you very much, Governor and Cabinet. Andy McLeod from the Nature Conservancy. We believe that it is time to act on this. It's been 40 years that we've been — as the federal government managing Big Cypress and 15 years since

the addition was authorized.

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This will realize a savings for the State, money back from this transaction, approximately \$4 million, which we would hope to go ultimately to Florida Forever and/or Everglades funding.

The cost share is quite beneficial to the State, 80/20. So it's a reasonable proposition for the State. And I would note in the agenda item that the federal government has managed this property very satisfactorily for 40 years. In addition, as the item states, the National Park Service is requesting early conveyance to be able to provide immediate oversight, enforcement and effective management of the conservation lands within Big Cypress. That would include fire management, invasives control, as well as public access.

And so we think it's a good deal and a timely deal for the State of Florida. Thank you.

GOVERNOR CRIST: Thank you very much.

CFO SINK: Governor, maybe the -- I'd be

interested in having the -- who are we working with,
Mimi, from the fed side? Is it the park
superintendent or --

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MS. DREW: Yes, it's the park superintendent.

And also I've been talking to Tom Strickland, who is the deputy secretary. So, I mean, there's a lot of interest from very high levels in the Department of Interior to see this go forward. And it's my understanding that the park superintendent has talked almost continuously to the stakeholders.

John Outland is here with me today, who's been heavily involved in those discussions, if you'd like to hear from him.

CFO SINK: What I was getting ready to suggest was that perhaps — I know it's hard to get to Tallahassee, but perhaps it should really be the park superintendent or the controlling authority to come and speak to the members of the Cabinet, if in fact they don't think they're going to have the final paperwork done, to assure us that the lands are going to be effectively managed.

COMMISSIONER BRONSON: Well, Governor, if I might, I'm still trying to figure out, and I think I -- I've been told that this land, under the State's authority, has been open for some public

access to the property, which may include hunting on this, or it wouldn't? Okay.

2.1

So there are some other issues. Under the federal plan, they're wanting to open up areas more for public access as well. But I don't know — and I know in the park, you can't hunt in the park for sure, and I don't know whether this 30,000 acres allows hunting right now. And I'd like to find that out because we're losing more and more land in Florida for public access for public hunting. And that's another issue. So I'd like to find that out before I would make a final vote on it.

But I think to approve something before the final plan — I mean, yes, I understand it's been 40 years, but what's the rush to do it without the plan in place so we can actually see what's going to be done with this property? And the firefighting capability, I'm telling you, when you do that mechanized — no mechanized equipment in a potential forest area that's gone into their designation, that makes it tougher to control fires that break out there, as well as the fuel loading, because those areas are prime after hurricanes for fuel loading, which is going to make putting fires out even more difficult in that area.

So I'm just saying, there are issues still out here that I'd like to see some answers to. I can't vote for it today for sure, and I'd sure like to see those before we do a final vote.

GOVERNOR CRIST: Well, we have a motion before us. It has been seconded. It is to defer for today. And it's my understanding also that former Governors Graham and Askew would like to speak to this. So are there any objections to deferral for today? No. It is therefore unanimous. We will defer for today.

MS. DREW: And just to be clear --

GOVERNOR CRIST: Miss, did you wish to speak?

MS. WRAITHMELL: I did.

2.1

MS. DREW: This is Julie Wraithmell.

GOVERNOR CRIST: Please, feel free. I'm sorry.

MS. WRAITHMELL: Thank you, Mr. Governor. My apologies. My name is Julie Wraithmell. I'm the director of wildlife conservation for Audubon of Florida. We spoke before your aides last week in support of this issue and just wanted to underscore that we really do not believe that the State's interest is served in delaying on this conveyance for any longer.

Our conservation interests are not served.

Currently these lands are not being managed. In fact, they're subject to trespass and dumping. And along those same lines, the State's financial interest is not served by delaying this any further. With additional dumping, the State may eventually find itself responsible, actually, for the cleanup of those lands.

2.1

And, similarly, under the cost-share agreement, the conveyance of these lands will result in \$4 million conveyed to the State, which could be applied in the future to additional Everglades restoration.

The reality is that the management plan and the conveyance are two separate issues here. This conveyance has been mandated for quite some time, and the management plan has been in development with a panoply of stakeholders. And I would say that the National Park Service has been very open to the concerns of both the State, particularly through the Fish and Wildlife Commission, as well as DEP.

We do not have concerns for the management and access of wilderness areas. Wilderness areas will allow hunting as well as fishing. And the National Park Service is very committed to wildfire management in those areas. The intention of those

areas, in fact, is to manage them for the health of the ecosystem.

2.1

So I would just urge you — I understand that there's a lot of moving parts on this one right now. But this is a very important conveyance. It's been a long time coming, and it really is in the best interest of Florida, both ecologically and financially. Thank you.

GOVERNOR CRIST: Thank you very much.

COMMISSIONER BRONSON: Governor, clarification.

GOVERNOR CRIST: Commissioner, sure.

COMMISSIONER BRONSON: The General's motion was to look at this after the management plan has been delivered and we get a chance to take a look at it.

Is that — that was the motion?

ATTORNEY GENERAL McCOLLUM: That was the motion.

GOVERNOR CRIST: I don't think I heard that.

Is that what you -- we'll check and see what it was.

We have a record.

CFO SINK: Well, yeah, that's important because it's so up in the air. In my opinion, we ought to defer it but not put extra strings on it until we really hear more from some of the more interested parties. I just personally am not going to -- I

don't think I can support waiting until we have a management plan because that may be a year from now.

2.1

ATTORNEY GENERAL McCOLLUM: Well, my motion was based on the assumption that we would try to get the management plan and that we would defer until we got it, assuming that it would be available. Nobody knows when it's going to be available. But the presumption in my staff is and what I hear is it's perhaps ready to be delivered in November or December, and I don't know the source of that.

Mimi, you don't have that information.

So I think we should press for the management plan. The motion was designed to say let's press for it, let's not bring it back here until the last Cabinet meeting of the year, unless you can get the management plan sooner. That was the intent of the motion. But if we don't get the management plan and they can't get it, then I'd like to hear from some of the people involved, as CFO Sink suggested, at the highest authority, so we can at least talk to them before I go out of office. I'm sure Commissioner Bronson would feel the same way, but I can't speak for you, Charlie.

COMMISSIONER BRONSON: Well, I -- thank you. But I'm very concerned that we need a definite -- we

need to know what's going to happen with this land and who's going to have access and who's not. We're going to transfer title to the federal government. And so there's just some issues before — I mean, as trustee to this board, as a member of the trustees, I don't want to just transfer titles to stuff until I know what's going to happen with it, how it's going to be managed, whether there's going to be access in case of a major fire, how is that going to affect Highway 75 and 41 as evacuation routes under those conditions.

2.1

There are just a lot of things. And I can tell you right now, I've been preaching this on this board as well as in the Florida Senate, non-native invasive species are killing our environment.

They're absolutely destroying native species. And those have to be put under control as best as we can or we're going to lose this whole fight. We're going to be saving Asia and South and Central America instead of Florida. So I have very -- I have big concerns over this.

CFO SINK: Governor, could — General McCollum, could we amend the motion to say that we're deferring today but we will bring the issue back no later than the last Cabinet meeting in December, so

that we are assured that we do get one more opportunity to hear from more people?

2.1

ATTORNEY GENERAL McCOLLUM: I would be happy to do that, but I do want to make a comment. I believe I'm right, that this particular vote would require three of us to vote in the affirmative to do it.

And I think that the Park Service and the national government ought to be aware, as well as you at DEP, that I'm not committing today that I'm going to vote in that last vote for this if they don't have a plan and we can't look at it.

They ought to be able to produce their plan or an outline of their plan or something that's more assuring to us, so we can know what they're going to do about the issues that Commissioner Bronson brought up.

But I'm happy to amend my motion to say that it will be brought back before us no later than the last Cabinet meeting of this year, whether we have the plan or not, so we can discuss it, but that it can come back sooner, and I hope it will come back sooner, with the plan, if they produce the plan.

MS. DREW: Could I make a suggestion? Would you be willing to say that we'll bring it back in two weeks, with the Park Service here ready to

answer questions, whether the plan -- and it's printed or not, but they're here and they're able to --

2.1

ATTORNEY GENERAL McCOLLUM: I have no problem with your bringing it back, but there's no assurance you're going to get my vote.

MS. DREW: I understand. I don't think -- my concern, General, is that we may not have a written -- you know how the federal government works sometimes. And we may not have the written plan any time soon.

ATTORNEY GENERAL McCOLLUM: Well, Mimi -
CFO SINK: Well, maybe this will inspire them
to get off their hineys and go get a plan.

ATTORNEY GENERAL McCOLLUM: Yeah, that's the point. You don't have any assurance of that. But as I told you, I worked in Congress for a number of years, and they can do this. If they want to do it, they can do this. And so I think my motion is fair.

If they bring back something in two weeks, fine. If the Governor and the rest of the Cabinet want to have it discussed further in two weeks, I'm happy to have it discussed further. But I'm not prepared to vote for it or to vote on it until they produce the plan. And if it goes to the last

1 meeting in December, we'll make a judgment call at that point if they haven't. But I certainly hope 2 3 that they have produced it because I feel really 4 strongly they should produce it. 5 CFO SINK: Well, I second your motion, General 6 McCollum. I'll second your motion. 7 ATTORNEY GENERAL McCOLLUM: Thank you. 8 GOVERNOR CRIST: Good. It's been moved and 9 seconded. I have a procedural question. What is 10 the vote required on this item? 11 MS. DREW: It requires three. 12 GOVERNOR CRIST: And why is that? 13 MS. DREW: Does someone want to answer? 14 MR. BALLARD: Governor, you're not talking 15 about the deferral. The deferral takes a simple 16 majority. But for disposal of land, it takes three 17 votes. 18 GOVERNOR CRIST: So it's -- for the motion 19 itself --20 MR. BALLARD: To defer, it would take two-plus, 2.1 so that if -- if it wins with two, it would have to 22 have you as the Governor to be on the prevailing 23 side. 24 GOVERNOR CRIST: To defer. 25 MR. BALLARD: To defer.

1 ATTORNEY GENERAL McCOLLUM: But to grant the actual disposition of the land, which is the 2 3 ultimate objective, it would require three votes. 4 GOVERNOR CRIST: Okay. Got it. All right. 5 You have seconded the motion? 6 CFO SINK: Yes. 7 GOVERNOR CRIST: Are there any objections to 8 the motion as amended? It's passed, the motion, as 9 amended. 10 To defer. And we will get it --MS. DREW: 11 GOVERNOR CRIST: Item 5? 12 MS. DREW: We'll get it back as quickly as 13 possible to you. 14 GOVERNOR CRIST: The sooner the better would be 15 great. 16 MS. DREW: Yes, sir. I hear you. Item 5 was a 17 request to update you on the Deepwater Horizon oil 18 And I will just touch on the high points of 19 this, and I'll be happy to answer any questions. 20 The bottom kill was completed on 2.1 September 19th, meaning that the cement -- the 22 bottom of the well was cemented, and tests indicate 23 the well is killed. 24 The news on this issue is that the federal 25 government has required the oil companies to go out

and look at all of the offshore rigs and either permanently plug them or in some way deal — dismantle them. That's 3,500 that will be permanently plugged potentially and about 650 oil and gas production platforms that are no longer being used that need to be inspected to try to prevent future issues related to that.

2.1

We continue to have response activities in Florida with the office that was set up in Port St. Joe, Pensacola, working with the counties to try to make sure we're ready to respond if issues come up over there.

In terms of cleanup, we're still having periodic tar balls. In the last 24 hours we had over 6,000 pounds of tar balls, but that's about a third of the amount that I reported to you on September 14. So it looks as though that number is decreasing.

We're doing continuing monitoring, as well as
Department of Agriculture and Consumer Services and
Fish and Wildlife Conservation Commission, to try to
make sure that the seafood is safe and that we're
not seeing any evidence in the water column of
issues related to oil.

The biggest activity we've been doing so far is

the natural resource damage assessment activities, where we're continuing to try to determine how much damage occurred in Florida. We're working with the other state and federal trustees to try to figure out what the best plan of action is for ensuring that we get reimbursement for damages.

2.1

CFO Sink, last time you asked me to expound a little bit on the potential legislative change that we had discussed during the oil spill. Basically what that is is that Section 376.121 in Florida Statutes provides for two different methods to calculate natural resource damages, the State's calculation process or the process spelled out through Oil Protection Act 90, which is the federal process.

What we were considering suggesting the legislature do is to remove what's called the opt-out provision, which the way it's currently set up, it is up to the responsible party to decide which path they want to go down for damage assessment.

What we were thinking about is, you know, letting it be the State's responsibility to determine which path to go down. If you use the State's approach, we calculate damage based on

volume of spill, which we believe would give us a much better number than the OPA 90, which relies on damage assessment, which is a little more subjective and it takes a lot longer.

2.1

So that hasn't gone anywhere other than to have internal discussions, including with the Attorney General's Office. But I just wanted to mention that, since you'd asked about it last time.

Last night there was a press call. Secretary
Ray Mabus will be rolling out his report. If you
recall, he visited different parts of the state of
Florida and talked to people about economic damages,
and he will be rolling out today at 11:30 Central
Time his Gulf Coast recovery fund concept. And I
don't have any details about that, other than to say
they will have a website at 11:30 today that will go
live that talks about how they think they can use
some of the penalties from the oil spill damage to
fold back into the affected communities. And we'll
be watching closely.

There will be states' involvement as well as local government involvement in the task force that's put together, and there will be recommendations to Congress for action related to how some of these funds might be disbursed to deal

with economic damages and restoration projects.

And I will be happy to answer any questions on any of those issues.

CFO SINK: Governor.

2.1

GOVERNOR CRIST: CFO.

CFO SINK: Thank you. Madam Secretary, as you mentioned, I know that you-all are doing a lot of work around this natural resource damage assessment protocol and certainly have been reading that the other Gulf states have perhaps in fact already made some kind of claims or applications related to the natural resource damages.

I'm not sure where we are on that. But the point is that we continue to hear reporting around the potential or the possible longer term impacts to our fisheries, our coastal environment. We know we were impacted. Would you ask the appropriate person of the academic task force that Secretary Sole really appointed within two or three days of this event happening perhaps to come to the Cabinet at one of our — maybe our next meeting or a future meeting, because I personally am really interested, as a trustees of our state—owned lands, as to what our academic research, our own Florida academic research people are thinking and whether or not they

believe they have the necessary resources, because if they don't, we ought to go back to BP and get the resources for this longer term research that we believe might be needed to truly assess what the damage is as a result of this oil spill.

2.1

MS. DREW: I'll be happy to do that. The Florida Institute of Oceanography is coordinating those grants that we got from BP to the various universities around the state, and I'm sure they'd be happy to come and address the Governor and Cabinet at the next meeting, if that's your pleasure.

CFO SINK: Thank you very much. And, Governor, I did want to make a comment about --

GOVERNOR CRIST: Of course.

CFO SINK: -- remember, we had the conversation, you and I sent the letter to Mr. Feinberg the last time. General McCollum, I saw your very good and extensive letter. I haven't heard anything back as a result of that letter. I don't know if you have.

But what I have been hearing is just continued concern on the part of the small businesses over there who are not getting their claims paid. Just yesterday our office got a call from a small

business owner in Destin. They own a vacation rental business. And they've been filing claims since, I think, May or June, haven't gotten any compensation, and they are literally going to have to shut their business down. And that's just not right.

GOVERNOR CRIST: That's not right.

2.1

CFO SINK: And, you know, I'm kind of of the mind-set of enough is enough. Fortunately, I guess the administration did hear us because we saw that sometime in the last two weeks the Department of Justice did send a letter to Mr. Feinberg saying, you know, get on with it, do your job. And, General McCollum, I'm going to defer to you, because I know you've been following this.

But at least the administration figured out he wasn't doing his job. And I don't know about you-all, but I'm sick and tired of this. These desperate people who, no fault of their own, having to shut their business down? That's horrendous.

GOVERNOR CRIST: It is horrendous.

ATTORNEY GENERAL McCOLLUM: Well, I think — if you would yield on that. I think two things. One is the task force, your task force, Governor, on economic recovery, a subcommittee of that task force

that Secretary Sheldon presided over I testified before on Friday. The full task force is going to meet shortly. And my understanding is they've invited Mr. Feinberg, and he probably will come, which is only a week or two away.

2.1

And I would certainly anticipate and hope — and if not, I think we've got every reason to be more forceful about it — that he will come forward with some further elaboration on the claims process as it is now and speeding it up.

There are really two issues here. One of them is the final protocol, what are going to be the rules for the long-haul, which are not the immediate question that you're asking, Secretary, or CFO Sink, but very important, and that is, are we going to be able to see and hear coverage for all of Florida, or is he going to draw some line in the sand, which was proposed a few weeks ago, and say, well, if you're west of — or east of Clearwater, you're not going to get it or something, which is wrong. And I think he understands that now.

And, number two, will they allow for interim claims for the period of time that OPA, the Oil Polution Act, envisions, which is three years, as opposed to forcing people to either choose to go to

court or take a final settlement within three months or so of the time they filed their first interim claim.

2.1

And I believe, again, on both of those points there will be movement, but we haven't seen the final result. What's most disturbing in the short-run is exactly what CFO Sink is talking about, and that is, there are simply not enough people working these claims by Mr. Feinberg's shop to get the job done, with so many of them out there. And there's a lot of confusion because you have to refile your claim, not just move over a claim that the old BP office was handling.

And so you can go into an office in the Panhandle, for example, right now that's still there and get somebody throw up his hands in that office. They can't deal with it. They don't have any authority. So you dial an 800 number and so do they.

And the word is there are about 25 people that have the authority to process these claims that Mr. Feinberg has given that authority to. And that's not enough people to process the thousands of claims we have out there, I don't think, but he thinks it is.

So the proof is in the pudding. And I'm with you, CFO. This is not a pretty sight at all. And we would all like to believe that the next time he appears before the task force in a week or two he'll have the answers for us. But if he doesn't, I'm with any of us here to raise whatever requirement it is and say, come on, let's do whatever you have to do, because this is ridiculous.

2.1

And it's not just ridiculous. It hurts people. There are people hurting out there who cannot pay their bills, who will go out of business unnecessarily, and they should be getting their claims paid. They should be getting more than they're getting. And there are just thousands of them in our state that haven't been paid.

COMMISSIONER BRONSON: Governor.

GOVERNOR CRIST: Thank you, General.

Commissioner.

COMMISSIONER BRONSON: I think the other thing we need to recognize — and all of us have seen it. It comes on at half time and during every major football game, both college and professional, how they're going to stay there for the course and they've got people who have worked for BP for a long time. They're spending millions upon millions of

dollars in those national advertisements. They're not statewide advertisements. They're national advertisements. And we know what that kind of advertising costs.

2.1

I think they need to move some of their direction toward getting these issues taken care of. I have still heard nothing at all about the food safety issues for the next ten years that we've made proposals on. They've come to the office and said, "We've got it. We're taking a look at it," but nobody has gotten back to us on that.

I'm very much in contact with Commissioner

Strain from Louisiana. He and I have been working very closely together on these issues, because they've been actually impacted more on their shoreline than we have, and their seafood industry has been impacted a lot more than us. He's heard nothing either from that standpoint. So those issues still have — are not taken care of.

GOVERNOR CRIST: Well, obviously, there's a grave concern with what's happening now and the inaction that's occurring is untenable. And hopefully we'll get a response shortly to our letter and yours, General. And if not, we'll take what action as necessary to continue to fight for our

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          people.
               Thank y'all very much. We stand adjourned.
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               (Whereupon, the meeting was concluded at 10:37
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          a.m.)
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4	STATE OF FLORIDA)
5	COUNTY OF LEON)
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8	do hereby certify that the foregoing pages 4 through 50,
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15	outcome.
16	IN WITNESS WHEREOF, I have hereunto set my hand
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